



CITY OF NORTH SALT LAKE

CITY COUNCIL MEETING
NOTICE & AGENDA
NOVEMBER 30, 2021 - SPECIAL SESSION
5:30 pm

Posted November 24, 2021

Notice is given that the City Council of the City of North Salt Lake will hold a special meeting on **NOVEMBER 30, 2021** via electronic meeting. The following item(s) of business will be discussed; the order of business may be changed as time permits.

SPECIAL SESSION –5:30 p.m.

1. Consideration of **Resolution No. 2021-50R**: A Resolution of the Governing Body of the City of North Salt Lake Authorizing Participation in the National Opioid Settlement Agreement
2. Adjourn

The public is invited to attend all City Council meetings. This meeting will be held via Zoom teleconference. Members of the public are invited to view the meeting electronically at the following link: Join Zoom Meeting

<https://us02web.zoom.us/j/82889421623?pwd=YUgxVU9TaW9ieVFzVHkrS0kwcERsdz09>

Meeting ID: 828 8942 1623

Passcode: 582617

Notice of Posting:

I, the duly appointed City Recorder for the City of North Salt Lake, hereby certify that the foregoing agenda was posted on the Utah Public Notice website, at city hall, and sent to the required newspapers this 24th day of November 2021.

Dated this 24th day of November 2021.





CITY OF NORTH SALT LAKE

10 East Center Street
North Salt Lake, Utah 84054
(801) 335-8700
(801) 335-8719 Fax

Len Arave
Mayor

Ken Leetham
City Manager

MEMORANDUM

TO: Honorable Mayor and City Council

FROM: Ken Leetham, City Manager

DATE: November 30, 2021

SUBJECT: Consideration of Resolution No. 2021-50R: A Resolution of the Governing Body of the City of North Salt Lake Authorizing Participation in the National Opioid Settlement Agreement.

RECOMMENDATION

I recommend approval of Resolution No. 2021-50R: A Resolution of the Governing Body of the City of North Salt Lake Authorizing Participation in the National Opioid Settlement Agreement.

BACKGROUND

In the last Legislative Policy Committee Meeting of the Utah League of Cities and Towns (ULCT), the ULCT requested that all municipalities in the State adopt resolutions before the end of the calendar year authorizing participation in the National Opioid Settlement Agreement (the Agreement). In addition, the City received the attached correspondence from the Utah Attorney General's office notifying the City of the chance to be a participant in the Agreement. I believe that the attached resolution is the quickest and most efficient method for insuring that the City is able to participate in the Agreement.

You'll notice in the Attorney General's information, that the City is likely not going to be a direct recipient of settlement funds. However, our participation will be important when other agencies such as Davis County or the State of Utah and its respective public safety and health departments receive funds and create programs that the City can participate in. I would strongly encourage the City Council to allow the City's participation by adopting the attached resolution.

PROPOSED MOTION

I move that the City Council approve Resolution No. 2021-50R: A Resolution of the Governing Body of the City of North Salt Lake Authorizing Participation in the National Opioid Settlement Agreement.

STATE OF UTAH
OFFICE OF THE ATTORNEY GENERAL



SEAN D. REYES
ATTORNEY GENERAL

Spencer E. Austin
Chief Criminal Deputy

Ric Cantrell
Chief of Staff

Melissa A. Holyoak
Solicitor General

Brian L. Tarbet
Chief Civil Deputy

TO LOCAL POLITICAL SUBDIVISIONS:
IMPORTANT INFORMATION ABOUT THE NATIONAL OPIOID SETTLEMENT.
SUBDIVISIONS MUST SUBMIT SIGNED DOCUMENTATION TO PARTICIPATE.
THE DEADLINE FOR PARTICIPATION TO MAXIMIZE SETTLEMENT BENEFITS IS JANUARY 2, 2022.

If your subdivision is represented by an attorney with respect to opioid claims, please immediately contact them.

After years of negotiations, two proposed nationwide settlement agreements (“Settlements”) have been reached that would resolve all opioid litigation brought by states and local political subdivisions against the three largest pharmaceutical distributors, McKesson, Cardinal Health and AmerisourceBergen (“Distributors”), and one manufacturer, Janssen Pharmaceuticals, Inc., and its parent company Johnson & Johnson (collectively, “Janssen”).

The proposed Settlements require the Distributors and Janssen to pay billions of dollars to abate the opioid epidemic. Specifically, the Settlements require the Distributors to pay up to \$21 billion over 18 years and Janssen to pay up to \$5 billion over no more than 9 years, for a total of \$26 billion (the “Settlement Amount”). Of the Settlement Amount, approximately \$22.7 billion is earmarked for use by participating states and subdivisions to remediate and abate the impacts of the opioid crisis.

The Settlements also contain injunctive relief provisions governing the opioid marketing, sale and distribution practices at the heart of the states’ and subdivisions’ lawsuits and further require the Distributors to implement additional safeguards to prevent diversion of prescription opioids.

Each of the proposed Settlements has two key participation steps. First, each state decides whether to participate in the Settlements. The State of Utah has joined both Settlements. Second, the subdivisions within each participating state must then decide whether to participate in the Settlements. Generally, the more subdivisions that participate, the greater the amount of funds that flow to that state and its participating subdivisions. Any subdivision that does not participate cannot directly share in any of the settlement funds, even if the subdivision’s state is settling and other participating subdivisions are sharing in settlement funds.

This letter is part of the formal notice required by the Settlements.

WHY IS YOUR SUBDIVISION RECEIVING THIS NOTICE?

You are receiving this letter because The State of Utah has elected to participate in both of the two national Settlements against (1) the Distributors, and (2) Janssen, and your subdivision may participate in the Settlements to which your state has agreed. This notice is being sent directly to subdivisions and also to attorneys for subdivisions that we understand are litigating against these companies. If you are represented by an attorney with respect to opioid claims, please immediately contact them. Please note that there is no need for subdivisions to be represented by an attorney or to have filed a lawsuit to participate in the Settlements.

WHERE CAN YOU FIND MORE INFORMATION?

This letter is intended to provide a brief overview of the Settlements. Detailed information about the Settlements may be found at: <https://nationalopioidsettlement.com/>. This national settlement website also includes links to information about how the Settlements are being implemented in your state and how settlement funds will be allocated within your state. This website will be supplemented as additional documents are created.

HOW DO YOU PARTICIPATE IN THE SETTLEMENTS?

You must go to the national settlement website to register to receive in the coming weeks and months the documentation your subdivision will need to participate in the Settlements (if your subdivision is eligible). All required documentation must be executed and submitted electronically through the website and must be executed using the “DocuSign” service. As part of the registration process, your subdivision will need to identify, and provide the email address for, the individual who will be authorized to sign formal and binding documents on behalf of your subdivision.

Your unique Subdivision Identification Number to use to register is: F853B6

HOW WILL SETTLEMENT FUNDS BE ALLOCATED IN EACH STATE?

The settlement funds are first divided among the participating states according to a formula developed by the Attorneys General that considers population and the severity of harm caused by the opioid epidemic in each participating state. Each state’s share of the abatement funds is then further allocated within each state according to agreement between the state and its subdivisions, applicable state allocation legislation, or, in the absence of these, the default provisions in the agreements.

Many states have or are in the process of reaching an agreement on how to allocate abatement funds within the states. Allocation agreements/legislation and other information about Utah’s allocation agreement or legislation can be found on the national settlement website. The allocation section of the website will be supplemented as more intra-state allocation arrangements are finalized.

In reviewing allocation information, please note that while all subdivisions may participate in the Settlements, not all subdivisions are eligible to receive direct payments. To promote efficiency in the use of abatement funds and avoid administratively burdensome disbursements that would be too small to add a meaningful abatement response, certain smaller subdivisions do not automatically receive a direct allocation. However, participation by such subdivisions will help maximize the amount of abatement funds being paid in the Settlements, including those going to counties, cities, parishes, and other larger subdivisions in their communities.

You may be contacted by the Attorney General’s Office with additional information regarding the allocation of settlement funds in Utah. Subdivisions with representation can expect information from their attorneys as well. We encourage you to review all materials and to follow up with any questions. The terms of these Settlements are complex and we want to be sure you have all the information you need to make your participation decision.

WHY YOU SHOULD PARTICIPATE

A vast majority of states have joined the Settlements, and attorneys for many subdivisions have already announced support for them. For example, the Plaintiffs' Executive Committee, charged with leading the litigation on behalf of more than 3,000 cities, counties and others against the opioid industry, and consolidated in the national multi-district litigation ("MDL") pending before Judge Dan Aaron Polster in the Northern District of Ohio, recommends participation in these Settlements.

Subdivision participation is strongly encouraged, for the following reasons:

First, the amounts to be paid under the Settlements, while insufficient to abate the epidemic fully, will allow state and local governments to commence with meaningful change designed to curb opioid addiction, overdose and death;

Second, time is of the essence. The opioid epidemic continues to devastate communities around the country and it is critical that the funds begin to flow to allow governments to address the epidemic in their communities *as soon as possible*;

Third, if there is not sufficient subdivision participation in these proposed Settlements, the Settlements will not be finalized, the important business practice changes will not be implemented, the billions of dollars in abatement funds will not flow to communities, and more than 3,000 cases may be sent back to their home courts for trial, which will take many years;

Fourth, the extent of participation also will determine how much money each state and its local subdivisions will receive because approximately half of the abatement funds are in the form of "incentive payments," *i.e.*, the higher the participation of subdivisions in a state, the greater the amount of settlement funds that flow into that state;

Fifth, you know first-hand the effects of the opioid epidemic on your community. Funds from these Settlements will be used to commence abatement of the crisis and provide relief to your citizens while litigation and settlement discussions proceed against numerous other defendants in the opioid industry; and

Sixth, because pills do not respect boundaries, the opioid epidemic is a national crisis that needs a national solution.

NEXT STEPS

These Settlements require that you take affirmative steps to "opt in" to the Settlements. If you do not act, you will not receive any settlement funds and you will not contribute to reaching the participation thresholds that will deliver the maximum amount of abatement funds to your state.

First, register your subdivision on the national settlement website so that information and documents required to participate can be sent to you. You will need the email address of the person who will be authorized to sign on behalf of your subdivision. This is the only action item needed at this time.

Second, have your authorizing person(s) or body begin to review the materials on the websites concerning the settlement agreement terms, allocation and other matters. Develop a list of questions for your counsel or the Attorney General's Office. In the very near future, your subdivision will need to begin the process of deciding whether to participate in the proposed Settlements, and subdivisions are encouraged to work through this process well before the January 2, 2022 deadline to be an initial participating subdivision. Again, the Attorney General's Office, your counsel, and other contacts within the state are available to discuss the specifics of the Settlements within your state, and we encourage you to discuss the terms and benefits of the Settlements with them.

Third, monitor your email for further communications, which will include a Participation Agreement, Release, (where applicable) a model Resolution, and instructions on executing and submitting electronically using DocuSign.

We urge you to view the national settlement website at your earliest convenience. Information and documents regarding the national Settlements and your state allocation can be found on the settlement website at <https://nationalopioidsettlement.com/>.

We appreciate your attention to this important matter and are available for any questions,

Utah Attorney General's Office

Tom Melton
Assistant Attorney General
tmelton@agutah.gov

Kevin McLean
Assistant Attorney General
kmclean@agutah.gov

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P.O. Box 140872
Salt Lake City, UT 84114-0872

North Salt Lake, UT 84054
10 East Center Street
Ken Leetham City Manager
NPD CQ-906-430

Postal Service: Please do not mark barcode

122810020240



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NPD

National Opioids Settlements
P.O. Box 43196
Providence, RI 02940-3196

RESOLUTION NO. 2021-50R

A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF NORTH SALT LAKE AUTHORIZING PARTICIPATION IN THE NATIONAL OPIOID SETTLEMENT AGREEMENT

WHEREAS, the City of North Salt Lake is one of the State’s political subdivisions that can participate by Council resolution in the State of Utah’s portion of the National Opioid Settlement Agreement (the Agreement); and,

WHEREAS, the Utah League of Cities and Towns has encouraged its members to participate in the Agreement because such participation increases the State’s share of settlement funds; and,

WHEREAS, the City Council is very supportive of the purposes of the Agreement which includes substantial funds to states and local subdivisions (counties) for the purpose of abating the Opioid epidemic in the State of Utah and across the United States; and,

WHEREAS, the City Council and the State of Utah have determined that participation in the Agreement by municipalities of the State greatly increases the amount of settlement funds that will be distributed to the State of Utah for the purposes of the Agreement.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the City Council of North Salt Lake:

The Governing Body hereby approves the City’s participation in the National Opioid Settlement Agreement and authorizes the City Manager to execute the necessary applications, signatures and any other needed documents to effectuate the City’s participation with the State of Utah in the Agreement.

APPROVED AND ADOPTED by the City Council of the City of North Salt Lake this 30th day of November, 2021.

BY THE CITY COUNCIL:

Leonard K. Arave, Mayor

Attest:

Linda D. Horrocks, City Recorder

City Council Vote as Recorded:

<u>Name</u>	<u>Vote</u>
Lisa Baskin	_____
Natalie Gordon	_____
Brian Horrocks	_____
Vacant Seat	_____
Stan Porter	_____