

STAFF REPORT

Date: October 25, 2023

To: Mayor and City Council

Thru: Doug Thornley, City Manager

Subject: Staff Report (For Possible Action): Approval of Settlement Participation Agreement in connection with the Masters Pharmaceuticals Settlement Agreement pursuant to The One Nevada Agreement on Allocation of Opioid Recoveries.

From: Jonathan Shipman, Chief Deputy City Attorney

Department: City Attorney's Office

Summary:

Nevada Attorney General Aaron D. Ford and the Attorney General's Office ("AGO") requests Council approval of the attached Settlement Participation Agreement in connection with the Masters Pharmaceuticals Settlement Participation Agreement pursuant to The One Nevada Agreement on Allocation of Opioid Recoveries (the "One Nevada Agreement").

Alignment with Strategic Plan:

Public Safety

Previous Council Action:

June 8, 2022 - Council approved Amendment No. 2 to the One Nevada Agreement.

February 9, 2022 - Council approved Amendment No. 1 to the One Nevada Agreement authorizing settlement with specific opioid distributors and manufacturers.

July 28, 2021 - Council approved the One Nevada Agreement on Allocation of Opioid Recoveries.

Discussion:

Nevada Attorney General Aaron D. Ford reached a settlement with Masters Pharmaceutical, LLC in the opioid litigation. The settlement was negotiated in conjunction with the Plaintiffs' Executive Committee, and is recoverable and allocable through the One Nevada Agreement on Allocation of Opioid Recoveries. The Nevada share of the settlement is \$1,428,552.26. The City is expected to receive approximately \$8,157.95. The AGO will not make any disbursement until it receives an executed Masters Pharmaceutical Settlement Participation Agreement, Exhibit C,

from the City.

Financial Implications:

Under the One Nevada Agreement on Allocation of Opioid Recoveries, the City may spend funds recovered under the settlement for "Opioid Remediation" purposes; specifically, for the "[c]are, treatment, and other programs and expenditures[...] designed to (1) address the misuse and abuse of opioid products, (2) treat or mitigate opioid use or related disorders, or (3) mitigate other alleged effects of, including on those injured as a result of, the opioid epidemic.

Legal Implications:

Legal review completed for compliance with City procedures and Nevada law.

Recommendation:

Staff recommends Council approve the Settlement Participation Form, Exhibit C, and authorize the Mayor to execute on behalf of the City.

Proposed Motion:

I move to approve staff recommendation.

Attachments:

Masters Exhibit C – Participation Agreement Release

Masters Pharmaceuticals Settlement Agreement