



Agenda Memorandum

Agenda Item – {{section.number}}.C.

City Council Meeting
July 8, 2024

Strategic Priority 3: Community Health and Safety

Invest in innovative and collaborative approaches to provide a continuum of services that preserve, promote, and protect the health, safety, and environment of Westminster

Subject: Resolution No. 13 Authorizing the City Attorney to Execute the Settlement Participation Form for Kroger Opioid Settlement Funds

Prepared By: Mat Munch, Assistant City Attorney II

Recommended City Council Action:

Adopt Resolution No. 13 Authorizing the City Attorney to execute the Settlement Participation Form for Kroger Opioid Settlement Funds.

Summary Statement:

A settlement has been proposed with another of the opioid manufacturers and distributors who are defendants in the ongoing litigation in which the City, and many other local and state governments, are participating as plaintiffs. This proposed settlement would result in an additional approximately \$13,808-\$15,124 per year over eleven years, which can be used to respond to the ongoing opioid crisis. These funds would be in addition to other sources of opioid settlement funds that the City is already receiving.

Fiscal Impact:

Approximately \$13,808 to \$15,124 in revenues and future expenditures annually over eleven years

Source of Funds:

Kroger Opioid Settlement Funds

Policy Issue(s):

Should the City Council approve the Kroger opioid settlement?

Alternative(s):

The City Council could choose not to approve the proposed Kroger opioid settlement. This is not recommended because not approving the settlement may result in reduced, delayed, and/or uncertain receipt of additional needed funds to respond to the opioid crisis.

Background Information:

The City of Westminster is participating, along with several other cities and counties in Colorado and nationwide, in a joint litigation against manufacturers and distributors of opioid medications, seeking to recover resources to help the City deal with the fallout from the ongoing nationwide opioid crisis. City Council previously approved a Memorandum of Understanding (MOU) with the Colorado Attorney General's Office, and many of the most important municipal and county stakeholders in the Colorado, which governs how any resulting settlement funds from the opioid litigation are to be distributed and managed among the state, local, and municipal governments, including the currently proposed Kroger settlement.

Under the currently proposed Kroger settlement the City could expect to receive approximately \$13,808 to \$15,124 per year over 11 years in additional funding which can be used, in accordance with the MOU, to respond to the ongoing opioid crisis. In addition to these funds which would come directly to the City of Westminster, additional funds will be made available to the state and region which will also be used by those entities to respond to the opioid crisis, and thus benefit the citizens of Westminster.

A summary of how all the City's opioid settlement funds are being utilized will be included in the proposed 2025 Budget.

Approving the Kroger settlement supports the City's strategic priority of Community Health and Safety as it will result in funding that can be productively used to help the City respond to the ongoing opioid crisis.

Respectfully submitted,

A handwritten signature in blue ink that reads "Mark A. Freitag". The signature is written in a cursive, flowing style.

Mark A. Freitag
City Manager

Attachments:

Resolution No. 13 Authorizing the City Attorney to Execute the Settlement Participation Form for Kroger Opioid Settlement Funds

Kroger Settlement Participation Form (Exhibit K)