

RESOLUTION 2024-0480

BEFORE THE BOARD OF COMMISSIONERS OF BENTON COUNTY, WASHINGTON:

IN THE MATTER OF APPROVING THE INTERLOCAL AGREEMENT BETWEEN BENTON COUNTY AND THE CITY OF KENNEWICK FOR POOLING OF FUNDS RESULTING FROM THE STATE OF WASHINGTON OPIOID SETTLEMENTS

WHEREAS, Benton County and the City of Kennewick are both participating local governments in various lawsuits against manufacturers and distributors of opioid medications governed by the One Washington Memorandum of Understanding; and

WHEREAS, Benton County is standing up the Columbia Valley Center for Recovery, which will provide substance use related services that are eligible expenditures for settlement funds; and

WHEREAS, the County and the City desire to pool their funds and dedicate them to operations and improvements at the Columbia Valley Center for Recovery; and

WHEREAS, Chapter 39.34 of the Revised Code of Washington permits local governments to enter into agreements to provide services and facilities that are beneficial to both; **NOW, THEREFORE**,

BE IT RESOLVED, the Board of Benton County Commissioners, Benton County, Washington hereby approves the interlocal agreement between Benton County and the City of Kennewick for pooling of funds resulting from the State of Washington opioid settlements.

Dated this 16th day of July, 2024

Jerome Delvin - Absent

DocuSigned by: **Chairman of the Board**

Michael Alvarez

DocuSigned by:

Chairman Pro Tem

Will McKay

DocuSigned by:

Commissioner

DocuSigned by:

Amanda Pearson

Attest:

Clerk of the Board

Constituting the Board of County Commissioners of Benton County, Washington

Orig:
cc:

M. Rasmussen
Krystal Townsend, Kennewick City Clerk

**INTERLOCAL AGREEMENT
FOR
POOLING OF OPIOID FUNDS RESULTING
FROM THE SETTLEMENT OF CLAIMS
AGAINST PHARMACEUTICAL SUPPLY
CHAIN PARTICIPANTS**

This Interlocal Agreement (“Agreement”) for pooling of funds received by the City of Kennewick pursuant to its execution of the One Washington Memorandum of Understanding and the agreement regarding the Greater Columbia Region related to opioid litigation settlement is entered into by and between the City of Kennewick and the County of BENTON pursuant to the Interlocal Cooperation Act, Chapter 39.34 RCW.

WHEREAS, Chapter 39.34, RCW permits local government units to make the most efficient use of their powers by enabling them to cooperate with other localities and thereby to provide services and facilities in a manner that will accord best geographic, economic, population, and other factors influencing the needs and development of local communities; and

WHEREAS, the people of the State of Washington have been harmed by entities within the pharmaceutical supply chain who manufacture, distribute and dispense prescription opioids; and

WHEREAS, Washington State and certain local governments have and may continue to engage in litigation against entities within the pharmaceutical supply chain for their roles in the State’s opioid epidemic resulting in large opioid distributors to paying the State to end the litigation over multiple settlement agreements; and

WHEREAS, Benton County and the City of Kennewick are participating local governments who have executed both the One Washington Memorandum of Understanding Between Washington Municipalities and the Memorandum of Understanding between the Greater Columbia Region Municipalities to Establish an Opioid Abatement Council to establish a framework for the distribution and oversight of Opioid Funds (as that term is defined in both such agreements); and

WHEREAS, local governments that are parties to those agreements maintain full discretion over the use and distribution of their allocation of Opioid Funds, provided only 10% of those funds may be used for administrative costs and the balance must be used solely for Approved Purposes as that term is defined in the One Washington MOU

WHEREAS, Benton County is the lead agency in establishing the Columbia Valley Center for Recovery (CVCR), which will provide services to persons suffering from opioid addiction and other substance use disorders; and

WHEREAS, payment of costs for services related to substance use disorder is an Approved Purpose; and

WHEREAS, Benton County and the City of Kennewick recognize that opioid addiction is a regional issue and the citizens of the regional are best served by cooperation between agencies to combat this epidemic; and

WHEREAS, the City of Kennewick desires to pool all of its Opioid Funds it receives pursuant to the above referenced MOUs in order to help Benton County fund operations at the CVCR related to treatment of substance use disorders;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and upon approval in accordance with RCW 39.34, the parties do hereby agree as follows:

I. TERMS OF AGREEMENT

1. This agreement is for the transfer of all Opioid Funds received by the City of Kennewick to Benton County.
2. The duration of this Agreement will be from the date last signed until the City of Kennewick no longer receives Opioid Funds pursuant to the One Washington MOU and the Greater Columbia Region Opioid Abatement Council MOU.
3. The City of Kennewick agrees that all Opioid Funds received by the City of Kennewick under those two MOUs will promptly be forwarded to Benton County.
4. The City of Kennewick shall notify the regional Opioid Abatement Council, in writing, that their Opioid Funds will be transferred to Benton County.
5. Benton County agrees to accept these funds and utilize them to pay for operating costs at the Columbia Valley Center for Recovery (CVCR) specifically related to treatment of patients suffering from substance use disorders.
6. Benton County agrees to prepare and submit the required spending plan for the City of Kennewick's Opioid Funds forwarded to the County to the regional Opioid Abatement Council.
7. Benton County agrees to submit all reporting required by the regional Opioid Abatement Council showing how the City of Kennewick's forwarded funds have been expended on behalf of the City of Kennewick. Benton County will provide copies of the filed reports to the City of Kennewick after they have been accepted by the regional Opioid Abatement Council.
8. Benton County shall maintain all records related to the receipt and expenditure of forwarded settlement funds in accordance with the Memorandum of Understanding between the grater Columbia region municipalities establishing the Opioid Abatement Council (Benton County Resolution 2023-431).
9. Benton County shall receive and retain the City of Kennewick's portion of Opioid Funds that may be allocated for administrative costs.

10. This Agreement does not involve the creation of a separate legal or administrative entity. Except as otherwise provided herein, there will be no real or personal property acquired, held, or disposed of relating to this Agreement, unless agreed upon in writing by the Parties. In the event that joint property is acquired, then it shall be distributed, when the Agreement is terminated, to the Parties in proportion to that Party's contribution to purchase such property, except as may otherwise be provided herein.
11. The administrators of this Agreement will be the Benton County Human Services Manager for the County and the Finance Director for the City of Kennewick.
12. Any party hereto may terminate this Agreement upon sixty (60) days' notice in writing either personally delivered or mailed postage-prepaid by certified mail, return receipt requested, to the party's last known address for the purposes of giving notice under this paragraph. If this Agreement is so terminated, the parties shall notify the regional Opioid Abatement Council, in writing, that the Agreement is terminated, and each party will be responsible for its own reporting to the regional Opioid Abatement Council effective from the date of termination.
13. A copy of this Agreement will be filed with the Benton County Auditor's Office or posted on the Benton County website as provided in RCW 39.34.040.

II. NOTICES

1. Written notice shall be directed to the parties as follows:

2. **Benton County Commissioners Office City Of Kennewick**

Matt Rasmussen,
Deputy County Administrator
7122 W. Okanogan Pl, Bldg. E
Kennewick, WA 99336
509-735-3591
Matt.rasmussen@co.benton.wa.us

Dan Legard,
Finance Director
210 W. 6th Ave.
Kennewick, WA 99336
509-585-4477
dan.legard@ci.kennewick.wa.us

DATED this 16th day of July, 2024.

(Signature Pages to Follow)

BENTON COUNTY

Jerome Delvin - Absent
JEROME DELVIN, Chair of the Board

DocuSigned by:
Michael Alvarez
DBCBF57E34B74E4...
MICHAEL ALVAREZ, Commissioner

DocuSigned by:
Will McKay
1359B7D784E74CF...
WILL MCKAY, Commissioner

Constituting the Board of County Commissioners
of Benton County, Washington

Attest:

DocuSigned by:
Amanda Pearson
34825A978E034CE...
AMANDA PEARSON, Clerk of the Board

Approved as to Form:

Ryan X Brown
RYAN BROWN, Deputy Prosecuting Attorney

CITY OF KENNEWICK


GRETIL CRAWFORD, Mayor

Attest:


TERRI L. WRIGHT, City Clerk
Krystal Townsend

Approved as to form:


LISA BEATON, City Attorney



Commissioners' Agenda Action Sheet

Meeting Date: July 16, 2024
Subject: Interlocal Agreement with City of Kennewick for Distribution of Opioid Settlement Funds ~ M Rasmussen
Presenter: Matt Rasmussen
Prepared By: Matt Rasmussen, Deputy County Administrator
Reviewed By: Jerrod MacPherson
PA Review: **Approved:** Yes **Denied:** No **N/A:** No
(If denied, include reasoning)

Type of Agenda Item: Scheduled Business

Summary / Background Information

All political subdivisions in Washington State, which include Cities with a population greater than 10,000 people have been eligible to participate in various settlement agreements related to lawsuits filed against manufacturers and distributors of prescription opioid medications for their role in creating the on-going opioid epidemic. Benton County and the City of Kennewick are both participating agencies in the One Washington Memorandum of Understanding. This is the State wide agreement that outlines how settlement funds are distributed and appropriate uses for their expenditure. Both the County and the City have also entered into a regional interlocal agreement that created the required Opioid Abatement Council and further contemplates use of the funds on a regional basis.

Benton County is standing up the Columbia Valley Center for Recovery (CVCR) within the City of Kennewick. The CVCR will provide substance use treatment services, on a regional basis, which are eligible uses of the settlement funds. The City of Kennewick is interested in participating in the construction and operating costs of the CVCR through use of the funds it is receiving from these settlements. The most efficient way of doing this is having Kennewick's distributions directed to Benton County. Benton County will expend the funds on eligible uses and perform the required reporting.

Fiscal Impact

Kennewick receives approximately 0.5% of the settlements funds being distributed to local governments in Washington State. Most settlements are paid out over 17 years. There have been 6 cases settled so far, more are still in the process of litigation or settlement negotiations. Any funds received from this agreement would be used to pay for improvements and services at the Columbia Valley Center for Recovery.

Recommendation

Staff recommends that the Board approve the interlocal agreement between Benton County and the City of Kennewick

Suggested Motion

I move to approve the interlocal agreement between Benton County and the City of Kennewick for pooling of funds resulting from the State of Washington Opioid Settlements.

Signatures Required on Agreements/Contracts

Fill in Date on Page 3

All Board Members sign on Page 4