

Town Council Packet

July 26, 2022 @ 7:00pm





GUIDELINES FOR PUBLIC INPUT

Public Input is a vital and important portion of every meeting and will be permitted throughout the meeting, but according to the following guidelines:

- a. Public input is allowed during the Agenda identified **Public Input** and **Public Hearing** portion of the meeting.
 - i. If you would like to address the meeting during the appropriate times, please raise your hand and when called upon you will be asked to come to the podium. *Announce your name* so that your statements can be adequately captured in the meeting minutes.
 - ii. Please keep your comments to 3-5 minutes as others may want to participate throughout the meeting and to insure that the subject does not drift.
- b. Throughout the meeting agenda calls for public input will be made, generally pertaining to specific action items. Please follow the same format as above.
- c. At the conclusion of the meeting, if the meeting chair believes additional public comment is necessary, the floor will be open.

We hope that this guideline will improve the effectiveness and order of the Town's Public Meetings. It is the intent of your publicly elected officials to stay open to your feelings on a variety of issues.

Thank you, Rangely Mayor

1



Town of Rangely

July 26, 2022 - 7:00pm

Agenda

Rangely Board of Trustees (Town Council)
ANDY SHAFFER, Mayor

TREY ROBIE, MAYOR PROTEM
DON DAVIDSON, TRUSTEE
KYLE WREN, TRUSTEE

TIM WEBBER, TRUSTEE
ALISA GRANGER, TRUSTEE
TODD THAYN, TRUSTEE

- 1. Call to Order
- 2. Roll Call
- 3. Invocation
- 4. Pledge of Allegiance
- 5. Minutes of Meeting
 - a. Discussion and Action to approve the minutes of July 12, 2022, Town Council Meeting
- 6. Petitions and Public Input
- 7. Changes to the Agenda
- 8. Public Hearings 7:10pm
- 9. Committee/Board Meetings
- **10.** RBC Commissioner Reports
- 11. Council Reports
 - a. Don Davidson Senate Bill 21-260
- 12. Supervisor Reports See Attached
- 13. Reports from Officers Town Manager Update
- 14. Old Business
- 15. New Business
 - a. Discussion and action to approve the June Financial Summary
 - b. Discussion and action to approve the liquor license renewal for Pinion Tree Liquors
 - c. Discussion and Action to Opt-In to the Colorado Opioid Settlement Tracker (COST) program to receive \$992.54 for year one (1) and total opioid settlement funds over 18 years of \$8,825.98, from Colorado settlements with Johnson & Johnson and the three drug distributors.

16. Informational Items

- a. Club 20 Summer Policy Meetings @ CNCC Rangely July 28-29th
- b. Colorado Parks and Wildlife, Blast & Twang Archery, Shotgun and .22 Shooting Event, July 30th 9am

c. National Night Out August 8, 2022, 6-8pm

17. Board Vacancies

a. Community Garden Board Vacancies

18. Scheduled Announcements

- a. Giant Step Preschool Board meeting is scheduled for July 6, 2022, at 6:00 pm
- b. Rangely District Library Board meeting is scheduled for July 11, 2022, at 5:00 pm
- c. WRB Park & Recreation District Board meeting is scheduled for July 11, 2022, at 7:00 pm
- d. Community Outreach meeting tentatively scheduled for July 13, 2022, at noon
- e. RDA/RDC Board meeting is scheduled for July 14, 2022, at 7:30 am
- f. Rural Fire Protection District Board meeting is scheduled for July 18, 2022, at 7:00 pm
- g. Rangely Junior College District Board meeting is scheduled for July 19, 2022, at 12:00 noon
- h. Rio Blanco County Commissioners Board meeting is scheduled for July 19, 2022, at 11:00 am
- i. Rangely School District Board meeting has been scheduled for July 19, 2022, at 6:15 pm
- j. Rangely Chamber of Commerce Board meeting is scheduled for July 21, 2022, at 12:00 noon
- k. RBC Water Conservancy District Board meeting is scheduled for July 27, 2022, at 6:30 pm
- Rangely District Hospital board meeting is scheduled for July 28, 2022, at 6:00 pm
- m. Planning and Zoning meeting is scheduled for the August 2022

19. Adjournment



Town of Rangely

July 26, 2022 - 7:00pm

Agenda

Rangely Board of Trustees (Town Council)
ANDY SHAFFER, Mayor

TREY ROBIE, MAYOR PROTEM DON DAVIDSON, TRUSTEE

KYLE WREN, TRUSTEE

TIM WEBBER, TRUSTEE
ALISA GRANGER, TRUSTEE
TODD THAYN, TRUSTEE

- 1. Call to Order
- 2. Roll Call
- 3. Invocation
- 4. Pledge of Allegiance
- 5. Minutes of Meeting
 - a. Discussion and Action to approve the minutes of July 12, 2022, Town Council Meeting
- 6. Petitions and Public Input
- 7. Changes to the Agenda
- 8. Public Hearings 7:10pm
- 9. Committee/Board Meetings
- **10.** RBC Commissioner Reports
- 11. Council Reports
- 12. Supervisor Reports See Attached
- 13. Reports from Officers Town Manager Update
- 14. Old Business
- 15. New Business
 - a. Discussion and action to approve the June Financial Summary
 - b. Discussion and action to approve the liquor license renewal for Pinion Tree Liquors
 - c. Discussion and Action to Opt-In to the Colorado Opioid Settlement Tracker (COST) program to receive \$992.54 for year one (1) and total opioid settlement funds over 18 years of \$8,825.98, from Colorado settlements with Johnson & Johnson and the three drug distributors.

16. Informational Items

- a. Club 20 Summer Policy Meetings @ CNCC Rangely July 28-29th
- b. Colorado Parks and Wildlife, Blast & Twang Archery, Shotgun and .22 Shooting Event, July 30th 9am
- c. National Night Out August 8, 2022, 6-8pm

17. Board Vacancies

a. Community Garden Board Vacancies

18. Scheduled Announcements

- a. Giant Step Preschool Board meeting is scheduled for July 6, 2022, at 6:00 pm
- b. Rangely District Library Board meeting is scheduled for July 11, 2022, at 5:00 pm
- c. WRB Park & Recreation District Board meeting is scheduled for July 11, 2022, at 7:00 pm
- d. Community Outreach meeting tentatively scheduled for July 13, 2022, at noon
- e. RDA/RDC Board meeting is scheduled for July 14, 2022, at 7:30 am
- f. Rural Fire Protection District Board meeting is scheduled for July 18, 2022, at 7:00 pm
- g. Rangely Junior College District Board meeting is scheduled for July 19, 2022, at 12:00 noon
- h. Rio Blanco County Commissioners Board meeting is scheduled for July 19, 2022, at 11:00 am
- i. Rangely School District Board meeting has been scheduled for July 19, 2022, at 6:15 pm
- j. Rangely Chamber of Commerce Board meeting is scheduled for July 21, 2022, at 12:00 noon
- k. RBC Water Conservancy District Board meeting is scheduled for July 27, 2022, at 6:30 pm
- I. Rangely District Hospital board meeting is scheduled for July 28, 2022, at 6:00 pm
- m. Planning and Zoning meeting is scheduled for the August 2022

19. Adjournment

5 – Minutes



Town of Rangely

July 12, 2022 - 7:00pm

Minutes

Rangely Board of Trustees (Town Council)
ANDY SHAFFER, Mayor

TREY ROBIE, MAYOR PROTEM
DON DAVIDSON, TRUSTEE
KYLE WREN, TRUSTEE

TIM WEBBER, TRUSTEE
ALISA GRANGER, TRUSTEE
TODD THAYN, TRUSTEE

- **1.** Call to Order 7:00pm
- **2. Roll Call** Andy Shaffer, Trey Robie, Don Davidson, Kyle Wren, Tim Webber, Alisa Granger, and Todd Thayn present.
- 3. Invocation Led by Kyle Wren
- 4. Pledge of Allegiance Led by Lisa Piering
- 5. Minutes of Meeting
 - a. Discussion and Action to approve the minutes of June 28, 2022, Town Council Meeting Motion made by Alisa Granger to approve the minutes of June 28, 2022, Town Council Meeting, second by Don Davidson. Motion passed
- **6. Petitions and Public Input** Bill Dyer, a resident of White River Village was present to express his concern over the DirecTV. Bill stated that Janet informed the residents of an upgrade from DirecTV in February 2022. In May of 2022, the tv would go in and out. Janet tried to solve the problem with the help of a DirecTV tech and replace a part but continued to have problems. Janet was finally able to get a tech to Rangely, but it took time. Lisa assured Bill that the residents aren't being ignored but trying to figure out the problem takes time.
- 7. Changes to the Agenda None
- 8. Public Hearings 7:10pm
- **9.** Committee/Board Meetings AGNC meeting will be held next Wednesday, July 20. Club 20 will meet at the end of July. Community Outreach will start to meet again starting July 13 at CNCC at noon. An RDA/RDC meeting is scheduled for July 14th.
- **10. RBC Commissioner Reports** Commissioner's meeting will be held Tuesday, July 19 in the courtroom at town hall.
- **11. Council Reports** A few council members met David Tice and Doug Kiesewetter to view the Cogency presentation and took a tour of the water plant and both David and Doug were on the Podcast with Jeannie Caldwell and McKenzie Webber.
- 12. Supervisor Reports See Attached

13. Reports from Officers – Town Manager Update – Lisa reported to the council that Marybel and herself attended the IIJA Summit which was an Infrastructure summit. Kelli and Lisa met with Northwest Pipeline and agreed to keep transportation cost the same. The Main Street Open for Business grant projects have been completed. Professional Touch and Silver Sage look great. Lisa stated she is working on getting employee evaluations and to start looking at budgets.

14. Old Business

15. New Business

a. Discussion and action to approve the June 2022 Check Register - Motion made by Alisa Granger to approve the June 2022 Check Register, second by Todd Thayn. Motion passed

16. Informational Items

- a. We Rock July 9th-10th 10am
- b. Coffee with a Cop July 16th 10am
- c. Hill Climb July 16th-17th 8am
- d. Rally Colorado July 23rd-24th
- e. Rangely Regional Library Summer Reading Carnival July 26th 10am
- f. Club 20 Summer Policy Meetings @ CNCC Rangely July 28-29th
- g. National Night Out August 8, 2022, 6-8pm

17. Board Vacancies

a. Community Garden Board Vacancies

18. Scheduled Announcements

- a. Giant Step Preschool Board meeting is scheduled for July 6, 2022, at 6:00 pm
- b. Rangely District Library Board meeting is scheduled for July 11, 2022, at 5:00 pm
- c. WRB Park & Recreation District Board meeting is scheduled for July 11, 2022, at 7:00 pm
- d. Community Outreach meeting tentatively scheduled for July 13, 2022, at noon
- e. Rural Fire Protection District Board meeting is scheduled for July 18, 2022, at 7:00 pm
- f. Rangely Junior College District Board meeting is scheduled for July 19, 2022, at 12:00 noon
- g. Rio Blanco County Commissioners Board meeting is scheduled for July 19, 2022, at 11:00 am
- h. Rangely School District Board meeting has been scheduled for July 19, 2022, at 6:15 pm
- i. RDA/RDC Board meeting is scheduled for July 21, 2022, at 7:30 am
- j. Rangely Chamber of Commerce Board meeting is scheduled for July 21, 2022, at 12:00 noon
- k. RBC Water Conservancy District Board meeting is scheduled for July 27, 2022, at 6:30 pm
- I. Rangely District Hospital board meeting is scheduled for July 28, 2022, at 6:00 pm
- m. Planning and Zoning meeting is scheduled for the August 2022

19.	Ad	jourr	nment	− 7:4	13pm
-----	----	-------	-------	--------------	------

ATTEST:	RANGELY TOWN COUNCIL		
	_		
Marybel Cox, Clerk	Andrew Shaffer, Mayor		

8 – Public Hearings

- 9 Committee Meeting
- 10 Report from RBC Commissioners
- 11 Report from Council

- 12 Reports from Supervisors
- 13 Reports from Officers
- 14 Old Business
- 15 New Business

Theorne Statement		Town or Kangely		Month Enaing Julie 2022
GENERAL FUND Revenue		CTUAL		2 BUDGET
Tayon	YTD Amount	% of Revenue	Budget 2022	% of Budget Expended
Taxes Licenses and Permits	\$653,973 \$9,988	1%	\$1,519,000	43.05% 56.43%
Intergovernmental Revenue	\$355,656	26%	\$17,700 \$1,327,000	26.80%
Charges for Services	\$245,004	18%	\$490,000	50.00%
Miscellaneous Revenue	\$81,304	6%	\$160,700	50.00%
Total General Revenue	\$1,345,925	100%	\$3,514,400	38.30%
Total General Revenue		CTUAL		2 BUDGET
GENERAL FUND Operating Expenses	YTD Amount	% of Expenses	Budget 2022	% of Budget Expended
Town Council	\$17,402	1%	\$40,928	42.52%
Court	\$8,632	0%	\$22,209	38.87%
Administration	\$106,701	6%	\$247,786	43.06%
Finance	\$98,390	5%	\$195,528	50.32%
Building & Grounds	\$114,728	6%	\$246,567	46.53%
Economic Development	\$128,815	7%	\$325,676	39.55%
Police Department	\$499,562	27%	\$938,916	53.21%
Animal Shelter	\$27,451	1%	\$52,328	52.46%
Public Works	\$172,972	9%	\$440,517	39.27%
Foundation Trans. & Non Depart. Transfer	\$607,531	32%	\$759,000	80.04%
Total Capital Improvements	\$96,635	5%	\$576,000	16.78%
Total General expenses	\$1,878,819	100%		48.86%
Net Revenue over Expenditures	(\$532,894)	100%	\$3,845,455 (\$331,055)	160.97%
Net Revenue over Expenditures	(1 / /	CTUAL	(1 / /	2 BUDGET
WATER FUND Revenue	YTD Amount	% of Revenue	Budget 2022	% of Budget Expended
Water Revenue	\$639,853	100%	\$1,254,622	51.00%
Water Revenue		CTUAL		2 BUDGET
WATER FUND Operating Expenses	YTD Amount	% of Expense	Budget 2022	% of Budget Expended
Water Supply	\$199,210	37%	\$446,687	44.60%
Water Supply Capital Expense	\$61,222	11%	\$243,000	25.19%
Water Fund Dept. Transfers and Conting.	\$121,478	23%	\$282,956	42.93%
PW - Transportation & Distribution	\$74,647	14%	\$110,760	67.40%
PW - Transportation & Distrib. Capital Exp	\$63,937	12%	\$425,000	0.00%
Raw Water	\$17,336	3%	\$49,990	34.68%
Raw Water Capital Expense	\$0	0%	\$0	#DIV/0!
Total Water expenses	\$537,830	100%	\$1,558,393	34.51%
Net Revenue over Expenditures	\$102,024	100%	(\$303,771)	
	1	CTUAL		2 BUDGET
GAS FUND Revenue	YTD Amount	% of Revenue	Budget 2022	% of Budget Expended
Gas Revenue	\$889,476	100%	\$1,162,954	76.48%
CAS FUND O	YTD A	CTUAL	202	2 BUDGET
GAS FUND Operating Expenses	YTD Amount	% of Expense	Budget 2022	% of Budget Expended
Gas Expenses	\$569,287	86%	\$829,557	68.63%
Gas Capital Expense	\$4,250	1%	\$5,000	85.00%
Total Transfers	\$90,000	14%	\$180,000	50.00%
Total Selling Expenses	\$663,537	100%	\$1,014,557	65.40%
Net Revenue over Expenditures	\$225,939	100%	\$148,397	152.25%
Wasternator FUND Develope	YTD A	CTUAL	202	2 BUDGET
Wastewater FUND Revenue	YTD Amount	% of Revenue	Budget 2022	% of Budget Expended
Wastewater Revenue	\$1,095,088	100%	\$1,479,500	74.02%
	YTD A	CTUAL	202	2 BUDGET
Wastewater FUND Oper Expenses	YTD Amount	% of Expense	Budget 2022	% of Budget Expended
Wastewater Expenses	\$116,527	9%	\$283,613	41.09%
Wastewater Capital Expense	\$1,077,157	85%	\$1,605,000	67.11%
Total Transfers	\$75,000	6%	\$150,000	50.00%
General Fund Loan	\$0	0%	\$0	0.00%
Total Selling Expenses	\$1,268,685	100%	\$2,038,613	62.23%
Net Revenue over Expenditures	(\$173,597)	100%	(\$559,113)	31.05%

Town of Rangely

Month Ending June 2022

		Town of Rangery		Month Enamy June 2022
Rangely Housing Auth Revenue			202	22 BUDGET
5 / 5	YTD Amount	% of Revenue	Budget 2022	% of Budget Expended
Rangely Housing Auth Revenue	\$105,028	100%	\$260,000	40.40%
Rangely Housing Auth Oper Expenses		+		22 BUDGET
	YTD Amount	% of Expense	Budget 2022	% of Budget Expended
Rangely Housing Auth Expenses	\$90,210	89%	\$174,567	51.68%
Housing Authority Capital Expense	\$0	0%	\$25,000	0.00%
Debt Service and Transfers	\$11,276	11%	\$60,000	18.79%
Total Expense	\$101,486	100%	\$259,567	39.10%
Net Revenue over Expenditures	\$3,542	100%	\$433	818.00%
Fund for Public Giving Revenue		CTUAL		22 BUDGET
	YTD Amount	% of Revenue	Budget 2022	% of Budget Expended
Fund for Public Giving Revenue	\$111	100%	\$2,000	5.54%
Fund for Public Giving Oper Expenses		CTUAL		22 BUDGET
	YTD Amount	% of Expense	Budget 2022	% of Budget Expended
Fund for Public Giving Expenses	\$10	100%	\$2,000	0.50%
Net Revenue over Expenditures	\$101	100%	\$0	0.00%
Economic Development Revenue		CTUAL		22 BUDGET
	YTD Amount	% of Revenue	Budget 2022	% of Budget Expended
RDA Revenues	\$145,029	100%	\$1,552,700	9.34%
Economic Development Oper Expenses		CTUAL		22 BUDGET
	YTD Amount	% of Expense	Budget 2022	% of Budget Expended
RDA Expenses	\$67,232	100%	\$77,600	86.64%
RDA Capitol Expense	\$30,086	100%	\$1,500,000	2.01%
Total Expense	\$97,318	100%	\$1,577,600	6.17%
Net Revenue over Expenditures	\$47,711	100%	(\$24,900)	
Conservation Trust Revenue		CTUAL		22 BUDGET
	YTD Amount	% of Revenue	Budget 2022	% of Budget Expended
Conservation Trust Revenue (Grant \$136K)	\$7,375	100%	\$12,225	60.33%
Conservation Trust Oper Expenses		CTUAL		22 BUDGET
	YTD Amount	% of Expense	Budget 2022	% of Budget Expended
Conservation Trust Expenses	\$0	100%	\$0	0.00%
Net Revenue over Expenditures	\$7,375	100%	\$12,225	60.33%
Housing Assistance Revenue		CTUAL		22 BUDGET
•	YTD Amount	% of Revenue	Budget 2022	% of Budget Expended
Housing Assistance Revenue	\$42,067	100%	\$21,000	200.32%
Housing Assistance Oper Expenses		CTUAL		22 BUDGET
	YTD Amount	% of Expense	Budget 2022	% of Budget Expended
Housing Assistance Expenses	\$905	100%	\$2,000	45.25%
Net Revenue over Expenditures	\$41,162	100%	\$19,000	216.64%
Rangely Develop Corp Revenue	YTD ACTUAL		2022 BUDGET	
	YTD Amount	% of Revenue	Budget 2022	% of Budget Expended
Rangely Develop Corp Revenue	\$110	100%	\$5,800,500	0.00%
Rangely Develop Corp Expenses		CTUAL		22 BUDGET
	YTD Amount	% of Expense	Budget 2022	% of Budget Expended
Rangely Develop Corp Expenses	\$266	100%	\$500	53.12%
RDC Capitol Expense	\$0	100%	\$5,800,000	0.00%
Total Expense	\$266	100%	\$5,800,500	0.00%
Net Revenue over Expenditures	(\$156)	100%	\$0	0.00%
INCOME STATEMENT ROLL-UP	Actual YTD		Budget YTD	7
Total Revenues	\$4,270,061		\$15,059,901	28.35%
Total Expenses	\$4,548,855		\$16,098,685	28.26%
Net Revenue over Expense	-\$278,794	I	-\$1,038,784	26.84%

DR 8400 (03/10/22)
COLORADO DEPARTMENT OF REVENUE
Liquor Enforcement Division

Submit to Local Licensing Authority

PINYON TREE LIQUORS 321 MAIN ST SPACE 3&4 Rangely CO 81648-2710

Fees Due	
Renewal Fee	277.50
Storage Permit \$100 X	\$ 100,00
Sidewalk Service Area \$75.00	\$
Additional Optional Premise Hotel & Restaurant \$100 X	\$
Related Facility - Campus Liquor Complex \$160.00 per facility	\$
Amount Due/Paid	\$ 377,50

Make check payable to: Colorado Department of Revenue. The State may convert your check to a one-time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department may collect the payment amount directly from your banking account electronically.

Retail Liquor or Fermented Malt Beverage License Renewal Application

	Return to city or county licensing authority by due date		
Doing Business As Name (DBA) PINYON TREE LIQUORS			
<i>D</i> .			
ate	Due Date 08/11/2022		
	Phone Number 9706291510		
Email Pin yai	treeliquors DGmail. ion		
eir Rangely, Lo.	Phone Number 970 629 1510		
dress above? 🗹 Yes 🗌 *If rented, expiration	No date of lease <u>01 · 01 · 26</u>		
s, sidewalk service area, or r Yes \text{No}	elated facility? If yes, please see the		
st hold a qualifying license ty	pe and be authorized for takeout and/or		
☐ Both Takeout and Deliv	rery		
on with a 10% or greater fina	eners, officer, directors, stockholders, ancial interest in the applicant, been ses, penalties, or interest related to a		
	ners, officer, directors, stockholders, ancial interest in the applicant failed to No		
ors, managing members or g	t (new notes, loans, owners, etc.) or eneral partners)? If yes, explain in detail licensed financial institutions), officers, No		
or any of its agents, owners, If yes, attach a detailed exp	managers, partners or lenders (other lanation.		
	Email Circ Kangely, Loadress above? Yes All rented, expiration of the standard property o		

DR 8400 (03/10/22) COLORADO DEPARTMENT OF REVENUE Liquor Enforcement Division

7. Since the date of filing of the last application, has the applicant or any of its agents, owners, managers, than licensed financial institutions) been denied an alcohol beverage license, had an alcohol beverage revoked, or had interest in any entity that had an alcohol beverage license denied, suspended or revoked explanation. Yes No	license suspended or
8. Does the applicant or any of its agents, owners, managers, partners or lenders (other than licensed final direct or indirect interest in any other Colorado liquor license, including loans to or from any licensee or licensee? If yes, attach a detailed explanation. Yes No	
Affirmation & Consent I declare under penalty of perjury in the second degree that this application and all attachments are true, c best of my knowledge.	orrect and complete to the
Type or Print Name of Applicant/Authorized Agent of Business	Title
William Hodges	owner
Signature	Date
Wathdy	07.13.22
Report & Approval of City or County Licensing Authority The foregoing application has been examined and the premises, business conducted and character of the application we do hereby report that such license, if granted, will comply with the provisions of Title 44, Articles 4 and 3, Therefore this application is approved.	
Local Licensing Authority For Rangely	Date 7/18/22
Signature Title agust	Marshel Cov



Rangely Police Department

Chief of Police, TiRynn Hamblin Thamblin@rangelyco.gov

TO: Mayor and Town Council

From: Chief Hamblin

RE: Pinyon Tree Liquors, license renewal

Date: July 19th 2022

The Police Department has not responded to any calls for service to the Pinyon Tree Liquors since the last renewal, in regards to any misdoing on behalf of Pinyon Tree Liquors. I see no reason to deny their liquor license renewal.

Chief Hamblin

COLORADO OPIOIDS SETTLEMENT MEMORANDUM OF UNDERSTANDING ("MOU")

Thursday, August 26, 2021

August 25, 2021 Attorney General version

A. Definitions

As used in this MOU:

- "Approved Purpose(s)" shall mean forward-looking strategies, programming, and services to abate the opioid epidemic as identified by the terms of any Settlement. If a Settlement is silent on Approved Purpose(s), then Approved Purpose(s) shall mean those forward-looking strategies to abate the opioid epidemic identified in Exhibit A or any supplemental forward-looking abatement strategies added to Exhibit A by the Abatement Council. Consistent with the terms of any Settlement, "Approved Purposes" shall also include the reasonable administrative costs associated with overseeing and administering Opioid Funds from each of the four (4) Shares described in Section (B)(2). Reimbursement by the State or Local Governments for past expenses are not Approved Purpose(s). "Approved Purposes" shall include attorneys' fees and expenses incurred in the course of the opioid litigation that are paid through the process discussed below.
- 2. "County Area" shall mean a county in the State of Colorado plus the Local Governments, or portion of any Local Government, within that county.
- 3. "Effective Date" shall mean the date on which a court of competent jurisdiction, including any bankruptcy court, enters the first Settlement by order or consent decree. The Parties anticipate that more than one Settlement will be administered according to the terms of this MOU, but that the first entered Settlement will trigger the formation of the Abatement Council in Section (C) and the Regional Councils in Section (F)(5).
- 4. "General Abatement Fund Council," or "Abatement Council," shall have the meaning described in Section (C), below.

For the avoidance of doubt, the McKinsey Settlement and any other Settlement that precedes the finalization of drafting this MOU are not considered a trigger for purposes of the calculation of "Effective Date."

- 5. "Local Government(s)" shall mean all counties in the State of Colorado and the municipalities, towns, and county and city municipal corporations that are listed in **Exhibit B**.
- 6. "National Opioid Settlement Administrative Fund" shall mean any fund identified by a Settlement for the national distribution of Opioid Funds.
- 7. "Opioid Funds" shall mean damage awards obtained through a Settlement.
- 8. "Opioid Settling Defendant" shall mean any person or entity, or its affiliates, that engages in or has engaged in the manufacture, marketing, promotion, distribution, or dispensing of licit opioids.
- 9. "Participating Local Government(s)" shall mean all Local Governments that sign this MOU, and if required under terms of a particular Settlement, who have executed a release of claims with the Opioid Settlement Defendant(s). For the avoidance of doubt, a Local Government must sign this MOU to become a "Participating Local Government." Local Governments may designate the appropriate individual from their entity to sign the MOU.
- 10. "Party" or "Parties" shall mean the State and/or Participating Local Government(s).
- 11. "Qualified Settlement Fund Account," or "QSF Account," shall mean an account set up as a qualified settlement fund, 468b fund, as authorized by Treasury Regulations 1.468B-1(c) (26 CFR §1.468B-1).
- 12. "Regional Council" shall have the meaning described in Section (F)(5), below.
- 13. "Settlement" shall mean the negotiated resolution of legal or equitable claims against an Opioid Settling Defendant when that resolution has been jointly entered into by the State and the Participating Local Governments, or by any individual Party or collection of Parties that opt to subject their Settlement to this MOU. Unless otherwise directed by an order from a United States Bankruptcy Court, "Settlement" shall also include distributions from any liquidation under Chapter 7 of the United States Bankruptcy Code or confirmed plan under Chapter 11 of the United States Bankruptcy Code that treats the claims of the State and Local Governments against an Opioid Settling Defendant.
- 14. "The State" shall mean the State of Colorado acting through its Attorney General and the Colorado Department of Law.

B. Allocation of Settlement Proceeds

1. All Opioid Funds shall be held in accordance with the terms of any Settlement. If a Settlement allows Opioid Funds to be held in a National Opioid Settlement Administrative Fund, then Opioid Funds shall be held in such National Opioid Settlement Administrative Fund. If a Settlement does not allow for Opioid Funds

to be held in a National Opioid Settlement Administrative Fund, Opioid Funds shall be held in a Colorado-specific QSF Account or, under the following limited circumstances, in the State's Custodial Account: 1) if at the time of a Settlement, a Colorado-specific QSF Account is not yet established, although in such case, the Opioid Funds shall be transferred to the Colorado-specific QSF Account once it is established or 2) where the Abatement Fund Council determines Opioids Funds cannot be legally held in a Colorado-specific QSF Account. Regardless of whether Opioid Funds are held in a National Administrative Fund, a Colorado-specific QSF Account, or in the State's Custodial Account, the Abatement Council shall appoint one of its members to serve as the point of contact in accordance Section (C)(4)(b)(i), below.

- 2. All Opioid Funds, at the time of a Settlement or at the time designated in the Settlement documents, shall be divided and distributed as follows:²
 - a. 10% directly to the State ("State Share") for Approved Purposes in accordance with Section (D), below;
 - b. **20%** directly to Participating Local Governments ("LG Share") for Approved Purposes in accordance with Section (E), below;
 - c. 60% directly to Regions ("Regional Share") for Approved Purposes in accordance with Section (F), below; and
 - d. 10% to specific abatement infrastructure projects ("Statewide Infrastructure Share") for Approved Purposes in accordance with Section (G), below.
- 3. Distribution of the Shares in Section B(2)(a) (d) shall be direct, meaning that funds held in accordance with Section B(1) shall be disbursed directly to the State, Participating Local Governments, Regions, and the Statewide Infrastructure Share according to the terms of this MOU.
- 4. All Opioid Funds, regardless of allocation, shall be used for Approved Purposes.
- 5. Participating Local Governments may elect to share, pool, or collaborate with their respective allocation of the LG or Regional Shares in any manner they choose, so long as such sharing, pooling, or collaboration is used for Approved Purposes and complies with the terms of this MOU and any Settlement.

C. General Abatement Fund Council

1. A General Abatement Fund Council (the "Abatement Council"), consisting of representatives appointed by the State and Participating Local Governments, shall

² This MOU treats multi-county health departments as county health departments for purposes of allocation and distribution of abatement proceeds and therefore multi-county health departments shall not receive any Opioid Funds directly. Third-Party Payors ("TPPs") are not Parties to this MOU.

be created to ensure the distribution of Opioid Funds complies with the terms of any Settlement and to provide oversight of the Opioid Funds in accordance with the terms of this MOU.

- 2. **Membership:** The Abatement Council shall consist of the following thirteen (13) members, who shall serve in their official capacity only.
 - a. **State Members:** Seven (7) members shall be appointed by the State, as authorized volunteers of the State, as follows:
 - (i) A Chair to serve as a non-voting member, except in the event of a tie;
 - (ii) Two (2) members who are licensed professionals with significant experience in substance use disorders;
 - (iii) Three (3) members who are professionals with significant experience in prevention, education, recovery, treatment, criminal justice, rural public health issues, or government administration related to substance use disorders; and
 - (iv) One (1) member or family member affected directly by the opioid crisis.
 - b. Local Government Members: Six (6) members shall be appointed by the Participating Local Governments. Local Government Members shall be a County Commissioner, Mayor, City or Town Council Member, or a professional with significant experience in prevention, education, recovery, treatment, criminal justice, rural public health issues, or governmental administration related to substance use disorders. A Participating Local Government may determine which Local Government Members are eligible (or ineligible) to serve on the General Abatement Fund Council. County Commissioners, City or Town Council Members, and/or Mayors from the Regions identified in Exhibit C shall collaborate to appoint Local Government Members as follows:
 - (i) Two (2) Members from Regions 1, 5, 13, 14, 15, 17, 18;
 - (ii) Two (2) Members from Regions 2, 6, 7, 8, 9, 10, 11, 12, 16; and
 - (iii) Two (2) Members from Regions 3, 4, 19.
 - c. Terms: The Abatement Council shall be established within ninety (90) days of the Effective Date. In order to do so, within sixty (60) days of the Effective Date, the State shall appoint the State Members in accordance with Section (C)(2)(a), and after conferral with the Local Governments, CCI and CML shall jointly appoint six (6) Local Government Members for an initial term not to exceed one year. Thereafter, Members shall be

appointed in accordance with this Section and Sections (C)(2)(a) and (b) and may serve no more than two (2) consecutive two-year terms, for a total of four (4) consecutive years. Except that, beginning in the second year only, two (2) State Members and two (2) Local Government members shall be appointed for a three-year term and may serve one consecutive two-year term thereafter. The Chair shall have no term but may be replaced at the State's discretion.

- (i) If a State or Local Government Member resigns or is otherwise removed from the Abatement Council prior to the expiration of their term, a replacement Member shall be appointed within sixty (60) days in accordance with Sections (C)(2)(a) and (b).
- (ii) If a Local Government Member vacancy exists for more than sixty (60) days, the State shall appoint a replacement Local Government Member to serve until the vacancy is filled in accordance with Section (C)(2)(b).
- 3. **Duties:** The Abatement Council is primarily responsible for ensuring that the distribution of Opioid Funds complies with the terms of this MOU. The Abatement Council is also responsible for oversight of Opioid Funds from the Regional Share in accordance with Section (F), below, and for developing processes and procedures for the distribution and oversight of Opioid Funds from the Statewide Infrastructure Share in accordance with Section (G) below.
- 4. **Governance:** The Abatement Council shall draft its own bylaws or other governing documents, which must include appropriate conflict of interest and dispute resolution provisions, in accordance with the terms of this MOU and the following principles:
 - a. Authority: The Abatement Council does not have rulemaking authority. The terms of this MOU and any Settlement, as entered by any court of competent jurisdiction, including any bankruptcy court, control the authority of the Abatement Council and the Abatement Council shall not stray outside the bounds of the authority and power vested by this MOU and any Settlement.
 - b. Administration: The Abatement Council shall be responsible for an accounting of all Opioid Funds. The Abatement Council shall be responsible for releasing Opioid Funds in accordance with Section (B)(1) for the Regional and Statewide Infrastructure Shares in Sections (B)(2)(c) and (d) and shall develop policies and procedures for the release and oversight of such funds in accordance with Sections (F) and (G). Should the Abatement Council require assistance with providing an accounting of Opioid Funds, it may seek assistance from the State.

- (i) The Abatement Council shall appoint one of its members to serve as a point of contact for the purpose of communicating with the entity holding Opioid Funds in accordance with Section (B)(1) and in that role shall only act as directed by the Abatement Council.
- c. **Transparency:** The Abatement Council shall operate with all reasonable transparency and operate in a manner consistent with all Colorado laws relating to open records and meetings regardless of whether the Abatement Council is otherwise obligated to comply with them.
 - (i) The Abatement Council shall develop a centralized public dashboard or other repository for the publication of expenditure data from any Party or Regional Council that receives Opioid Funds in accordance with Sections (D)-(G).
 - (ii) The Abatement Council may also require outcome related data from any Party or Regional Council that receives Opioid Funds in accordance with Sections (D)-(G) and may publish such outcome related data in the centralized public dashboard or other repository described above. In determining which outcome related data may be required, the Abatement Council shall work with all Parties and Regional Councils to identify appropriate data sets and develop reasonable procedures for collecting such data sets so that the administrative burden does not outweigh the benefit of producing such outcome related data.
 - (iii) For purposes of funding the centralized public dashboard or other repository described above, the Abatement Council shall make good faith efforts to seek funding from outside sources first, otherwise the State shall provide such funding.
- d. Collaboration: The Abatement Council shall facilitate collaboration between the State, Participating Local Governments, Regional Councils, and other stakeholders for the purposes of sharing data, outcomes, strategies, and other relevant information related to abating the opioid crisis in Colorado.
- e. **Decision Making:** The Abatement Council shall seek to make all decisions by consensus. In the event consensus cannot be achieved, unless otherwise required in this MOU, the Abatement Council shall make decisions by a majority vote of its Members. The Chair shall only vote in the event of a tie.
- f. **Due Process:** The Abatement Council shall develop the due process procedures required by Section (G)(3)(d) for Parties to dispute or challenge remedial actions taken by the Abatement Council for Opioid Funds from the Statewide Infrastructure Share. The Abatement Council

- shall also abide by the due process principles required by Section (F)(12)-(13) for Regions to dispute or challenge remedial actions taken by the Abatement Council for Opioid Funds from the Regional Share.
- Legal Status: The Abatement Council shall not constitute a separate legal entity.
- h. Legal Representation: To the extent permitted by law, the State shall provide legal counsel to State Members for all legal issues arising from those State Members' work on the Abatement Council. At all times, Local Government Members of the Abatement Council are entitled to receive legal representation from their respective governmental entities. In the event of a conflict, the Abatement Council and its members may retain the services of other legal counsel.
- i. **Compensation:** No member of the Abatement Council shall be compensated for their work related to the Abatement Council.

D. State Share

- In accordance with Sections (B)(1) and (B)(2)(a), and the terms of any Settlement, the State Share shall be paid directly to the State in accordance with the terms of this Section (D).
- 2. The State maintains full discretion over distribution of the State Share anywhere within the State of Colorado, however, the State Share shall be used for Approved Purposes only. The State will work to reduce administrative costs as much as practicable.
- 3. On an annual basis, as determined by the Abatement Council, the State shall provide all expenditure data, including administrative costs, from the State Share to the Abatement Council for purposes of maintaining transparency in accordance with Section (C)(4)(c)(i). The Abatement Council may require the State to provide additional outcome-related data in accordance with Section (C)(4)(c)(ii) and the State shall comply with such requirements.
- 4. If the State disputes the amount of Opioid Funds it receives from the State Share, the State shall alert the Abatement Council within sixty (60) days of discovering the information underlying the dispute. Failure to alert the Abatement Council within this time frame shall not constitute a waiver of the State's right to seek recoupment of any deficiency in its State Share.

E. LG Share

 In accordance with Sections (B)(1) and (B)(2)(b), and the terms of any Settlement, the LG Share shall be paid directly to Participating Local Governments in accordance with the terms of this Section (E).

- 2. Allocations to Participating Local Governments from the LG Share shall first be determined using the percentages shown in **Exhibit D**.
- 3. The LG Share for each County Area shall then be allocated among the county and the other Participating Local Governments within it. **Exhibit E** reflects the default allocation that will apply unless the Participating Local Governments within a County Area enter into a written agreement providing for a different allocation. The Participating Local Governments may elect to modify the allocation for a County Area in **Exhibit E**, but such modification to the allocation in **Exhibit E** shall not change a County Area's total allocation under Section (E)(2).
- 4. A Local Government that chooses not to become a Participating Local Government will not receive a direct allocation from the LG Share. The portion of the LG Share that would have been allocated to a Local Government that is not a Participating Local Government will instead be re-allocated to the Regional Share for the Region where the Local Government is located, in accordance with Section (F), below.
- 5. In the event a Participating Local Government dissolves or ceases to exist during the term of any Settlement, the allocation for that Participating Local Government from the LG Share shall be re-allocated as directed by any Settlement, and if not specified, be re-allocated to the Regional Share for the Region in which the Participating Local Government was located, in accordance with Section (F). If a Participating Local Government merges with another Participating Local Government, the allocation for that Participating Local Government from the LG Share shall be re-allocated as directed by any Settlement, and if not specified, shall be re-allocated to the successor Participating Local Government's allocation of the LG Share. If a Participating Local Government merges with a Local Government that is not a Participating Local Government, the allocation for that Participating Local Government from the LG Share shall be re-allocated as directed by any Settlement, and if not specified, be re-allocated to the Region in which the merging Participating Local Government was located, in accordance with Section (F), below.
- 6. A Participating Local Government may forego its allocation of the LG Share and direct its allocation to the Regional Share for the Region where the Participating Local Government is located, in accordance with Section (F) below, by affirmatively notifying the Abatement Council on an annual basis of its decision to forego its allocation of the LG Share. A Participating Local Government's election to forego its allocation of the LG Share shall carry over to the following year unless the Participating Local Government notifies the Abatement Council otherwise. If a Participating Local Government elects to forego its allocation of the LG Share, the Participating Local Government shall be excused from the reporting requirements required by Section (E)(8).
- 7. Participating Local Governments maintain full discretion over the distribution of their allocation of the LG Share anywhere within the State of Colorado, however,

- all Participating Local Governments shall use their allocation from the LG Share for Approved Purposes only. Reasonable administrative costs for a Participating Local Government to administer its allocation of the LG Share shall not exceed actual costs or 10% of the Participating Local Government's allocation of the LG Share, whichever is less.
- 8. On an annual basis, as determined by the Abatement Council, all Participating Local Governments shall provide all expenditure data, including administrative costs, from their allocation of the LG Share to the Abatement Council for purposes of maintaining transparency in accordance with Section (C)(4)(c)(i). The Abatement Council may require Participating Local Governments to provide additional outcome related data in accordance with Section (C)(4)(c)(ii) and all Participating Local Governments shall comply with such requirements.
- 9. If any Participating Local Government disputes the amount of Opioid Funds it receives from its allocation of the LG Share, the Participating Local Government shall alert the Abatement Council within sixty (60) days of discovering the information underlying the dispute. Failure to alert the Abatement Council within this time frame shall not constitute a waiver of the Participating Local Government's right to seek recoupment of any deficiency in its LG Share.

F. Regional Share

- In accordance with Sections (B)(1) and (B)(2)(c), and the terms of any Settlement, the Regional Share shall be paid to the Regions in accordance with the terms of this Section (F).
- 2. Participating Local Governments shall organize themselves into the Regions depicted in **Exhibit C**. Municipalities located in multiple Regions may join all or some of the Regions in which they are located according to **Exhibit C**.
- 3. Allocations to Regions will be distributed according to **Exhibit F**. For multicounty Regions, each Region's share listed in **Exhibit F** is calculated by summing the individual percentage shares listed in **Exhibit D** for the counties within that Region. The percentages in **Exhibit F** are based on the assumption that every Local Government in each Region becomes a Participating Local Government.
- 4. In the event a city, town, or other municipality that is a Participating Local Government merges, dissolves, or ceases to exist during the term of any Settlement, the allocation of the Regional Share owed to the Region in which that Participating Local Government existed shall be re-allocated as directed by any Settlement, and if not specified, shall not be modified from Exhibit F. If a county that is a Participating Local Government merges with another county within its Region, the allocation of the Regional Share owed to the Region in which that county existed shall be re-allocated as directed by any Settlement, and if not specified, shall not be modified from Exhibit F. If a county that is a Participating Local Government merges with a county in a different Region during the term of

- any Settlement, the allocation of the Regional Share owed to the Region in which that county existed shall be re-allocated as directed by any Settlement, and if not specified, shall be re-allocated to the Region in which that Participating Local Government merged in accordance with **Exhibit F**.
- 5. Each Region must create its own Regional Council while giving consideration to the regional governance models illustrated in **Exhibit G**. The Regional Council must be formed by the Participating Local Governments within the Region and each Regional Council shall designate a fiscal agent for the Region. Regional fiscal agents shall be county or municipal governments only. All funds from the Regional Share shall be distributed to the Regional Council's identified fiscal agent for the benefit of the entire Region.
 - a. Subject to this Section F(5), each Region may draft its own intra-regional agreements, bylaws, or other governing documents to determine how the Regional Council will operate. However, each voting member of a Regional Council shall be an employee or elected official of a Participating Local Government within the applicable Region. In the case of Denver, the voting members of its Regional Council shall be appointed by the Mayor. In the case of Broomfield, the voting members of its Regional Council shall be appointed by the Broomfield City and County Manager.
 - b. The Region shall not receive any Opioid Funds from the Regional Share until the Region certifies to the Abatement Council that its Regional Council has been formed and a fiscal agent has been designated. Such certification shall be in a simple form adopted by the Region and may be made via email, so long as it includes the names and affiliations of the Regional Council's members and the designated fiscal agent.
 - c. If a Region does not form and certify its Regional Council and designate its fiscal agent within one-hundred and eighty (180) days of the Effective Date, the Abatement Council shall appoint members to the Region's Regional Council. Regional Council members appointed by the Abatement Council shall serve until the Region certifies the formation of its Regional Council to the Abatement Council.
 - d. A Region shall submit a renewed certification required by Section (F)(5)(b), above, when its membership changes.
 - e. If a membership vacancy exists on a Regional Council for more than ninety (90) days and the Regional Council is unable to fill the vacancy by its regular procedures during that time, the Abatement Council shall appoint a replacement member to serve until the Region fills the vacancy.

- 6. A Local Government that chooses not to become a Participating Local Government shall not receive any Opioid Funds from the Regional Share or participate in the Regional Councils described in Section (F)(5) above.
- 7. Each Regional Council shall make requests to the Abatement Council for Opioid Funds from their allocation of the Regional Share. Each Regional Council's request for Opioid Funds from the Regional Share shall be accompanied by a 2-year plan identifying the Approved Purposes for which the requested funds will be used by the Region anywhere within the State of Colorado. A Regional Council's 2-year plan may be amended so long as such amendments comply with the terms of this MOU and any Settlement. Any Regional Council may seek assistance from the Abatement Council for purposes of developing its 2-year plan.
- 8. Reasonable administrative costs for a Regional Council to administer its Region's allocation of the Regional Share shall not exceed actual costs or 10% of the Region's allocation of the Regional Share, whichever is less.
- 9. The Abatement Council shall release funds requested by a Regional Council in accordance with Section (B)(1) if the Regional Council's 2-year plan complies with the Approved Purposes, the terms of this MOU, and the terms of any Settlement. The Abatement Council shall not deny any funding request from a Regional Council on the basis that the Abatement Council does not approve or agree with the Approved Purposes for which a Regional Council requests Opioid Funds from the Regional Share. Nor may the Abatement Council hold up, delay, or make unreasonable requests for additional or supporting information of the Regional Council prior to releasing the requested Opioid Funds. The purpose of this MOU is to facilitate Opioid Funds to their intended recipients quickly and efficiently with minimal administrative procedure.
- On an annual basis, as determined by the Abatement Council, each Regional Council's fiscal agent shall provide to the Abatement Council the Regional Council's expenditure data, including administrative costs, from their allocation of the Regional Share and certify to the Abatement Council that the Regional Council's expenditures were for Approved Purposes and complied with its 2-year plan. The Regional Council shall subject itself to an accounting at the Abatement Council's discretion.
 - a. The Abatement Council shall review a Regional Council's expenditure data and certification to ensure compliance with the Regional Council's 2year plan, the Approved Purposes, and the terms of this MOU and any Settlement.
 - b. The Abatement Council shall publish the Regional Council's expenditure data, including administrative costs, from the Regional Share in accordance with Section (C)(4)(c)(i). The Abatement Council may require Regional Councils to provide additional outcome related data in

accordance with Section (C)(4)(c)(ii) and all Regional Councils shall comply with such requirements.

- 11. If any Regional Council disputes the amount of Opioid Funds it receives from its allocation of the Regional Share, the Regional Council shall alert the Abatement Council within sixty (60) days of discovering the information underlying the dispute. Failure to alert the Abatement Council within this time frame shall not constitute a waiver of the Regional Council's right to seek recoupment of any deficiency in its Regional Share.
- 12. If the Abatement Council has reason to believe a Region's expenditure of its allocation of the Regional Share did not comply with the Region's 2-year Plan, the Approved Purposes, the terms of this MOU or any Settlement, as described in this Section (F), or that the Region otherwise misused its allocation of the Regional Share, the Abatement Council may take remedial action against the alleged offending Region. Such remedial action is left to the discretion of the Abatement Council and may include but not be limited to, withholding future Opioids Funds owed to the offending Region or requiring the offending Region to reimburse improperly expended Opioid Funds to the Regional Share.
- 13. Within one hundred and twenty (120) days of the Abatement Council being formed, in accordance with Section (C)(2)(c) above, the Abatement Council shall develop and publish due process procedures for allowing a Region to challenge or dispute any remedial action taken by the Abatement Council, including timelines during which the Region may engage in such a challenge or dispute. Such due process procedures shall reflect, at a minimum, the following principles:
 - a. Upon learning of any conduct that may warrant remedial action against a Region, the Abatement Council shall first provide notice to the Region of the conduct at issue, provide the Region an opportunity to respond, and, if appropriate, cure the alleged offending conduct. If after providing the Region such notice and opportunities to respond and cure, the Abatement Council continues to believe remedial action is warranted, the Abatement Council may take such remedial action.
 - b. If the Abatement Council decides to take remedial action against an alleged offending Region, such action may only occur by a two-thirds supermajority vote of the Abatement Council. Thus, an Abatement Council made up of twelve (12) voting members requires a vote of eight (8) Members prior to taking remedial action against an alleged offending Region.
 - c. Prior to taking any remedial action against an alleged offending Region, the Abatement Council shall first provide notice to the alleged offending Region of the remedial action to be taken and the facts underlying such remedial action. The Abatement Council shall then provide the alleged

offending Region an opportunity to challenge or dispute the remedial action in accordance with, at a minimum, the principles below:

- i. The alleged offending Region may request revisions or modifications to the proposed remedial action;
- ii. The alleged offending Region may submit a written response to and/or request a hearing before the Abatement Council, or a third-party hearing officer,³ regarding the alleged offending conduct and proposed remedial action; and
- iii. After such written responses are submitted and reviewed and/or a hearing is conducted, the alleged offending Region may submit an appeal to the Abatement Council of the decision to take remedial action.
- d. Remedial actions taken by the Abatement Council, in accordance with the due process principles detailed above, shall be considered final nonappealable orders and offending Regions may not seek judicial relief from remedial action taken by the Abatement Council, except as provided in Section (H), below.
- e. Subject to Section (H)(2), below, if any Party(ies) believes the Abatement Council violated the terms of this MOU, such Party(ies) may seek to enforce the terms of this MOU.
- 14. If the Abatement Council has reason to believe a Region's conduct, or the conduct of any Participating Local Government or individual in that Region, amounts to a violation of any criminal law, the Abatement Council shall refer such matters to the appropriate authorities and may consider such conduct in its determination of any remedial action to be taken.
- 15. If the Abatement Council has reason to believe that an individual involved in the receipt or administration of Opioid Funds from the Regional Share has violated any applicable ethics rules or codes, the Abatement Council shall not attempt to adjudicate such a violation. In such instances, the Abatement Council shall lodge a complaint with the appropriate forum for handling such ethical matters, such as a local home rule municipality's ethics board.
- 16. Costs associated with the Abatement Council's distribution and oversight of the Regional Share, as described above in this Section (F), including costs associated with any remedial action by the Abatement Council, shall be paid from the Statewide

³ Only an alleged offending Region may request the appointment of a third-party hearing officer to review any written responses and conduct any requested hearings. If an alleged offending Region makes such a request, the Abatement Council has sole discretion to appoint the third-party hearing officer and the alleged offending Region shall bear the cost of such review and/or hearing by the third-party hearing officer.

Infrastructure Share. The Abatement Council shall make all good faith efforts to limit such costs to the greatest extent possible.

G. Statewide Infrastructure Share

- 1. In accordance with Sections B(1) and (B)(2)(d), and the terms of any Settlement, the Statewide Infrastructure Share shall be paid to any Party or Regional Council in accordance with this Section (G).
- 2. The purpose of the Statewide Infrastructure Share is to promote capital improvements and provide operational assistance for developing or improving the infrastructure necessary to abate the opioid crisis anywhere within the State of Colorado. The Statewide Infrastructure Share is intended to supplement Opioid Funds received by any Party or Region.
- 3. Prior to distributing any Opioid Funds from the Statewide Infrastructure Share, the Abatement Council shall establish and publish policies and procedures for the distribution and oversight of the Statewide Infrastructure Share, including processes for Parties or Regions to apply for Opioid Funds from the Statewide Infrastructure Share. The Abatement Council's policies and procedures shall, at a minimum, reflect the following principles:
 - a. Opioid Funds from the Statewide Infrastructure Share shall be used for Approved Purposes only;
 - Opioid Funds from the Statewide Infrastructure Share shall be paid directly to the appropriate state agencies (including but not limited to the Colorado Department of Law), Regional fiscal agents, or Participating Local Governments only;
 - Distribution and oversight of the Statewide Infrastructure Share shall comply with the terms of this MOU and any Settlement;
 - d. Appropriate processes for remedial action will be taken against Parties or Regions that misuse Opioid Funds from the Statewide Infrastructure Share. Such processes shall include procedures for alleged offending Parties or Regions to challenge or dispute such remedial action; and
 - e. Limitations on administrative costs to be expended by recipients for administering Opioid Funds received from the Statewide Infrastructure Fund, not to exceed actual costs expended by the recipient or 10% of the amount received, whichever is less.
- 4. The distribution and oversight policies and procedures developed by the Abatement Council, in accordance with Section (G)(3), shall be non-appealable orders and no Party or Region may seek judicial relief related to the distribution and oversight of the Statewide Infrastructure Share.

- 5. On an annual basis, as determined by the Abatement Council, any Party or Regional Council that receives funds from the Statewide Infrastructure Share shall provide all expenditure data, including administrative costs, related to any Opioid Funds it received from the Statewide Infrastructure Share and subject itself to an accounting as required by the Abatement Council. The Abatement Council shall publish all expenditure data from the Statewide Infrastructure Share in accordance with Section (C)(4)(c)(i). The Abatement Council may require the Parties or Regional Councils that receive funds from the Statewide Infrastructure Share to provide additional outcome related data in accordance with Section (C)(4)(c)(ii) and the Parties or Regional Councils shall comply with such requirements.
- 6. Costs associated with the Abatement Council's distribution and oversight of the Statewide Infrastructure Share, as described in this Section (G), shall be paid for from the Statewide Infrastructure Share. The Abatement Council shall make all good faith efforts to limit such costs to the greatest extent possible.

H. General Terms

- 1. All Parties and Regional Councils shall maintain all records related to the receipt and expenditure of Opioid Funds for no less than five (5) years and shall make such records available for review by the Abatement Council, any other Party or Regional Council, or the public. Records requested by the public shall be produced in accordance with Colorado's open records laws. Records requested by the Abatement Council or another Party or a Regional Council shall be produced within twenty-one (21) days of the date the record request was received. This requirement does not supplant any Party or Regional Council's obligations under Colorado's open records laws.
- 2. If any Party(ies) believes the Abatement Council has violated the terms of this MOU, the alleging Party(ies) may seek to enforce the terms of this MOU, provided the alleging Party(ies) first provides notice to the Abatement Council of the alleged violation and a reasonable opportunity to cure the alleged violation. In such an enforcement action, the alleging Party(ies) may only seek to enforce the terms of the MOU against the State and the Participating Local Governments from which the Local Government Members of the Abatement Council were appointed and may only seek declaratory and/or injunctive relief. In defense of such an enforcement action, the State's Members of the Abatement Council shall be represented by the State and the Local Government Members shall be represented by the Participating Local Governments from which the Local Government Members were appointed. In the event of a conflict, the Abatement Council and its Members may seek outside representation to defend itself against such an enforcement action.
- 3. If any Party(ies) believes another Party(ies), not including the Abatement Council, violated the terms of this MOU, the alleging Party(ies) may seek to enforce the terms of this MOU in the court in which any applicable Settlement(s) was entered, provided the alleging Party(ies) first provide the alleged offending Party(ies)

notice of the alleged violation(s) and a reasonable opportunity to cure the alleged violation(s). In such an enforcement action, any alleging Party or alleged offending Party(ies) may be represented by their respective public entity in accordance with Colorado law.

- 4. Nothing in this MOU shall be interpreted to waive the right of any Party to seek judicial relief for conduct occurring outside the scope of this MOU that violates any Colorado law. In such an action, the alleged offending Party(ies), including the Abatement Council, may be represented by their respective public entities in accordance with Colorado law. In the event of a conflict, any Party, including the Abatement Council and its Members, may seek outside representation to defend itself against such an action.
- 5. If any Party(ies) believes another Party(ies), Region(s), or individual(s) involved in the receipt, distribution, or administration of Opioids Funds has violated any applicable ethics codes or rules, a complaint shall be lodged with the appropriate forum for handling such matters, such as a local home rule municipality's ethics board.
- 6. If any Party(ies) believes another Party(ies), Region(s), or individual(s) involved in the receipt, distribution, or administration of Opioid Funds violated any Colorado criminal law, such conduct shall be reported to the appropriate criminal authorities.
- 7. Venue for any legal action related to this MOU shall be in a court of competent jurisdiction where any applicable Settlement(s) is entered.
- 8. Because recovery under the terms of different Settlement(s) may vary depending on the number of Parties required to effectuate a Settlement, the Parties may conditionally agree to sign on to the MOU through a letter of intent, resolution or similar written statement, declaration or pronouncement declaring their intent to sign on to the MOU if the threshold for Party participation in a specific Settlement is achieved.⁴
- 9. This MOU may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. The Parties approve the use of electronic signatures for execution of this MOU. All use of electronic signatures shall be governed by the Uniform Electronic Transactions Act, C.R.S. §§ 24-71.3-101, et seq. The Parties agree not to deny the legal effect or enforceability of the MOU solely because it is in electronic form or

16

⁴ For instance, the July 21, 2021 "Distributor Settlement Agreement" includes a "Subdivision Settlement Agreement Form" that, once filled out and executed, is meant to indicate that Local Government's (or Subdivision's) election to participate in that Distributor Settlement and also, to require that Local Government to take steps to formally release any claim it may have against the Settling Distributors. With regard to the Distributor Settlement Agreement or any other Settlements that include a form similar to the Subdivision Settlement Agreement Form, the Parties may still conditionally agree to sign on to the MOU if, for instance, the threshold for Party participation in a specific Settlement is achieved.

because an electronic record was used in its formation. The Parties agree not to object to the admissibility of the MOU in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

10. Each party represents that all procedures necessary to authorize such Party's execution of this MOU have been performed and that the person signing for such Party has been authorized to execute the MOU.

I. Payment of Counsel and Litigation Expenses Through a Back-Stop Fund

- Some Settlements, including the McKesson Corporation, Cardinal Health, Inc., and AmerisourceBergen Corporation ("Distributor") and Johnson & Johnson/Janssen ("J&J") settlements, may provide for the payment of all or a portion of the fees and litigation expenses owed by Participating Local Governments to counsel specifically retained to file suit in the opioid litigation. If any Settlement is insufficient to cover the fee obligations of the Participating Local Governments (as discussed and modified by Judge Polster's Order of August 6 regarding fees for the Distributor and J&J settlements), the deficiencies will be covered as set forth in further detail below.
- 2. The Parties also recognize that, as in the Distributor and J&J settlements, certain Opioid Settling Defendants may offer premiums benefiting the entire state of Colorado when Participating Local Governments agree to the Settlement(s), thereby settling their claims in their on-going lawsuits. For example, below is the chart illustrating how Incentive Payment B (a 25% premium to the entire state) works in the Distributor Settlement at Section IV.F.2.b (p. 20):

Percentage of Litigating Subdivision Population that is Incentive B Eligible Subdivision Population ⁵	Incentive Payment B Eligibility Percentage
Up to 85%	0%
85%+	30%
86+	40%
91+	50%
95+	60%
99%+	95%
100%	100%

3. If the court in *In Re: National Prescription Opiate Litigation*, MDL No. 2804 (N.D. Ohio), or if a Settlement establishes a common benefit fund or similar device to compensate attorneys for services rendered and expenses incurred that have benefited plaintiffs generally in the litigation (the "Common Benefit Fund"),

and/or requires certain governmental plaintiffs to pay a share of their recoveries from defendants into the Common Benefit Fund ("Court-Ordered Common Benefit Fund Assessment"), then the Participating Local Governments shall be required to first seek to have their attorneys' fees and expenses paid through the Common Benefit Fund.

- 4. For the Distributor and J&J settlements only, counsel for Participating Local Governments shall have their expenses otherwise recoverable from Colorado Participating Local Governments compensated only through the Common Benefit Fund(s) established in those settlement(s). For the avoidance of doubt, counsel for Participating Local Governments may recover their attorneys' fees through the Distributor and J&J settlements and through the other applicable provisions of this Section (I).
- 5. In addition, as a means of covering any deficiencies in paying counsel for Participating Local Governments, a supplemental Colorado Attorney Fee Back-Stop Fund shall be established. The Colorado Attorney Fee Back-Stop Fund is to be used to compensate counsel for Participating Local Governments that filed an initial complaint in the opioid litigation by September 1, 2020 ("Litigating Participating Local Governments").
- 6. Payments out of the Colorado Attorney Fee Back-Stop Fund shall be determined by a committee (the "Opioid Fee and Expense Committee"). The Opioid Fee and Expense Committee shall consist of the following five (5) members:
 - a. One (1) member appointed by CCI from a litigating county or from a litigating county and city municipal corporation;
 - b. One (1) member appointed by CML from a litigating city;
 - c. One (1) member appointed jointly by CCI and CML from a non-litigating county or city;
 - d. One (1) member appointed by the Attorney General's Office; and
 - e. One (1) neutral member jointly appointed by all of the other members listed above.
- 7. The Colorado Attorney Fee Back-Stop Fund shall be funded as follows from any Settlement, excluding settlements involving McKinsey and payments resulting from the Purdue or Mallinckrodt bankruptcy. For purposes only of calculating the funding of the Colorado Attorney Fee Back-Stop Fund, the Parties deem 58% of the total LG Share and Regional Share to be attributable to the Litigating Local Governments. The Colorado Attorney Fee Back-Stop Fund shall be funded by 8.7% of the total LG Share and 4.35% of the total Regional Share at the time such funds are actually received. No funds deposited into the Colorado Attorney Fee Back-Stop Fund will be taken from the Statewide Infrastructure Share or State Share.

- 8. Counsel for Litigating Participating Local Governments may apply to the Colorado Attorney Fee Back-Stop Fund only after applying to the Common Benefit Fund.
- 9. Counsel for Litigating Participating Local Governments may apply to the Colorado Attorney Fee Back-Stop Fund for only a shortfall that is, the difference between what their fee agreements would entitle them to (as limited by this Section (I)) minus what they have already collected from the Common Benefit Fund (including both the "common benefit" and "contingency fee" calculations, if any). If they receive fees/costs for common benefit work in the national fee fund, these fees/costs will be allocated proportionately across all their local government opioid clients based on the allocation model used in the Negotiation Class website to allocate the appropriate portion to Colorado clients.
- 10. Counsel for Litigating Participating Local Governments are limited to being paid, at most, and assuming adequate funds are available in any Common Benefit Fund and Colorado Attorney Fee Back-Stop Fund, fees in an amount equal to 15% of the LG Share and 7.5% of the Regional Share attributable to their Colorado clients.
- 11. Any funds remaining in the Colorado Attorney Fee Back-Stop Fund in excess of the amounts needed to cover the fees and litigation expenses owed by Litigating Participating Local Governments to their respective counsel shall revert to the Participating Local Governments according to the allocations described in Sections (E) and (F). Every two years, the Opioid Fee and Expense Committee shall assess the amount remaining in the Colorado Attorney Fee Back-Stop Fund to determine if it is overfunded.
- 12. Despite the fact that a litigating entity bonus benefits the entire state, no portion of the State Share shall be used to fund the Colorado Attorney Fee Back-Stop Fund or in any other way to fund any Participating Local Government's attorneys' fees and expenses. Because the state did not hire outside counsel, any funds for attorneys fees that the state receives from the J&J and Distributor settlement will be deposited into the State Share.
- 13. To participate in the Colorado Attorney Fee Back-Stop Fund, counsel must follow the requirements of C.R.S. § 13-17-304.

This Colorado Opioids Settlement Memorandum of Understanding is signed

this 26 day of August, 2021 by:

Colorado Attorney General Philip J. Weiser

This Colorado Opioids Settlement Memorandum of Understanding is signed
this <u>26th</u> day of <u>July</u> , <u>2022</u> by:
Name & Title Andy Shaffer, Mayor
On behalf of Town of Rangely

16 – Informational Items

"Voice of the Western Slope since 1953"

A coalition of counties, communities, businesses & individuals



(970) 242-3264 ★ FAX (970) 245-8300 P.O. Box 4795 ★ Grand Junction, CO 81502 www.club20.org

2022 Policy Committee Calendar of Events

Winter Policy Committee Meetings

Ute Water 2190 H ¹/₄ Road Grand Junction, CO

All committees will be held in one week

February 17

Federal Updates 8:00 - 8:30 am

Transportation & Telecommunications

Transportation 8:30 - 9:45 am

Telecom 9:45 - 10:30 am

Energy 10:30 - 11:45 am

Lunch Break 11:45 - 12:15 pm

Business Affairs

Business Affairs 12:15 – 1:30 pm

Break 1:30 - 1:45 pm

Health Care 1:45 – 2:30 pm

Tourism 2:30 - 3:15 pm

Education 3:15 - 4:00 pm

Networking Reception 4:30pm - 6:00pm

February 18

Federal Updates 8:00 - 8:30 am

Agriculture 8:30 - 10:30 am

Water 10:30 - 12:30 pm

Lunch Break 12:30 - 1:00 pm

Public Lands 1:00 - 3:00 pm

& Natural Resources

<u>Summer Policy Committee Meetings</u> Fort Lewis College

Durango, CO Week 1

<u>July 14</u>

Welcome Remarks 7:45 – 8:00 am

Federal Updates 8:00 - 8:30 am

Telecom 8:30 – 10:00 am

Health Care 10:00 - 1:00 pm

Lunch Break 12:00 - 12:30 pm

Education & Workforce 1:00 - 2:30 pm

Networking Reception 4:00 - 5:30 pm

Mercy Hospital-1010 Three Springs Blvd, Durango

<u>July 15</u>

Federal Updates 8:30 - 9:00 am

Transportation 9:00 - 11:15 am

Tourism & Outdoor Recreation 11:15 - 12:30 pm

Lunch 12:30 - 1:00 pm

Colorado Northwestern Community College Rangely, CO Week 2

12:15 - 12:45 pm

July 28

Lunch

Welcome Remarks 7:45 – 8:00 am

Federal Updates 8:00 - 8:30 am

Agriculture 8:30 - 10:45 am

Water & PLNR 10:45 - 12:15 pm

Business Affairs 12:45 - 3:15 pm

Networking Reception: 4:30 - 6:00 pm

Elks Park-311 S. Stanolind Ave, Rangely

July 29

Federal Updates 8:30 - 9:00 am

PLNR & Water 9:00 - 11:15 am

Energy 11:15 - 12:45 pm

Lunch 12:45 – 1:15 pm

** Subject to Change**

39

COLORADO PARKS AND WILDLIFE

Blast & Twang

Archery, Shotgun & .22 Shooting Event

FREE for all ages & persons interested in learning new outdoor skills!

All equipment, instruction, & lunch provided.

No previous experience needed!

Activities include .22 rifle & shotgun shooting and archery.

Saturday, July 30, 2022 Activities from 9 AM - 1 PM

Location: Elks Trap Range, Rangely, Colorado

Help us plan and register! No registration required but appreciated.

Participants hould bring their own chairs and can bring their own shotgun or archery equipment but all equipment will be available to use.

Proudly Sponsored by: Rocky Mountain Elk Foundation, BHO Gunshop, Rangely Elks Club, Rangely Rec District, Rangely Trash Service, & Colorado Parks and Wildlife **AUGUST 8, 2022**

SAVE THE DATE

NATIONAL NIGHT OUT

NATIONAL NIGHT OUT PARTY IS OPEN TO ALL RESIDENTS

FREE EVENT

MONDAY, AUGUST 8

6:00 PM TO 8:00 PM TOWN HALL COURYARD

PRESENTED BY TOWN OF RANGELY & RANGELY FIRST RESPONDERS