

**CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA**



Agenda Date:	July 15, 2024
Action Required:	Approval of resolution by City Council.
Presenter:	Ashley Marshall, Deputy City Manager
Staff Contacts:	Ashley Marshall, Deputy City Manager Chris Cullinan, Director of Finance
Title:	Resolution of the Charlottesville City Council approving the City's participation in the Proposed Settlement of Opioid-Related Claims Against Kroger

Background

A formal communication from the Virginia Office of the Attorney General went out to all Virginia cities and counties in June 2024 concerning the proposed settlement of opioid-related claims against Kroger and its related corporate entities. All litigating localities are required to have their governing bodies approve a resolution about this additional settlement.

Discussion

The City of Charlottesville approved and adopted the Virginia Opioid Abatement Fund and Settlement Allocation Memorandum of Understanding and affirmed that any pending settlement would be subject to that Virginia MOU. Settlements for the "Distributors" (McKesson, Cardinal Health, and AmeriSource Bergen) and Johnson & Johnson/Jansen were finalized on October 18, 2022. In January 2023, settlements were announced with three pharmacy chains -- CVS, Walgreens, and Walmart — and two additional manufacturers — Allergan and Teva. As with the 2021 and 2022 National Settlements, states and local governments that want to participate in the 2023 National Settlements now will have the opportunity to "opt-in." Through this resolution, the City of Charlottesville is exercising its right to legally opt into the settlement by Kroger and its related corporate entities.

Alignment with City Council's Vision and Strategic Plan

This aligns with the Council's Commitment to Justice, Equity, Diversity, and Inclusion.

Community Engagement

This is a legal settlement led by the Virginia Office of the Attorney General, and therefore, no community engagement will be held by that Office or the State.

Budgetary Impact

There is no negative budgetary impact.

Recommendation

It is recommended that the council approves the required resolution to opt into the Kroger opioid settlement.

Alternatives

The City Council can refuse to opt-in and thereby forfeit any payments to the locality.

Attachments

1. June 2024 Resolution To Approve of Settlement with Kroger Opioid Settlement #2