

MINUTES
Isabella County Board of Commissioners
REGULAR BOARD
HYBRID MEETING (IN-PERSON/ELECTRONIC)
Isabella County Commission on Aging Building
2200 S. Lincoln Rd, Mt. Pleasant, MI 48858
April 4th, 2023
7:00 p.m.

CALL TO ORDER by Vice-chairman Jerry Jaloszynski in conference room A/B of the Commission on Aging, 2200 S. Lincoln Rd, Mt. Pleasant, MI 48858. Hybrid Meeting (In-person/Electronic).

Pledge of Allegiance to the United States of America was led by Vice-chairman Jerry Jaloszynski.

ROLL CALL: Commissioners Present: Chris Embrey, Terry Hutchinson, James Moreno, Frank Engler, Steve Swaney, and Jerry Jaloszynski.

Commissioner Absent: None

Also present: Isabella County Administrator Nicole Frost and County Clerk Minde B. Lux

APPROVAL OF AGENDA:

It was moved by Commissioner Embrey to accept the agenda with a change to add under new business (C) Resolution 2023-03 and it was supported by Commissioner Swaney. Motion carried

GENERAL PUBLIC COMMENTS: None

PRESENTATIONS AND SPECIAL REPORTS: None

APPOINTMENTS TO BOARDS AND COMMISSIONS: None

CONSENT AGENDA:

It was moved by Commissioner Embrey and seconded by Commissioner Swaney to approve and place on file the March 21, 2023 Regular Meeting minutes, the March 28, 2023 Criminal Justice and County Affairs Committee Meeting minutes, and the March

28, 2023 Human Resources and Public Works Committee Meeting minutes. Motion carried.

COMMITTEE REPORTS:

Finance and Administration Committee:

1. It was moved by Commissioner Embrey and seconded by Commissioner Swaney to ratify and place on file the March 17, 2023 Invoice List in the amount of \$172,312.30, the March 24, 2023 Invoice List in the amount of \$998,556.51, and the Adjustment List dated March 30, 2023. Motion carried with Yeas: Commissioners Hutchinson, Moreno, Embrey, Swaney, Engler, Jaloszynski. Nays: None.

Criminal Justice and County Affairs Committee:

1. It was moved by Commissioner Engler and seconded by Commissioner Swaney to approve the Fiscal Year 2023 DHS2091 County Child Care Budget Summary Amendment, in the amount of \$1,743,516.56, an increase of \$40,101.86 to account for expanded Basic Grant funding, and authorize the Board Chair to sign the same. Motion carried with Yeas: Commissioners Hutchinson, Moreno, Embrey, Swaney, Engler, Jaloszynski. Nays: None.
2. It was moved by Commissioner Engler and seconded by Commissioner Swaney to approve the Fiscal Year 2024 Isabella County Community Corrections Plan application in the amount of \$110,276.00. Motion carried with Yeas: Commissioners Hutchinson, Moreno, Embrey, Swaney, Engler, Jaloszynski. Nays: None.
3. It was moved by Commissioner Swaney and seconded by Commissioner Engler to approve the Agreement between Isabella County Sheriff's Office and Isabella County Youth and Farm Fair for supplemental patrol coverage during the 2023 Isabella County Youth and Farm Fair, and authorize the Board Chair to sign the same. Motion carried with Yeas: Commissioners Hutchinson, Moreno, Embrey, Swaney, Engler, Jaloszynski. Nays: None.
4. It was moved by Commissioner Engler and seconded by Commissioner Swaney to approve the Equipment Shelter Sale and Removal/Relocation and License Agreement between Consumers Energy Company and Isabella County, on behalf of the Isabella County Sheriff's Office, and authorize the Board Chair to sign the same. Motion carried with Yeas: Commissioners Hutchinson, Moreno, Embrey, Swaney, Engler, Jaloszynski. Nays: None.

Human Resources and Public Works Committee:

1. It was moved by Commissioner Moreno and seconded by Commissioner Hutchinson to approve proposed pay range for the five (5) designated part time year-round Isabella County Parks and Recreation Park Rangers, Non-Union Employee Wage Scale, Pay Grades 1-4. Motion carried with Yeas: Commissioners Hutchinson, Moreno, Embrey, Swaney, Engler, Jaloszynski. Nays: None

Intergovernmental Affairs: None

Administrator/Controller: None

Unfinished Business: None

New Business:

1. It was moved by Commissioner Embrey and seconded by Commissioner Swaney to change the start time of the Isabella County Finance and Administration Committee meetings to 11:00 a.m. for the remainder of the 2023 calendar year. Motion carried.
2. It was moved by Commissioner Hutchinson and seconded by Commissioner Moreno to schedule an Isabella County Board of Commissioners Special Meeting for the purpose of goal setting on Wednesday, April 12, 2023 at 2:00 p.m. in room 320 of the Isabella County Building located at 200 North Main Street in Mt. Pleasant, MI.
3. It was moved by Commissioner Embrey and seconded by Commissioner Swaney to approve Resolution No. 2023-03 Authorizing Entry of Participation Agreements in Partial Settlement of the National Prescription Opiate Litigation and entry of State Local Government Intrastate Agreement concerning Allocation of Settlement Proceeds. Motion carried with Yeas: Commissioners Hutchinson, Moreno, Embrey, Swaney, Engler, Jaloszynski. Nays: None

**ISABELLA COUNTY BOARD OF COMMISSIONERS
RESOLUTION NO. 2023-03**

RESOLUTION AUTHORIZING ENTRY OF PARTICIPATION AGREEMENTS IN
PARTIAL SETTLEMENT OF THE NATIONAL PRESCRIPTION OPIATE LITIGATION

AND ENTRY OF STATE LOCAL GOVERNMENT INTRASTATE AGREEMENT
CONCERNING ALLOCATION OF SETTLEMENT PROCEEDS

WHEREAS, the County of Isabella filed a lawsuit to address the public nuisance that is the Opioid Epidemic, which named, among other companies, the following four Defendants (“Settling Defendants”):

1. Teva Pharmaceuticals Industries Ltd. (a prescription opioids manufacturer);
2. Allergan Finance, LLC (a prescription opioids manufacturer);
3. CVS Health Corp. and CVS Pharmacy, Inc. (a prescription opioids distributor); and
4. Walmart, Inc. (a prescription opioids distributor);

AND WHEREAS, the Settling Defendants have negotiated proposed national settlement agreements (“Proposed Settlements”) with the State Attorneys General, and a Plaintiff Executive Committee-designated negotiating committee that represents approximately 4,000 local governments that have brought lawsuits similar to the County of Isabella’s lawsuit;

AND WHEREAS, the Proposed Settlements contain significant equitable and monetary relief, including:

1. An agreement to pay (a) up to \$3.34 billion over the next 13 years by Teva; (b) up to \$2.02 billion over 7 years by Allergan; (c) \$4.9 billion over the next ten years by CVS; and (d) \$2.74 billion within six years by Walmart. The bulk of each of these payments will be dedicated to funding abatement and prevention strategies associated with the opioids public nuisance;
2. An agreement by Teva and Allergan to abide by strict limitations on their marketing, promotion, sale, and distribution of opioids, including a ban on (a) promotion and lobbying; (b) rewarding or disciplining employees based on volume of opioid sales; and (c) funding or grants to third parties; and
3. An agreement by CVS and Walmart to implement changes in how they handle opioids, including requirements addressing: their compliance structures; pharmacist judgment; diversion prevention; suspicious order monitoring; and reporting on red-flag processes, as well as blocked and potentially problematic prescribers.

AND WHEREAS, the County of Isabella previously executed Participation Agreements for the Distributor and Janssen Settlements, which have conferred and continue to confer valuable benefits;

AND WHEREAS, the Proposed Settlements each contain a “default” allocation method where settlement funds that are allocated to a particular state to resolve the claims asserted by state and local governments within that state are allocated as follows:

- 15% of settlement proceeds paid under the Proposed Settlements are allocable to the State;
- 15% of the settlement proceeds are allocable to local governments; and
- 70% of the settlement proceeds are allocable to an opioid abatement fund;

AND WHEREAS, the Proposed Settlements enable the state and local governments within a State to negotiate alternative allocation methods to the “default” allocation method referenced above;

AND WHEREAS, the County of Isabella desires to enter into an alternative allocation method which allocates settlement funds on a 50/50 basis to:

1. Participating Local Governments who have elected to participate in the Proposed Settlements; and
2. the State of Michigan.

AND WHEREAS, the County of Isabella previously executed the Michigan State-Subdivision Agreement for Allocation of Distributor Settlement Agreement and Janssen Settlement Agreement, which allocated funds attributed to the State of Michigan in a streamlined and equitable manner;

NOW THEREFORE, the County of Isabella authorizes the execution of Participation Agreements for: (1) the Master Settlement Agreement with Teva Pharmaceuticals Industries Ltd.; (2) the Master Settlement Agreement with Allergan Finance, LLC; (3) the Master Settlement Agreement with CVS Health Corp. and CVS Pharmacy, Inc.; and (4) the Master Settlement Agreement with Walmart, Inc., each of which are listed and available to the public at <https://nationalopioidsettlement.com/>. Specimen copies of the material terms of the participation agreements are attached as Exhibit A to this resolution.

The County of Isabella also authorizes the execution of a new Michigan State-Subdivision Agreement For Allocation of Allergan, Teva, CVS, and Walmart Settlement Agreements substantially similar to the proposed agreement attached as Exhibit B to this resolution. The County of Isabella also authorizes execution of a similar state-subdivision agreement to the extent that it provides a substantially similar allocation of settlement or bankruptcy proceeds obtained from opioids litigation with any other entity.

For the avoidance of doubt, the County of Isabella also authorizes its continued participation in the Distributor Settlement Agreement, the Janssen Settlement Agreement, and the Michigan State-Subdivision Agreement for the Allocation of Distributor Settlement Agreement and Janssen Settlement Agreement, all previously executed.

Public Comment: None

Announcements: None

Adjournment: Motion by Commissioner Moreno and supported by Commissioner Hutchinson to adjourn at 7:26 p.m.