

SHEBOYGAN COUNTY RESOLUTION NO. 19 (2023/24)

Re: **Authorizing Sheboygan County to Enter Into the Settlement Agreements with McKinsey & Co., Inc., (National Prescription Opiate Consultant Litigation, Case No. 3:21-md-02996-CRB (N.D. California) related to an opioid class action lawsuit.**

WHEREAS, in Resolution No. 13 (2017/18), the County Board of Supervisors authorized Sheboygan County ("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, and

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

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, and

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

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, and

WHEREAS, Sheboygan County is a class member in the class action litigation *In Re McKinsey & Co., Inc., National Prescription Opiate Consultant Litigation, Case No. 3:21-md-02996-CRB N.D. California*, (the "Litigation"), and

WHEREAS, the settlement discussions with McKinsey & Co., Inc., (the "Settling Defendant") resulted in a tentative agreement as to settlement terms under which the County will be bound unless Sheboygan County files an objection to the settlement and request for exclusion by January 4, 2024, and

WHEREAS, a copy of the settlement agreement with the Settling Defendant is on file in the County Clerk's Office (the "Settlement Agreement"), and

WHEREAS, the Settlement Agreement provides, among other things, for the payment of certain sums to Settling Parties (as defined in the Settlement Agreement) upon the occurrence of certain events detailed in the Settlement Agreement, and

WHEREAS, the County's Opioid Abatement Account, previously created, shall be separate from the County's general fund, shall not be commingled with any other County funds, shall be dedicated to funding opioid abatement measures as provided in the Settlement Agreement, and consistent with the terms of this Resolution and Wis. Stat. § 165.12(4)(b), and

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

WHEREAS, the intent of this Resolution is to authorize the County to remain a Settling Party under the Settlement Agreement, and

WHEREAS, the County, by this Resolution, shall authorize the County's Corporation Counsel to finalize and execute any escrow agreement and other document or agreement necessary to effectuate the Settlement Agreement;

NOW, THEREFORE, BE IT RESOLVED that the Sheboygan County Board of Supervisors hereby approves:

1. Sheboygan County as a Settling Party in the Litigation.
2. The execution of the Settlement Agreements and any and all documents ancillary thereto and authorizes the Board Chair, County Clerk and/or Corporation Counsel to execute same.

BE IT FURTHER RESOLVED: all proceeds from the Settlement Agreement not otherwise paid for attorney's fees 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 Settlement Agreement.

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

Respectfully submitted this 19th day of December, 2023.

FINANCE COMMITTEE

Roger Te Stroete
Roger Te Stroete, Chairperson

Kathleen Donovan
Kathleen Donovan, Vice-Chairperson

William C. Goehring
William C. Goehring, Secretary

Keith Abler
Keith Abler

Thomas Wegner
Thomas Wegner

Opposed to Introduction:

Adopted 12/19/2023