

## RESOLUTION NO. 2024-050

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORTH RICHLAND HILLS, TEXAS, APPROVING THE SETTLEMENT AND ALLOCATION OF KROGER OPIOID SETTLEMENT FUNDS WITHIN THE STATE OF TEXAS THROUGH THE TEXAS ATTORNEY GENERAL'S OFFICE; AUTHORIZING THE CITY MANAGER TO EXECUTE SETTLEMENT DOCUMENTS ON THE CITY'S BEHALF; REPEALING ALL RESOLUTIONS IN CONFLICT WITH THIS RESOLUTION; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of North Richland Hills, Texas ("City") is a home rule municipality acting under its Charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

**WHEREAS**, the Texas Attorney General's Office has engaged in litigation against certain pharmaceutical companies and retail pharmacies to abate and alleviate the impacts of the opioid epidemic throughout the State of Texas; and

**WHEREAS**, the City has obtained information indicating that certain drug companies and their corporate affiliates, parents, subsidiaries, and such other defendants as may be added to the litigation (collectively, "Defendants") have engaged in fraudulent and/or reckless marketing and/or distribution of opioids that have resulted in addictions and overdoses; and

**WHEREAS**, the actions, conduct, and misconduct of these Defendants have resulted in significant financial cost to the City; and

**WHEREAS**, on May 13, 2020, the State of Texas, through the Office of the Attorney General, and a negotiation group for Texas political subdivisions entered into an Agreement entitled Texas Opioid Abatement Fund Council and Settlement Allocation Term Sheet (the "Texas Term Sheet") approving the allocation of any and all opioid settlement funds within the State of Texas; and

**WHEREAS**, the City previously resolved to adopt the Texas Term Sheet, and to participate in settlement agreements related thereto; and

**WHEREAS**, the State of Texas has now negotiated a settlement agreement with Kroger resolving litigation and potential litigation between Kroger and the State and its subdivisions.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH RICHLAND HILLS, TEXAS, THAT:**

**SECTION 1.** The City Council hereby finds that the recitals set forth above are true and correct and are incorporated into this Resolution as if written herein.

**SECTION 2.** The City Council supports the adoption and approval of the Texas Term Sheet in its entirety.

**SECTION 3.** The City Council finds the following:

- a) There is a substantial need for repayment of opioid-related expenditures and payment to abate opioid-related harms in and about the City.
- b) The City Council supports, in its entirety, and has previously adopted the allocation method for opioid settlement proceeds as set forth in the Texas Term Sheet.
- c) The City Council understands that the purpose of this Texas Term Sheet is to permit collaboration between the State of Texas and political subdivisions to explore and potentially effectuate resolution of the Opioid litigation against Defendants.
- d) The City Council also understands that an additional purpose is to create an effective means of distributing any potential settlement funds obtained under this Texas Term Sheet between the State of Texas and political subdivisions in a manner and means that would promote an effective and meaningful use of the funds in abating the opioid epidemic in the City and throughout the State of Texas.

**SECTION 4.** The City Council hereby authorizes the City Manager to execute on the City's behalf the Subdivision Settlement Participation Forms as related to the Kroger settlement attached hereto as Exhibit A.

**SECTION 5.** All Resolutions of the City Council of the City in conflict herewith are hereby amended or repealed to the extent of such conflict.

**SECTION 6.** This Resolution shall take effect and be in full force and effect from and after the date of its adoption, and it is so resolved.

**PASSED AND APPROVED** on this 9<sup>th</sup> day of December, 2024.

**CITY OF NORTH RICHLAND HILLS**

By: \_\_\_\_\_  
Jack McCarty, Mayor

**ATTEST:**

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Alicia Richardson  
City Secretary/Chief Governance Officer

**APPROVED AS TO FORM AND LEGALITY:**

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Bradley A. Anderle, City Attorney

**APPROVED AS TO CONTENT:**

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Trudy J. Lewis  
Assistant City Manager

