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RESOLUTION NO. 2023 - 03

**Authorizing County to Enter Into the Settlement Agreements with Teva
Pharmaceutical Industries Ltd., Allergan Finance, LLC, Walgreen Co., Walmart, Inc.,
CVS Health Corporation and CVS Pharmacy, Inc., Agree to the Terms of the Addendum
to the MOU Allocating Settlement Proceeds, and Authorize Entry Into the MOU with
the Attorney General**

WHEREAS, the County Board of Supervisors previously authorized the County to enter into an engagement agreement with von Briesen & Roper, s.c., Crueger Dickinson LLC and Simmons Hanly Conroy LLC (the "Law Firms") to pursue litigation against certain manufacturers, distributors, and retailers of opioid pharmaceuticals (the "Opioid Defendants") in an effort to hold the Opioid Defendants financially responsible for the County's expenditure of vast money and resources to combat the opioid epidemic;

WHEREAS, on behalf of the County, the Law Firms filed a lawsuit against the Opioid Defendants;

WHEREAS, the Law Firms filed similar lawsuits on behalf of 66 other Wisconsin counties and all Wisconsin cases were coordinated with thousands of other lawsuits filed against the same or substantially similar parties as the Opioid Defendants in the Northern District of Ohio, captioned *In re: Opioid Litigation*, MDL 2804 (the "Litigation");

WHEREAS, four (4) additional Wisconsin counties (Milwaukee, Dane, Waukesha, and Walworth) hired separate counsel and joined the Litigation;

WHEREAS, since the inception of the Litigation, the Law Firms have coordinated with counsel from around the country (including counsel for Milwaukee, Dane, Waukesha, and Walworth Counties) to prepare the County's case for trial and engage in extensive settlement discussions with the Opioid Defendants;

WHEREAS, the settlement discussions with Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Walgreen Co., Walmart, Inc., CVS Health Corporation and CVS Pharmacy, Inc. (the "Settling Defendants") resulted in a tentative agreement as to settlement terms pending agreement from the County and other plaintiffs involved in the Litigation;

WHEREAS, copies of the various settlement agreements relating to the Settling Defendants (collectively "Settlement Agreements") representing the terms of the tentative settlement agreements with the Settling Defendants have been provided with this Resolution;

86 agreement between all of the entities identified in the Allocation MOU as to how the proceeds
87 payable to those entities under the Settlement Agreements will be allocated;
88

89 **WHEREAS**, the proposed Addendum to the MOU (“Addendum”) provided with this
90 Resolution provides for allocation of settlement proceeds among the Wisconsin Participating
91 Subdivisions according to the same percentages as that provided in the previously-approved MOU
92 allocating the settlement proceeds of the settlements involving McKesson Corporation, Cardinal
93 Health, Inc., AmerisourceBergen Corporation, Johnson & Johnson, Janssen Pharmaceuticals, Inc.,
94 Ortho-McNeil-Janssen Pharmaceuticals, Inc., and Janssen Pharmaceutica, Inc.;

95
96 **WHEREAS**, there is provided with this Resolution a summary of the essential terms of the
97 Settlement Agreements, the deadlines related to the effective dates of the Settlement
98 Agreements, the ramifications associated with the County’s refusal to enter into the Settlement
99 Agreements, the form of the Addendum, the form of the AG MOU, and an overview of the
100 process for finalizing the Settlement Agreements;

101
102 **WHEREAS**, the County, by this Resolution, shall deposit the proceeds of the Settlement
103 Agreements consistent with the terms of this Resolution and Wis. Stat. § 165.12(4)(b);

104
105 **WHEREAS**, pursuant to the County’s engagement agreement with the Law Firms, the
106 County shall pay up to an amount equal to 25% of the proceeds from successful resolution of all
107 or part of the Litigation, whether through settlement or otherwise, plus the Law Firms’ costs and
108 disbursements, to the Law Firms as compensation for the Law Firms’ efforts in the Litigation and
109 any settlement;

110
111 **WHEREAS**, the Law Firms anticipate making application to the national fee fund
112 established in the Settlement Agreements seeking payment, in whole or part, of the fees, costs,
113 and disbursements owed the Law Firms pursuant to the engagement agreement with the County;

114
115 **WHEREAS**, it is anticipated the amount of any award from the fee fund established in the
116 Settlement Agreements will be insufficient to satisfy the County’s obligations under the
117 engagement agreement with the Law Firms;

118
119 **WHEREAS**, the County, by this Resolution, and pursuant to the authority granted the
120 County in the applicable Order emanating from the Litigation in relation to the Settlement
121 Agreements and payment of attorney fees, shall authorize and direct the escrow agent
122 responsible for the receipt and distribution of the proceeds from the Settlement Agreements to
123 establish an account for the purpose of segregating funds to pay the fees, costs, and
124 disbursements of the Law Firms owed by the County (the “Attorney Fees Account”) in order to
125 fund a local “backstop” for payment of the fees, costs, and disbursements of the Law Firms;

126
127 **WHEREAS**, in no event shall payments to the Law Firms out of the Attorney Fees Account
128 and the fee fund established in the Settlement Agreements exceed an amount equal to 25% of
129 the amounts allocated to the County in the Addendum;

174 Account shall be utilized to pay the fees, costs, and disbursements owed to the Law Firms
175 pursuant to the engagement agreement between the County and the Law Firms provided,
176 however, the Law Firms shall receive no more than that to which they are entitled under their
177 fee contract when considering the amounts paid the Law Firms from the fee fund established in
178 the Settlement Agreements and allocable to the County. The Law Firms may make application
179 for payment from the Attorney Fees Account at any time and the County shall cooperate with
180 the Law Firms in executing any documents necessary for the escrow agent to make payments out
181 of the Attorney Fees Account.

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183 **BE IT FURTHER RESOLVED** that all actions heretofore taken by the Board of Supervisors
184 and other appropriate public officers and agents of the County with respect to the matters
185 contemplated under this Resolution are hereby ratified, confirmed and approved.

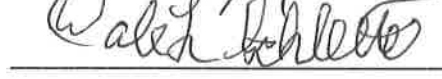
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187 This Resolution is recommended for adoption by the Sawyer County Board of Supervisors
188 at its Administrative Committee meeting on March 9, 2023.

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190 
191 Tweed Shuman, Chair


192 Ron Buckholtz, Vice-Chair


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194 Dale Schieeter, Member


195 Ron Kinsley, Member

196 
197 Tom Duffy, Member

198 Adopted by the County Board of Supervisors this 16th day of March, 2023.

199
200 
201 Tweed Shuman
202 County Board Chairman


203 Lynn Fitch
204 County Clerk

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