RESOLUTION #

Resolution to Delegate the Authority to Enter into Settlement Agreements with Opioid Defendants to Designated Sauk County Officer or Officers

Resolution offered by the Executive and Legislative Committee

Resolved by the Board of Supervisors of Sauk County, Wisconsin:

**BACKGROUND:** The County Board of Supervisors previously authorized the County to enter into an engagement with von Briesen & Roper, s.c., Crueger Dickinson LLC and Simmons Hanly Conroy LLP (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 financial responsible for the County’s vast expenditure of money and resources to combat the opioid epidemic. On behalf of the County, the Law Firms filed a lawsuit against the Opioid Defendants. The Law Firms filed similar lawsuits on behalf of the 66 other Wisconsin counties and all Wisconsin cases were coordinated with thousands of other lawsuits filed against the same or substantially similar parties a as the Opioid Defendants in the Northern District of Ohio, captioned *In re: Opioid Litigation*, MDL 2804 (the “Litigation). Four (4) additional Wisconsin counties (Milwaukee, Dane, Waukesha, and Walworth Counties) to prepare the County’s case for trial and engage in extensive settlement discussions with the Opioid Defendants.

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.

2021 Wisconsin Act 57 created Section 165.12 of the Wisconsin Statues relating to the settlement of all or part of the Litigation. Pursuant to Wis. Stat. 165.12(2), the Legislature’s Joint Committee on Finance is required to approve settlement agreement between the County and Opioid Defendants. Pursuant to Wis. Stat. 165.12(2), the proceeds form any settlement of all or part of the Litigation are distributed 70% to local governments in Wisconsin that are parties to the Litigation and 30% to the State. Wis. Stat. 165.12(7) bars claims from any Wisconsin local government against the Opioid Defendants filed after June 1, 2021.

Several of the Opioid Defendants previously agreed to settlement terms with the Plaintiffs’ Executive Committee (“PEC”), which is comprised of attorneys’ representative of all litigating local governments around the country, subject to individual approval of the litigating local governments including Sauk County. Representatives of the Law Firms serve on the PEC and, therefore, are intimately familiar with the terms of the previous settlements and will be familiar with the terms of any settlement with any other Opioid Defendant recommended for approval by the PEC. It is anticipated that several additional settlements will be proposed by various Opioid Defendants and recommended for approval by the PEC.

Sauk County’s process for approving settlement with an Opioid Defendant is typically a process requiring weeks for committee review and approval as well as approval by the full Sauk County Board. Given the concerns surrounding timing for participation in future settlements combined with the number of anticipated settlements, it would be prudent to provide an opportunity for Sauk County to create a process whereby the authority to enter into settlement agreements is delegated to a responsible County officer or officers provided that any such settlement agreement is recommended by the PEC and the Law Firms.

The intent of this Resolution is to delegate to the specified County officer or officers the authority to enter into settlement agreements with any Opioid Defendant from the date of this Resolution forward provided (a) the settlement is recommended for approval by the PEC and Law Firms; and (b) the Sauk County share of the proceeds from any such settlement is consistent with the shares established in Exhibit A to Addendum Two, a copy of which is attached to this Resolution and which is consistent with the allocations established in previous settlements with Opioid Defendants.

**THEREFORE, BE IT RESOLVED,** that the Sauk County Board of Supervisors, who met in regular session, hereby makes the following resolutions:

1. The County Board hereby delegates authority to the County Administrator/Corporation Counsel to enter into settlement agreement, including without limitation the execution of any and all ancillary documents and agreements necessary to effectuate a settlement, with any Opioid Defendant provided (a) the PEC and Law Firms shall have recommended the settlement; and (b) the Sauk County share of proceeds from any such settlement is consistent with the shares established in Exhibit A to Addendum Two, a copy of which is attached to this Resolution and which is consistent with the allocations established in previous settlements with Opioid Defendants.
2. Prior to executing any settlement agreement, or any document related thereto, the County Administrator/Corporation Counsel shall provide notice the County Board Chair of the proposed settlement and the terms related thereto.
3. The County Administrator/Corporation Counsel is authorized and directed to take any and all such other and further action necessary to effectuate the intent of this Resolution.

**BE IT FURTHER RESOLVED,** all proceeds from any settlement agreement not otherwise

directed to the Attorney Fees Account shall be deposited in the County’s Opioid Abatement Account. The Opioid Abatement Account shall be administered consistent with the terms of this Resolution, Wis. Stat. 165.12(4), and the applicable settlement agreement.

**BE IT FURTHER RESOLVED,** the County hereby authorizes the establishment of an account separate and distinct from any account containing funds allocated or allowable to the County which shall be referred to by the County as the “Attorney Fees Account.” An escrow agent shall deposit a sum equal to up to, but in no event exceeding, an amount equal to 20% of the County’s proceeds from a settlement agreement into the Attorney Fees Account unless such other amount is established by the applicable settlement agreement. If the payments to the County are not enough to fully fund the Attorney Fees Account as provided herein because such payments are made over time, the Attorney Fees Account shall be funded by placing up to, but in no event exceeding, an amount equal to 20% of the proceeds from a settlement agreement attributable to Local Governments (as that term is defined in the MOU) into the Attorney Fees Account for each payment. Funds in the Attorney Fees Account shall be utilized to pay the fees, costs, and disbursements owed to the Law Firms pursuant to the engagement agreement between the County and the Law Firms provided, however, the Law Firms shall receive no more than that to which they are entitled under their fee contract when considering the amounts paid the Law Firms from any fee fund established in the settlement agreement and allocable to the County. The Law Firms may make application for payment from the Attorney Fees Account at any time and the County shall cooperate with the Law Firms in executing any documents necessary for the escrow agent to make payments out of the Attorney Fees Account.

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

Approved by the Executive and Legislative Committee on July 15, 2025.

To be presented to the County Board on July 15, 2025.

Consent Agenda Item: [ ] YES [ X ] NO

Fiscal Impact: [ ] None [ X ] Budgeted Expenditure [ ] Not Budgeted

Vote Required: Majority = \_ X\_\_\_ 2/3 Majority = \_\_\_\_\_ 3/4 Majority = \_\_\_\_\_\_\_\_

The County Board has the legal authority to adopt: Yes \_\_\_\_\_\_ No \_\_\_\_\_\_\_\_ as reviewed by the Corporation Counsel, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ .

 **Offered and passage moved by the Executive and Legislative Committee:**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ □ Aye □ Nay □ Abstain □ Absent

Chair Tim McCumber

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Vice Chair John Dietrich

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 Lynn Eberl

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ □ Aye □ Nay □ Abstain □ Absent

 Brian Peper

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ □ Aye □ Nay □ Abstain □ Absent

 Marty Krueger

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ □ Aye □ Nay □ Abstain □ Absent

 Dennis Polivka

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ □ Aye □ Nay □ Abstain □ Absent

 Mark “Smooth” Detter

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 Patricia Rego

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 Sheila Carver

Fiscal Note: Additional funding would come to the County to continue with efforts to reduce the effect of the opioid epidemic.

MIS Note: None.