

## RESOLUTION NO. 2024-

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EUREKA APPROVING PARTICIPATION IN NATIONWIDE OPIOID SETTLEMENT LITIGATION AND APPOINTING THE CITY ATTORNEY OR DESIGNEE AS THE CITY'S AUTHORIZED REPRESENTATIVE AND AUTHORIZING THE CITY ATTORNEY TO TAKE ALL REASONABLE AND NECESSARY ACTIONS TO IMPLEMENT THE SETTLEMENTS, SECURE THE FUNDS, AND FULFILL THE CITY'S PRIOR AGREEMENT TO COMPENSATE OUTSIDE COUNSEL.**

**WHEREAS**, local jurisdictions throughout the County, State, and Nation, including the City of Eureka, 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**, the effects of the opioid epidemic have disproportionately affected Humboldt County, although the number of opioids prescribed in Humboldt County is decreasing, due in part to new regulations and the efforts of Rx Safe Humboldt, a community coalition of local doctors and nurses, community members, pharmacists, public health and mental health professionals, and local organizations focused on reducing harms from opioids; and

**WHEREAS**, state and local subdivisions, including the City of Eureka, filed suit against opioid manufacturers, distributors, and retailers, seeking damages and injunctive relief arising from opioid use and misinformation; and

**WHEREAS**, on November 16, 2021, Council granted the City Attorney's request to authorize settlements with McKesson, Cardinal Health, and Amerisource Bergen (Distributor Settlements) and Janssen Pharmaceuticals (Janssen Settlement); and

**WHEREAS**, on March 7, 2023, the City Council granted further authorization for settlements with Teva, Allergan, CVS, Walgreens, and Walmart; and

**WHEREAS**, the City has received notice of a proposed nationwide settlement agreement with Kroger Co., and expects that additional state and national settlement agreements will be forthcoming; and

**WHEREAS**, if the City of Eureka elects to participate in new settlements, the City is expected to receive monetary payments over multiple years depending on the specific terms of each settlement to fund opioid abatement costs, as defined; and

**WHEREAS**, as a Litigating Entity, Eureka will not only receive funds for ongoing abatement but will also be eligible to recoup internal fees and costs related to the litigation; and

**WHEREAS**, the City's outside counsel has performed valuable services for the City of Eureka in helping bring about these and prior settlements and pursuant to the retainer agreement entered into by the City and the Keller Rohrbach firm, that firm has applied to the national fee fund and agreed to limit its fee to a total 15% of the amount of City's recovery, giving City credit for any award it receives from the national fee fund; and

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

**NOW, THEREFORE, BE IT RESOLVED** as follows:

1. **Participation in the new Settlements.** The City Council hereby approves and elects to "opt in" to new settlement agreements reached with new Settling Defendants Kroger Co. and others as they become known as a full participant.
2. **City Attorney Appointment.** The City Council hereby appoints the City Attorney or City Attorney designee as the City's Authorized Representative and authorizes the City Attorney or City Attorney designee to take all necessary and reasonable actions to effectuate the City's participation in the settlement and sign all necessary agreements both to enter into said agreements and to fulfill the City's prior agreement to compensate outside counsel.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Eureka in the County of Humboldt, State of California, on the 18th day of June, 2024 by the following vote:

AYES: COUNCILMEMBERS  
NOES: COUNCILMEMBERS  
ABSENT: COUNCILMEMBERS

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Kim Bergel  
Mayor of The City of Eureka

*Attest:*

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Pamela J. Powell  
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO ADMINISTRATION:

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Autumn E. Luna  
City Attorney

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Miles Slattery  
City Manager