

RESOLUTION NO. 2021_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CULVER CITY, CALIFORNIA APPROVING PARTICIPATION IN THE NATIONWIDE OPIOID LITIGATION SETTLEMENTS AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE PARTICIPATION AGREEMENTS AND TAKE ALL NECESSARY STEPS TO EFFECTUATE THE CITY'S PARTICIPATION IN THE SETTLEMENTS.

WHEREAS, local jurisdictions throughout the State of California and the County of Los Angeles have and continue to experience an opioid epidemic as a result of opioid misuse, abuse, dependency, overdoses, and opioid related deaths; and

WHEREAS, according to the Centers for Disease Control, one in four people who are prescribed opioids for chronic pain develop issues with addiction; and

WHEREAS, the opioid epidemic affects our communities, devastates families, and overwhelms our health care, social services, law enforcement, and judicial systems; and

WHEREAS, a national multi-district lawsuit regarding the opioid crisis is being adjudicated in federal court in the Northern District of Ohio and is referred to as MDL 2804 Opiate Litigation; and

WHEREAS, on July 21, 2021 the National Prescription Opiate Litigation Multi-District Litigation (MDL) Plaintiffs' Executive Committee, several State Attorneys General, and four major defendants announced agreement on terms of a proposed nationwide settlement to resolve all opioids litigation brought by various states and local political subdivisions against the three largest pharmaceutical distributors: McKesson, Cardinal Health and AmerisourceBergen ("Distributors"), and manufacturer Janssen Pharmaceuticals, Inc. and its parent company Johnson & Johnson (collectively, "J&J"); and

WHEREAS, the settlement requires the Distributors to pay up to \$21 billion and Janssen to pay up to \$5 billion, and that roughly \$2.2 billion of this settlement is to be directed to the State of California and its subdivisions, subject to the State Attorney General and

1 political subdivisions reaching an allocation agreement to determine how to apportion and
2 distribute the settlement funds directed to California; and

3 **WHEREAS**, in October 2021, an allocation agreement was reached, whereby
4 70% of the total settlement funds sent to California will be allocated to the political subdivisions
5 of the State who elect to participate in the settlement and, consequently, release their own
6 potential claims against the defendants; and

7 **WHEREAS**, pursuant to the terms of the settlement agreements, state and
8 eligible local subdivisions must “opt in” to the settlement on or before January 2, 2022, by,
9 among other possible actions, executing a Participation Agreement; and

10 **WHEREAS**, if the City of Culver City elects to participate in the settlements, the
11 City is expected to receive monetary payments over an 18-year period to fund opioid abatement
12 costs, as defined; and

13 **WHEREAS**, in participating, if the City elects to participate and wants to receive
14 direct payments, it must notify the Settlement Distributor Administrator, otherwise, the funds
15 will be directed to the County; and

16 **WHEREAS**, the City Council finds that receiving the settlement funds is important
17 to the City’s ongoing efforts to provide and maintain intervention, treatment, education, and
18 recovery services necessary to effectively combat the epidemic.

19 **NOW, THEREFORE**, the City Council of the City of Culver City, California, **DOES**
20 **HEREBY RESOLVE** as follows:

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22 **SECTION 1.** Participation in the Settlement. The City Council hereby
23 approves and elects to “opt in” to the settlement agreements reached with
24 distributors McKesson, Cardinal Health, and AmerisourceBergen and with
25 manufacturer Janssen Pharmaceuticals, Inc., a subsidiary of Johnson &
26 Johnson, relating to the National Multi-District Opioid Litigation, as a full
27 participant.
28

1 **SECTION 2.** City Manager Appointment. The City Council hereby
2 appoints the City Manager as the City's Authorized Representative and authorizes
3 the City Manager to take all necessary and reasonable actions to effectuate
4 the City's participation in the settlement and sign all necessary agreements,
5 each following review and approval by the City Attorney.

6 **SECTION 3.** This Resolution shall take effective immediately upon its
7 adoption.

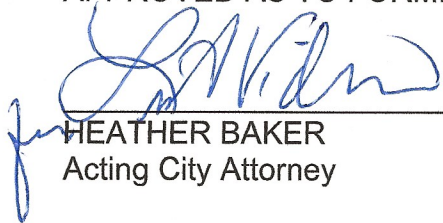
8 APPROVED and ADOPTED this _____ day of _____ 2021.
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11 _____
12 ALEX FISCH, MAYOR
13 City of Culver City, California

14 ATTEST:

APPROVED AS TO FORM:

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16 _____
17 JEREMY GREEN
18 City Clerk

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21 _____
22 HEATHER BAKER
23 Acting City Attorney
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