

RESOLUTION NO. 2025-054

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHINO, CALIFORNIA, AUTHORIZING THE CITY'S PARTICIPATION IN THE PROPOSED SETTLEMENT OF OPIOID-RELATED CLAIMS AGAINST ALVOGEN, AMNEAL, APOTEX, HIKMA, INDIVIOR, MYLAN, SUN, AND ZYDUS, AGREE TO THE TERMS OF THE RELATED STATE-SUBDIVISION AGREEMENT, AND AUTHORIZE ENTRY INTO THE RELATED STATE-SUBDIVISION AGREEMENT AND OTHER NECESSARY DOCUMENTS WITH THE ATTORNEY GENERAL

WHEREAS, the United States is facing an ongoing public health crisis of opioid abuse, addiction, overdose, and death, forcing the State of California and California counties and cities to spend billions of dollars each year to address the direct consequences of this crisis; and

WHEREAS, pending in the U.S. District Court for the Northern District of Ohio is a multidistrict litigation ("MDL") being pursued by numerous public entity plaintiffs against the manufacturers and distributors of various opioids based on the allegation that the defendants' unlawful conduct caused the opioid epidemic; and

WHEREAS a proposed nationwide tentative settlement ("Settlements") was reached between the plaintiffs in the Alvogen, Inc., Amneal Pharmaceuticals Inc., Apotex Corp., Hikma Pharmaceuticals USA Inc., Indivior Inc., Mylan Pharmaceutical Inc., Sun Pharmaceuticals USA Inc., and Zydus Pharmaceuticals cases ("Settling Defendants"); and

WHEREAS, as part of the settlement with the Settling Defendants, local subdivisions, including certain cities, that are not plaintiffs in the MDL may participate in the settlement in exchange for a release of the Settling Defendants; and

WHEREAS, copies of the proposed terms of those proposed nationwide settlement have been set forth in the Master Settlement Agreement with the Settling Defendants; and

WHEREAS, copies of the Master Settlement Agreement are on file in the City Clerk's Office and available upon request; and

WHEREAS, the Master Settlement Agreement provides, among other things, for the payment of a certain sum to settling government entities in California including to the State of California and Participating Subdivisions upon occurrence of certain events as defined in the Master Settlement Agreement ("California Opioid Funds"); and

WHEREAS, California local governments in the MDL have engaged in extensive discussions with the State Attorney General's Office ("AGO") as to how the California Opioid Funds will be allocated, which has resulted in the Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds ("Allocation Agreements") from the settlements with the Settling Defendants; and

WHEREAS, copies of the Allocation Agreement for all of the settlements with the Settling Defendants are on file in the City Clerk's Office and available upon request; and

WHEREAS, under the Master Settlement Agreement, certain local subdivisions that did not file a lawsuit against the Settlement Defendants may qualify to participate in the settlements and obtain funds from the Abatement Account Fund; and

WHEREAS, the City is eligible to participate in the Settlements and become a CA Participating Subdivision; and

WHEREAS, a CA Participating Subdivision that is a city will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision. The Local Allocation share for a city that is a CA Participating Subdivision will be paid to the county in which the city is located, unless the city elects to take a direct election of the settlement funds, so long as: (a) the county is a CA Participating Subdivision, and (b) the city has not advised the Settlement Fund Administrator that it requests direct payment at least 60 days prior to a Payment Date; and

WHEREAS, it the intent of this Resolution is to authorize the City to enter into the Master Settlement Agreement with the Settling Defendants by executing the Participation Agreement and to enter into the Allocation Agreement by executing the signature pages to those agreements.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Chino hereby approves and authorizes the City Manager to execute all documents required to settle and release the City's claims against the Settling Defendants in exchange for the consideration set forth in the Master Settlement Agreement, Allocation Agreement and all exhibits thereto to be paid through the County of San Bernardino.

BE IT FURTHER RESOLVED that all actions heretofore taken by the City Council of the City of Chino and other appropriate public officers and agents of the City with respect to the matters contemplated under this Resolution are hereby ratified, confirmed and approved.

APPROVED AND ADOPTED THIS 2nd DAY OF SEPTEMBER 2025.

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EUNICE ULLOA, MAYOR

ATTEST:

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NATALIE GONZAGA, CITY CLERK

State of California                    )  
County of San Bernardino        ) ss  
City of Chino                        )

I, Natalie Gonzaga, City Clerk of the City of Chino, do hereby certify the foregoing Resolution 2025-\_\_\_\_ was duly adopted by the Chino City Council at a regular meeting held on the 2nd day of September 2025, by the following votes:

AYES:     COUNCIL MEMBERS:

NOES:     COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

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NATALIE GONZAGA, CITY CLERK