

**NOTICE OF SUPPLEMENTAL AGENDA ITEM FOR THE  
CITY COUNCIL REGULAR MEETING AGENDA  
THURSDAY, FEBRUARY 24, 2022 - 5:00 P.M.  
COUNCIL CHAMBERS – CITY HALL  
823 ROSENBERG, GALVESTON, TEXAS  
TELEPHONE: (409) 797-3510**

**SUPPLEMENTAL AGENDA ITEM**

1. ACTION ITEMS

- 1.A. Consideration Of Recommendation To Participate In The Settlement Of The State Of Texas Opioid Litigation With The State Attorney General's Office With The Additional Opioid Companies Of Endo Pharmaceuticals And Teva Pharmaceuticals And Authorizing The City Manager To Execute The Forms Required By The Office Of The Attorney General. (Legal)

Documents:

[MEMORANDUM FOR TEVA AND ENDO PHARMA SETTLEMENT.DOCX](#)  
[ENDO TX SUBDIVISION RELEASE FORM.DOCX](#)  
[TEVA TX SUBDIVISION RELEASE FORM.DOCX](#)

I certify that the above Notice of Meeting was posted in a place convenient to the public in compliance with Chapter 551 of the Texas Government Code on February 21, 2022 at 3:35 P.M.

*Janelle Williams*

Janelle Williams, City Secretary

IN ACCORDANCE WITH THE PROVISIONS OF THE AMERICANS WITH DISABILITIES ACT (ADA), PERSONS IN NEED OF A SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING SHALL, WITHIN THREE (3) DAYS PRIOR TO ANY PROCEEDING, CONTACT THE CITY SECRETARY'S OFFICE, SUITE 201, 823 ROSENBERG, GALVESTON, TEXAS 77550 (409-797-3510).

## MEMORANDUM

TO: Members of City Council

FROM: Donald Glywasky, City Attorney

DATE: February 21, 2022

RE: Recommendation to participate in the settlement of the State of Texas Opioid litigation with the State Attorney General's Office with the additional opioid companies of Endo Pharmaceuticals and Teva Pharmaceuticals and authorizing the City Manager to execute the forms required by the Office of the Attorney General

- 1) The Office of the Texas Attorney General has announced a settlement of the multistate litigation initiated by several states against two additional pharmaceutical companies, namely Endo Pharmaceuticals and Teva Pharmaceuticals.
- 2) As you may recall the Texas Attorney General, along with the Attorney Generals of 28 states, had previously entered into a settlement with various distributors as well as opioid manufacturer J&J. The settlement provided for payments into a state trust account, which would then in turn distribute funds to local entities in accordance with procedures to be drafted by the State. City Council elected to participate in the settlement and authorized the execution of the state required forms.
- 3) The State has recently entered into settlement terms with Endo Pharmaceuticals and Teva Pharmaceuticals. Teva will pay into the Texas settlement fund \$150 million over a 15 year period. Endo will pay \$63 million into the Texas settlement funds. For the settlement to proceed 96% of the litigating subdivision had to approve the settlements. Those payments will in turn be distributed to the cities and counties by the State.
- 4) The Office of the Attorney General has recommended settlement and requested cities and counties in the state approve the settlement and return the accompany forms by March 10, 2022
- 5) Such approval is consistent with the City Council prior approval of the proposed opioid settlement. I recommend the settlement document be approved and the City Manager be given authority to sign.

## **Exhibit A**

### **TEXAS SUBDIVISION AND SPECIAL DISTRICT ELECTION AND RELEASE FORM**

This Election and Release Form for Texas Participating Subdivisions<sup>1</sup> resolves opioid related Claims against Endo/Par under the terms and conditions set forth in the Endo/Par Texas State-Wide Opioid Settlement Agreement between Endo/Par, the State of Texas, and the Counties of Dallas, Bexar, Harris and Tarrant (the “Agreement”), the provisions of which are here incorporated by reference in their entirety. Upon executing this Election and Release Form, a

Participating Subdivision agrees that, in exchange for the consideration described in the Agreement, the Participating Subdivision is bound by all the terms and conditions of the Agreement, including but not limited to the Release found in Section VII of the Agreement and the provisions concerning participation by Subdivisions or Special Districts in Section VIII, and the Participating Subdivision and its signatories expressly represent and warrant on behalf of themselves that they have, or will have obtained on or before the Effective Date or on or before the execution of this Election and Release Form if executed after the Effective Date, the authority to settle and release, to the maximum extent of the Subdivision’s and Special District’s power, all Released Claims related to Covered Conduct. If this Election and Release Form is executed on or before the Initial Participation Date, the Participating Subdivision shall dismiss Endo/Par and all other Released Entities with prejudice from all pending cases in which the Participating

Subdivision has asserted Covered Claims against Endo/Par or a Released Entity no later than the Initial Participation Date. If this Election and Release Form is executed after the Initial Participation Date, the Participating Subdivision shall dismiss Endo/Par and all other Released

<sup>1</sup> The Agreement defines a “Participating Subdivision” as a Subdivision or Special District that signs this Election and Release Form and meets the requirements for becoming a Participating Subdivision under subsection VIII.A. of the Agreement.

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Entities with prejudice from all pending cases in which the Participating Subdivision has asserted Covered Claims against Endo/Par or a Released Entity concurrently with the execution of this form. By executing this Election and Release Form, the Participating Subdivision submits to the jurisdiction of the Honorable Robert Schaffer, *In Re: Texas Opioid Litigation*, MDL No. 18-0358,

Master File No. 2018-63587, in the 152nd Judicial District Court, Harris County, Texas.

Dated: \_\_\_\_\_

Texas Subdivision Name: City of Galveston

By: \_\_\_\_\_

Brian A. Maxwell  
City Manager City of Galveston  
823 Rosenberg  
Room 201  
Galveston, Texas 77550  
409.797.3520  
bmaxwell@galvestontx.gov

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**Exhibit B**

**TEXAS SUBDIVISION AND SPECIAL DISTRICT  
ELECTION AND RELEASE FORM**

This Election and Release Form for Texas Participating Subdivisions<sup>1</sup> resolves opioid related Claims against Teva under the terms and conditions set forth in the Teva Texas State Wide Opioid Settlement Agreement between Teva, the State of Texas, and the Counties of Dallas, Bexar, Harris and Tarrant (the “Agreement”), the provisions of which are here incorporated by reference in their entirety. Upon executing this Election and Release Form, a Participating Subdivision agrees that, in exchange for the consideration described in the Agreement, the Participating Subdivision is bound by all the terms and conditions of the Agreement, including but not limited to the Release found in Section VII of the Agreement and the provisions concerning participation by Subdivisions or Special Districts in Section VIII, and the Participating Subdivision and its signatories expressly represent and warrant on behalf of themselves that they have, or will have obtained on or before the Effective Date or on or before the execution of this Election and Release Form if executed after the Effective Date, the authority to settle and release, to the maximum extent of the Subdivision’s and Special District’s power, all Released Claims related to Covered Conduct. If this Election and Release Form is executed on or before the Initial Participation Date, the Participating Subdivision shall dismiss the Released Claims with prejudice and sever Teva and all other Released Entities from all pending cases in which the Participating Subdivision has asserted Covered Claims against Teva or a Released Entity no later than the Initial Participation Date. If this Election and Release Form is executed after the Initial Participation Date, the Participating Subdivision shall dismiss the Released Claims with prejudice and sever Teva

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<sup>1</sup> The Agreement defines a “Participating Subdivision” as a Subdivision or Special District that signs this Election and Release Form and meets the requirements for becoming a Participating Subdivision under subsection VIII.A. of the Agreement.

and all other Released Entities from all pending cases in which the Participating Subdivision has asserted Covered Claims against Teva or a Released Entity concurrently with the execution of this form. By executing this Election and Release Form, the Participating Subdivision submits to the jurisdiction of the Honorable Robert Schaffer, *In Re: Texas Opioid Litigation*, MDL No. 18-0358, Master File No. 2018-63587, in the 152nd Judicial District Court, Harris County, Texas.

Dated: \_\_\_\_\_

Texas Subdivision Name: City of Galveston

By: \_\_\_\_\_

Brian A. Maxwell  
City Manager City of Galveston  
823 Rosenberg  
Room 201  
Galveston, Texas 77550  
409.797.3520  
bmaxwell@galvestontx.gov