

RESOLUTION NO. 2021-26

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE GLOBAL OPIOID SETTLEMENT DOCUMENTS, AND ADOPTING THE TEXAS TERM SHEET.

WHEREAS, the City of Saginaw (“City”) is a home rule City acting under its Charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

WHEREAS, the City has obtained information indicating that certain drug companies and their corporate affiliates, parents, subsidiaries, and such other defendants as may be added to the litigation (collectively, “Defendants”) have engaged in fraudulent and/or reckless marketing and/or distribution of opioids that have resulted in addictions and overdoses; and

WHEREAS, the actions, conduct, and misconduct of these Defendants have resulted in significant financial cost to the City; and

WHEREAS, on May 13, 2020, the State of Texas, through the Office of the Attorney General, and a negotiation group for Texas political subdivisions entered into an Agreement entitled Texas Opioid Abatement Fund Council and Settlement Allocation Term Sheet (hereafter, the Texas Term Sheet) approving the allocation of any and all opioid settlement funds within the State of Texas. The Texas Term Sheet is attached hereto as Exhibit A;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL, CITY OF SAGINAW, TEXAS THAT:

SECTION 1.

The City Council supports the adoption of the Texas Term Sheet, and hereby adopts that document in its entirety.

SECTION 2.

The City Council finds that there is a substantial need for repayment of opioid-related expenditures and payment to abate opioid-related harms in and about the City. The City Council supports in its entirety and hereby adopts the allocation method for opioid settlement proceeds as set forth in the STATE OF TEXAS AND TEXAS POLITICAL SUBDIVISIONS’ OPIOID ABATEMENT FUND COUNCIL AND SETTLEMENT ALLOCATION TERM SHEET, attached hereto as Exhibit A. The City Council understands that the purpose of this Texas Term Sheet is to permit collaboration between the State of Texas and Political Subdivisions to explore and potentially effectuate resolution of the Opioid Litigation against Pharmaceutical Supply Chain Participants as defined therein. The City Council also understand that an additional purpose is to create an effective means of distributing any potential settlement funds obtained under this Texas Term Sheet between the State of Texas and Political Subdivisions in a manner and means that

would promote an effective and meaningful use of the funds in abating the opioid epidemic in this County and throughout Texas.

SECTION 3.

The City Council hereby authorizes the City Manager to execute in the City's behalf the Subdivision Settlement Participation Forms as related to settlements with McKesson Corporation, Cardinal Health, Inc., and AmericourceBergen Corporation, and with Johnson & Johnson as Janssen Pharmaceuticals, Inc.

SECTION 4.

Upon execution of the Subdivision Settlement Participation Form, the City Manager is authorized to send executed copies, with this Resolution (including Exhibit A) to the Office of the Attorney General, as required for participation in this settlement.

SECTION 5.

This resolution shall be in full force and effect after its passage and publication as required by law, and it is so resolved.

PASSED AND APPROVED THIS ____ DAY OF _____, 2021.

MAYOR

ATTEST:

CITY SECRETARY

APPROVED AS TO FORM AND LEGALITY:

CITY ATTORNEY

ADOPTED: _____

EFFECTIVE: _____