TOWN OF Herndon VIRGINIA

Town Council Regular Meeting
Agenda Item 6.f.

Agenda Item: **Resolutions to approve the town's participation in the proposed settlement of opioid-related claims**

Meeting Date: September 23, 2025

Category: Consent

Prepared by: Lesa Yeatts, Town Attorney

Description:
Town participation in the proposed settlement of opioid-related claims against the Sackler family, the owners of the Purdue Pharma family of companies as well as claims against Alvogen, Amneal, Apotex, Hikma, Indivior, Mylan, Sun, and Zydus.

Background:
As a part of the nationwide settlement of opioid claims, the Town participated in the Virginia settlement in 2021 with opioid distributors McKesson, Cardinal Health, and AmerisourceBergen, and with opioid manufacturer Johnson & Johnson. In 2023, the town participated in the Virginia settlement with opioid manufacturers, Teva and Allergan, and retail pharmacy chains, Walmart, CVS, and Walgreens. In 2024, the town also participated in the Virginia settlement with opioid manufacturer Kroger.

The Resolutions before you are for approval of the Town's participation in a new settlement against the Sackler family (Purdue Pharma) and a settlement against Alvogen, Amneal, Apotex, Hikma, Indivior, Mylan, Sun, and Zydus and for authorization for Town Manager and/or Town Attorney to sign the documents necessary to effectuate the Town's participation in the settlements. The amount of funds that will flow to Virginia and its localities from this settlement depends on maximizing participation by as many local government subdivisions as possible. Herndon is being asked to approve the settlement and submit participation forms because, due to the structure of the settlement agreement, towns above a certain population threshold must approve the settlement and submit participation forms in order to maximize the overall recovery for the Commonwealth and its subdivisions. Participating towns are not eligible to receive direct shares from the settlement funds. However, we may be able to apply for, request, or receive funds for opioid abatement programs through the county. Our participation will help to maximize the recovery for all of Virginia's counties, including Fairfax.

Timing Impact:
Adoption of the resolutions are required to enable the submission of the required paper work by the September 30th deadline for the Sackler settlement and by the October 8th

deadline for Alvogen, Amneal, Apotex, Hikma, Indivior, Mylan, Sun, and Zydu settlements.

Strategic Focus Area:
Good Governance
Strong Fiscal Stewardship

Fiscal Impact:
Although it is unlikely that the town will receive any funds from the settlements, a positive financial impact of accepting this settlement is anticipated for the entire Commonwealth.

Legal Impact:
The town's participation in the settlements by adoption of the resolutions is required in order for the state and the county to receive the maximum amount of settlement funds.

Staff Recommendation/Next Steps:
Adoption of the Resolutions as proposed.

Attachments:
1. Resolution 25-G-51 (Proposed)
2. Resolution 25-G-52 (Proposed)