

RESOLUTION NO. 2021-261R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS AUTHORIZING THE SUBMISSION OF A SUBDIVISION PARTICIPATION FORM TO THE OFFICE OF THE ATTORNEY GENERAL OF THE STATE OF TEXAS TO SECURE THE CITY'S PARTICIPATION IN A CLASS ACTION LAWSUIT AGAINST MULTIPLE OPIOID DISTRIBUTORS AND MANUFACTURERS BEFORE THE DEADLINE OF JANUARY 2, 2022; AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO EXECUTE ALL DOCUMENTS NECESSARY RELATED TO SIGNING ON TO THE CLASS ACTION LAWSUIT; AND DECLARING AN EFFECTIVE DATE.

RECITALS:

1. The City of San Marcos 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.

2. These actions, conduct and misconduct have resulted in significant financial costs to the City.

3. 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".

4. Special Counsel and the State of Texas have recommended that the City of San Marcos support the adoption and approval the Texas Term Sheet in its entirety.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. The City of San Marcos supports the adoption and approval the Texas Term Sheet in its entirety and finds as follows:

a. There is a substantial need for repayment of opioid-related expenditures and payment to abate opioid-related harms in and about San Marcos .

b. 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 understands 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.

PART 2. This resolution shall become effective immediately from and after its passage.

ADOPTED on December 15, 2021.

Jane Hughson
Mayor

Attest:

Tammy K. Cook
City Clerk