



**AGENDA**  
**CITY COUNCIL/SUCCESSOR AGENCY/STANTON HOUSING AUTHORITY**  
**JOINT REGULAR MEETING**  
**STANTON CITY HALL, 7800 KATELLA AVENUE, STANTON, CA**  
**TUESDAY, MARCH 28, 2023 - 6:30 P.M.**

**PUBLIC ACCESS IN-PERSON AND VIA TELECONFERENCE**  
*(Electronically / Telephonically)*

**Attendance by the members of the public may view the meeting live in one of the following ways:**

- Attend in person - City Council Chambers: 7800 Katella Avenue, California 90680.
- Via Teleconference (electronically / telephonically) - Zoom:

**In order to join the meeting via telephone please follow the steps below:**

1. Dial the following phone number +1 (669) 444-9171 (US).
2. Dial in the following **Meeting ID: (827 5888 7242)** to be connected to the meeting.

**In order to join the meeting via electronic device please utilize the Zoom URL link below:**

- <https://us02web.zoom.us/j/82758887242?pwd=bTljcERrZk1Na2pRRXg5czFiYUN6Zz09>

**ANY MEMBER OF THE PUBLIC WISHING TO PROVIDE PUBLIC COMMENT FOR ANY ITEM ON THE AGENDA MAY DO SO AS FOLLOWS:**

- Attend in person and complete and submit a request to speak card to the City Clerk.
- E-Mail your comments to [Pvazquez@StantonCA.gov](mailto:Pvazquez@StantonCA.gov) with the subject line "PUBLIC COMMENT ITEM #" *(insert the item number relevant to your comment)*. Comments received no later than 5:00 p.m. before the scheduled meeting will be compiled, provided to the City Council, and made available to the public before the start of the meeting. Staff will not read e-mailed comments at the meeting. However, the official record will include all e-mailed comments received until the close of the meeting.

Should you have any questions related to participation in the City Council Meeting, please contact the City Clerk's Office at (714) 890-4245 or via e-mail at [Pvazquez@StantonCA.gov](mailto:Pvazquez@StantonCA.gov).

***In compliance with the Americans With Disabilities Act, if you need special assistance to participate in this meeting, please contact the Office of the City Clerk at (714) 890-4245. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to this meeting.***

*The City Council agenda and supporting documentation is made available for public review and inspection during normal business hours in the Office of the City Clerk, 7800 Katella Avenue, Stanton California 90680 immediately following distribution of the agenda packet to a majority of the City Council. Packet delivery typically takes place on Thursday afternoons prior to the regularly scheduled meeting on Tuesday. The agenda packet is also available for review and inspection on the city's website at [www.StantonCA.gov](http://www.StantonCA.gov).*

1.     **CLOSED SESSION**             None.
  
2.     **CALL TO ORDER STANTON CITY COUNCIL / SUCCESSOR AGENCY / HOUSING AUTHORITY JOINT REGULAR MEETING (6:30 PM)**
  
3.     **PLEDGE OF ALLEGIANCE**
  
4.     **ROLL CALL** Council / Agency / Authority Member Taylor  
                            Council / Agency / Authority Member Torres  
                            Council / Agency / Authority Member Warren  
                            Mayor Pro Tem / Vice Chairperson Van  
                            Mayor / Chairman Shawver
  
5.     **SPECIAL PRESENTATIONS AND AWARDS**
  - A. Special presentation of awards to honor and recognize Stanton's Women of Distinction 2023.
  - B. Presentation of a proclamation declaring the City's support of the Iranian-American community.
  - C. Townsend Public Affairs State and Federal Legislative report and update.
  
6.     **CONSENT CALENDAR**

All items on the Consent Calendar may be acted on simultaneously, unless a Council/Board Member requests separate discussion and/or action.

## CONSENT CALENDAR

- 6A. MOTION TO APPROVE THE READING BY TITLE OF ALL ORDINANCES AND RESOLUTIONS. SAID ORDINANCES AND RESOLUTIONS THAT APPEAR ON THE PUBLIC AGENDA SHALL BE READ BY TITLE ONLY AND FURTHER READING WAIVED**

**RECOMMENDED ACTION:**

City Council/Agency Board/Authority Board waive reading of Ordinances and Resolutions.

- 6B. APPROVAL OF WARRANTS**

City Council approve demand warrants dated February 24, 2023 – March 9, 2023, in the amount of \$1,567,453.80.

- 6C. APPROVAL OF MINUTES**

City Council/Successor Agency/Housing Authority approve Minutes of Joint Regular Meeting – March 14, 2023.

- 6D. SECOND AMENDMENT TO AGREEMENT FOR FAMILY RESOURCE CENTER SERVICES WITH BOYS & GIRLS CLUB OF GARDEN GROVE**

The attached Second Amendment to the Agreement for Family Resource Center Services would extend the term of the agreement for counseling services at the Family Resource Center (FRC) with the Boys & Girls Club of Garden Grove through June 30, 2025.

**RECOMMENDED ACTION:**

1. City Council declare that this item is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) and 15060(c)(3); and
2. Approve the Second Amendment to the Agreement for Family Resource Center Services with the Boys & Girls Club of Garden Grove; and
3. Authorize the City Manager to bind the City of Stanton and the Boys & Girls Club of Garden Grove in an amended agreement to provide counseling services.

**6E. CITY SPONSORSHIP REQUEST – STANTON COMMUNITY FOUNDATION 20<sup>TH</sup> ANNUAL CAR SHOW**

Per the City's Sponsorship Program, the Stanton Community Foundation is requesting co-sponsorship of the 20<sup>th</sup> Annual Car Show. The sponsorship request is for in-kind consideration valued at \$300. At its meeting on August 23, 2022, the City Council directed staff to bring all sponsorship requests to the Council for consideration until further notice.

**RECOMMENDED ACTION:**

1. City Council declare this project to be categorically exempt under the California Environmental Quality Act, Class 1, Section 15301c; and
2. Determine the status of the Stanton Community Foundation's sponsorship request for a total in-kind value of \$300.

**6F. AWARD OF CONTRACT TO ALL CITY MANAGEMENT SERVICES, INC. FOR CROSSING GUARD SERVICES**

Following a Request for Proposals in 2019 soliciting proposals to provide professional cross guard services for three (3) locations at nearby schools, All City Management Services, Inc. (ACMS) was awarded a one (1) year contract at the March 23, 2021, City Council meeting. The contract term expired as of June 30, 2022. Following discussion, City staff and ACMS were able to come to an agreement for a new three (3) year contract. To ensure a safe community, City staff recommends entering into an agreement with All City Management Services, Inc. to continue to provide professional crossing guard services.

**RECOMMENDED ACTION:**

1. City Council declare this action to be categorically exempt under the California Environmental Quality Act, since the action herein does not constitute a "project" as defined by Section 15378 of the CEQA guidelines; and
2. Award a contract to All City Management Services, Inc. to provide professional crossing guard services for a 3-year maximum contract amount of \$137,000, excluding CPI adjustments as provided for in the draft Professional Services Agreement; and
3. Authorize the City Manager to, with concurrence of the City Attorney, to make minor modifications to the Professional Services Agreement and to bind the City of Stanton; and
4. Authorize the City Manager to approve contract change orders and contract amendments with All City Management Services, Inc., as needed and determined by City staff, for any contingencies up to \$13,700 (10% of contract amount).



**6G. ACCEPTANCE OF THE FISCAL YEAR (FY) 2021-22 CITYWIDE STREET RESURFACING PROJECT BY THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA**

The FY 2021-22 Citywide Street Resurfacing Project consisting of roadway grading and earthwork, curb and gutter, asphalt pavement, slurry seal, signing and striping, and all appurtenant work of the arterial highways throughout the City of Stanton is now complete. The final construction cost for the project was \$2,015,848.59. The City Engineer certifies that the work was satisfactorily completed as of February 15, 2023 and recommends that the City Council accept the completed work performed on this project.

**RECOMMENDED ACTION:**

1. City Council declare that project categorically exempt under the California Environmental Quality Act (CEQA), Class 1, Section 15301c; and
2. Approve the final construction contract amount of \$2,015,848.59 with All American Asphalt, Inc.; and
3. Direct the City Clerk within ten (10) days from the date of acceptance to file the Notice of Completion (Attachment) with the County Clerk-Recorder of the County of Orange; and
4. Direct City staff after thirty-five (35) days has elapsed from the filing of the "Notice of Completion" with the County Clerk-Recorder to make the retention payment to All American Asphalt, Inc. in the amount of \$100,793.00.

**6H. AUTHORIZING ADJUSTMENTS TO SCOPE OF SERVICES FOR TELECOMMUNICATIONS PROFESSIONAL SERVICES AGREEMENT WITH TPX COMMUNICATIONS**

At its meeting of October 11, 2022, Council approved a professional services agreement with TPx Communications (TPx) to provide telecommunications services. TPx Communications provides flexible scaling of their cloud voice phone system to accommodate changes in the number of phone users. Staff is requesting authorization to make minor adjustments to the scope of services to meet the operational needs of the City.

**RECOMMENDED ACTION:**

1. City Council declare that this item is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) and 15060(c)(3); and
2. Authorize the City Manager to make service quantity changes in the TPx Telecommunications Service Agreement, provided that the cumulative resulting change in cost does not exceed the City Manager's signing authority.

**6I. MEETING DATES – AMENDED FOR THE STANTON CITY COUNCIL, STANTON PARKS, RECREATION AND COMMUNITY SERVICES COMMISSION, STANTON PLANNING COMMISSION, AND STANTON PUBLIC SAFETY COMMITTEE**

City Council review the attached amended 2023 meeting dates for the Stanton City Council, Stanton Parks, Recreation and Community Services Commission, Stanton Planning Commission, and Stanton Public Safety Committee.

**RECOMMENDED ACTION:**

1. City Council find that this item is not subject to California Environmental Quality Act (“CEQA”) pursuant to Sections 15378(b)(5) (Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment); and
2. Receive and file the Stanton City Council, Stanton Parks, Recreation and Community Services Commission, Stanton Planning Commission, and Stanton Public Safety Committee amended meeting dates for the year 2023.

**END OF CONSENT CALENDAR**

**7. PUBLIC HEARINGS**                      **None.**

**8. UNFINISHED BUSINESS**                      **None.**

**9. NEW BUSINESS**

**9A. AUTHORIZATION FOR COUNCIL MEMBERS TO ATTEND UPCOMING MEETINGS AND EVENTS**

Pursuant to the City of Stanton Travel and Reimbursement policy, a Council Member must receive City Council approval prior to a trip if the trip will exceed \$500. Council will consider the following requests for travel:

- Mayor David J. Shawver
  - Event: Southern California Association of Governments (SCAG) 2023 Regional Conference and General Assembly
  - Location: Palm Desert, CA
  - Dates: May 4 – 5, 2023

**RECOMMENDED ACTION:**

1. City Council find that this item is not subject to California Environmental Quality Act (“CEQA”) pursuant to Sections 15378(b)(5)(Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment); and
2. Authorize the Mayor’s attendance at the proposed meeting as desired and authorize staff to make a budget adjustment as needed to cover travel costs.

**9B. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, PERTAINING TO RESTRICTIONS BASED ON CURB MARKINGS**

This ordinance establishes parking restrictions on City streets based on the color that the City paints curbs through the authority found in California Vehicle Code § 21458.

**RECOMMENDED ACTION:**

1. City Council find the proposed ordinance not subject to the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines section 15060(c)(2), 15061(b)(3), and 15378(b)(5); and

2. Conduct the first reading of Ordinance No. 1131 entitled:

**"AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, ADDING SECTION 10.08.015 TO THE MUNICIPAL CODE TO ESTABLISH PARKING REQUIREMENTS BASED ON CURB MARKINGS AND DETERMINING THE ORDINANCE TO BE EXEMPT FROM CEQA PURSUANT TO STATE CEQA GUIDELINES SECTIONS 15060(c)(2), 15061(b)(3) AND 15378(b)(5)"; and**

3. Set April 11, 2023 as the date for second reading of Ordinance No. 1131.

**9C. CITY COUNCIL CONSIDERATION OF OPTING INTO SETTLEMENT AGREEMENTS WITH THE FOLLOWING DEFENDANTS WHO HAVE ENTERED INTO NATIONAL OPIOID SETTLEMENTS - TEVA; ALLERGAN; WALMART; WALGREENS; AND CVS**

Consideration of opportunity to opt into federal settlement agreements with defendants who have entered into National Opioid Settlements: Teva, Allergan, Walmart, Walgreens, and CVS.

**RECOMMENDED ACTION:**

1. City Council declare that this item is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) and 15060(c)(3); and
2. Opt into settlement agreement with three pharmacy chains — CVS, Walgreens, and Walmart and direct the City Manager to execute any documents necessary to implement the action and, when possible, allocate the City's designated share of settlement funds to the County of Orange; and
3. Opt into settlement agreement with two opioid manufacturers — Allergan and Teva and direct the City Manager to execute any documents necessary to implement the action and, when possible, allocate the City's designated share of settlement funds to the County of Orange.

## **10. ORAL COMMUNICATIONS - PUBLIC**

At this time members of the public may address the City Council/Successor Agency/Stanton Housing Authority regarding any items within the subject matter jurisdiction of the City Council/Successor Agency/Stanton Housing Authority, provided that NO action may be taken on non-agenda items.

- Members of the public wishing to address the Council/Agency/Authority during Oral Communications-Public or on a particular item are requested to fill out a REQUEST TO SPEAK form and submit it to the City Clerk. Request to speak forms must be turned in prior to Oral Communications-Public.
- When the Mayor/Chairman calls you to the microphone, please state your Name, slowly and clearly, for the record. A speaker's comments shall be limited to a three (3) minute aggregate time period on Oral Communications and Agenda Items. Speakers are then to return to their seats and no further comments will be permitted.
- Remarks from those seated or standing in the back of chambers will not be permitted. All those wishing to speak including Council/Agency/Authority and Staff need to be recognized by the Mayor/Chairman before speaking.

## **11. WRITTEN COMMUNICATIONS                      None.**

## **12. MAYOR/CHAIRMAN COUNCIL/AGENCY/AUTHORITY INITIATED BUSINESS**

### **12A. COMMITTEE REPORTS/ COUNCIL/AGENCY/AUTHORITY ANNOUNCEMENTS**

At this time Council/Agency/Authority Members may report on items not specifically described on the agenda which are of interest to the community provided no discussion or action may be taken except to provide staff direction to report back or to place the item on a future agenda.

### **12B. COUNCIL/AGENCY/AUTHORITY INITIATED ITEMS FOR A FUTURE MEETING**

At this time Council/Agency/Authority Members may place an item on a future agenda.

### **12C. COUNCIL/AGENCY/AUTHORITY INITIATED ITEMS FOR A FUTURE STUDY SESSION**

At this time Council/Agency/Authority Members may place an item on a future study session agenda.

**12D. CITY COUNCIL INITIATED ITEM — DISCUSSION REGARDING IMPLEMENTATION OF TERM LIMITS FOR THE POSITION OF MAYOR**

At the March 14, 2023, City Council meeting, Council Member Taylor requested that this item be agendaized for discussion. Council Member Taylor is requesting to discuss the implementation of term limits for the position of Mayor, bringing the position in line with the current term limits of Council Member positions.

**RECOMMENDED ACTION:**

City Council provide direction to staff.

**12E. CITY COUNCIL INITIATED ITEM — DISCUSSION REGARDING THE CITY'S CURRENT DISTRICT-BASED ELECTION SYSTEM**

At the March 14, 2023, City Council meeting, Mayor Shawver requested that this item be agendaized for discussion. Mayor Shawver is requesting to discuss the City's current district-based election system.

**RECOMMENDED ACTION:**

City Council provide direction to staff.

**12F. CITY COUNCIL INITIATED ITEM — DISCUSSION REGARDING THE FEASIBILITY OF A MORATORIUM ON STREET VENDING**

At the March 14, 2023, City Council meeting, Mayor Shawver requested that this item be agendaized for discussion. Mayor Shawver is requesting to discuss the feasibility of a moratorium on street vending.

**RECOMMENDED ACTION:**

City Council provide direction to staff.

**13. ITEMS FROM CITY ATTORNEY/AGENCY COUNSEL/AUTHORITY COUNSEL**

**14. ITEMS FROM CITY MANAGER/EXECUTIVE DIRECTOR**

#### **14A. ORANGE COUNTY SHERIFF'S DEPARTMENT**

At this time the Orange County Sheriff's Department will provide the City Council with an update on their current operations.

#### **15. ADJOURNMENT**

I hereby certify under penalty of perjury under the laws of the State of California, the foregoing agenda was posted at the Post Office, Stanton Community Services Center and City Hall, not less than 72 hours prior to the meeting. Dated this 23<sup>rd</sup> day of March, 2023.

s/ Patricia A. Vazquez, City Clerk/Secretary

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# CITY OF STANTON PROCLAMATION

## DECLARING SUPPORT OF THE IRANIAN-AMERICAN COMMUNITY AND CONDEMNING THE VIOLENCE PERPETRATED BY THE GOVERNMENT OF IRAN AGAINST ITS PEOPLE, PARTICULARLY WOMEN, GIRLS, AND STUDENTS

**WHEREAS**, the rights of life, liberty, and the pursuit of happiness are endowed to all men and women by their Creator; and

**WHEREAS**, on September 16, 2022, 22-year-old Mahsa Zhina Amini passed away in the custody of Iranian “morality police” following a 3-day coma due to wounds, including bone fractures, hemorrhage, and cerebral edema consistent with severe beating, inflicted by the police for purportedly wearing a hijab improperly; and

**WHEREAS**, the tragic death of Mahsa Zhina Amini has inspired numerous and ongoing protests throughout Iran, resulting in thousands of arrests to extinguish the voices of journalists, media figures, and members of the public who seek to amplify Iranians’ desire for personal freedoms, which the government of Iran has now blamed on the United States; and

**WHEREAS**, over the last 43 years, the government of Iran has committed numerous acts of violence and human rights violations against its own people, particularly against women, girls, and students; and

**WHEREAS**, since Mahsa Zhina Amini’s death alone, the government of Iran has been responsible for: the killing of more than 200 civilians; the gassing of those protesting for women, life, and freedom; the brutal crackdown of university students’ protests including at Sharif University of Technology; the threatening of sexual violence as a means of silencing opposition, the burning of Evin Prison that holds political prisoners, intellectuals, reporters, and journalists; and

**WHEREAS**, the government of Iran has restricted the people's access to internet, phone, and other forms of communication.

**NOW, THEREFORE, LET IT BE RESOLVED**, that I, David J. Shawver, Mayor of the City of Stanton and on behalf of the entire City Council do hereby officially declare that the City of Stanton stands in solidarity with its Iranian-American community members, particularly Iranian-American women, as their relatives and associates are suffering through the current injustices in Iran. The City of Stanton condemns the violent acts that are being perpetrated against the Iranian people and calls upon the government of Iran to end its systemic human rights violations. Furthermore, the City of Stanton encourages the citizens of this community to join with the City Council in raising public awareness and education for the future rights of life and liberty of the Iranian-American Community.

*IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND  
AND CAUSED TO BE AFFIXED THE SEAL OF THE CITY OF  
STANTON THIS 28<sup>TH</sup> DAY OF MARCH, 2023.*

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DAVID J. SHAWVER, MAYOR

# Item: 6B

*Click here to return to the agenda.*

## CITY OF STANTON ACCOUNTS PAYABLE REGISTER

**February 24-March 9, 2023**

<b>Electronic Transaction Nos.</b>	<b>2422-2444</b>	<b>\$</b>	<b>300,734.20</b>
<b>Check Nos.</b>	<b>136267-136310</b>	<b>\$</b>	<b>1,266,719.60</b>

<b>TOTAL</b>	<b>\$</b>	<b>1,567,453.80</b>
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**Demands listed on the attached registers  
conform to the City of Stanton Annual  
Budget as approved by the City Council.**

**Demands listed on the attached  
registers are accurate and funds  
are available for payment thereof.**

*/s/ Hannah Shin-Heydorn*  
\_\_\_\_\_  
**City Manager**

*/s/ Michelle Bannigan*  
\_\_\_\_\_  
**Finance Director**



## Accounts Payable

## Checks by Date - Detail by Check Number

User: MBannigan  
Printed: 3/10/2023 8:01 AM



Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
2422	OCA2137 SH 64617	COUNTY OF ORANGE TREASURER- T AFIS (Fingerprinting) February, 2023	02/24/2023	1,513.00
Total for Check Number 2422:				1,513.00
2423	PUB15477 PPE 02/11/2023	PUBLIC AGENCY RISK SHARING AUT PARS - PPE 02/11/2023	02/24/2023	1,168.52
Total for Check Number 2423:				1,168.52
2424	TIM14834 12 - Year 5	TIM SHAW & ASSOCIATES Regional CBO - Capacity Building (Jan 2023)	02/24/2023	1,125.00
Total for Check Number 2424:				1,125.00
2425	ABS16273 2020106828	ABSOLUTE SECURITY INTERNATIONAL Security for Hall Rentals on 1/1, 1/7,1/8, 1/15, 1/	02/24/2023	2,366.26
Total for Check Number 2425:				2,366.26
2426	BOY13501 20011	BOYS & GIRLS CLUBS OF GARDEN GI Regional CBO - Focus Area #1 - Jan 2023	02/24/2023	5,535.05
Total for Check Number 2426:				5,535.05
2427	BES12575 953558 958067	BEST BEST & KRIEGER LLP Regional CBO - Homelessness Study (Nov 2023) Regional CBO - Homelessness Study (Jan 2023)	02/24/2023	566.00 2,114.77
Total for Check Number 2427:				2,680.77
2428	GOL1321 February 02 February 02 February 02	GOLDEN STATE WATER COMPANY Water Services Park Jan 6 - Feb 1 Water Services Building Dec 05 - Feb 1 Water Services Median Dec 05 - Feb 1	02/24/2023	256.13 222.82 77.88
Total for Check Number 2428:				556.83
2429	REC16138 28235 28851 29425 29463 29465 29466 29491 29491 29696   29268 29696   29268 29752	RECTRAC REFUNDS Deposit Refund #28235 for Janae Hernandez 02/ Deposit Refund #28851 for Maryan Cosby 02/26/ Deposit Refund #29425 for Claro Santos 02/18/ Deposit Refund #29463 for Daisy Nguyen 02/18/ Deposit Refund #29465 for Carolina Diaz 02/18/ Deposit Refund #29466 for Wendy Stanish 02/18/ Deposit Refund #29491 for Audel Ramirez 02/18/ 1 Hourly Fee Refund Per ZB #29491 for Audel F Deposit Refund #29696 & #29268 for Melissa I Cxl Rsrv Refund #29696 & #29268 for Melissa Deposit Refund #29752 for Jocelyn Salgado 02/26/	02/27/2023	300.00 200.00 150.00 300.00 150.00 200.00 500.00 150.00 300.00 180.00 150.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
Total for Check Number 2429:				2,580.00
2430	GOL1321 February 03	GOLDEN STATE WATER COMPANY Water Services Housing Authority Jan 05-Feb 01	02/27/2023	3,044.35
Total for Check Number 2430:				3,044.35
2431	GOL1321 February 06 February 06 February 06	GOLDEN STATE WATER COMPANY Water Services Building Jan 11-Feb 03 Water Services Median Jan 11-Feb 03 Water Services Park Jan 11-Feb 03	02/28/2023	276.22 188.15 518.31
Total for Check Number 2431:				982.68
2432	SOC2734 02/21/23 02/21/23 February 17	SO CAL EDISON Electric Service - Medians - Feb Stanton District Light - Feb Electric Services Housing Authority Jan 20 - Feb	02/28/2023	41.23 68.17 10.23
Total for Check Number 2432:				119.63
2433	GOL1321 February 7 February 7	GOLDEN STATE WATER COMPANY Water Services Park Jan 06-Feb 06 Water Services Median Jan 06-Feb 06	03/01/2023	85.39 300.77
Total for Check Number 2433:				386.16
2434	JEN14424 PPE 02/25/23	ANA JENSEN Wage Garnishment PPE 02/25/23	03/03/2023	400.00
Total for Check Number 2434:				400.00
2435	BEN15755 12210 12210 12210	BENEFIT COORDINATORS CORPORAT February 2023 Prism Disability Ins - City February 2023 Prism Life Ins - Employee February 2023 Prism Life Ins - City	03/03/2023	2,550.30 662.60 453.60
Total for Check Number 2435:				3,666.50
2436	OCF2164 S0479713 S0479713 S0479713 S0479713	OC FIRE AUTHORITY 3rd Quarter Facilities Maint. 3rd Quarter Contract 3rd Quarter Contract 3rd Quarter Vehicle Replacement	03/03/2023	3,218.25 593,563.50 705,137.75 13,869.00
Total for Check Number 2436:				1,315,788.50
2437	OCA2137 SH 64767	COUNTY OF ORANGE TREASURER- T. Sheriff Contract Services(Pilot Program/Homele	03/03/2023	5,963.66
Total for Check Number 2437:				5,963.66
2438	GOL1321 February 09 February 09 February 09	GOLDEN STATE WATER COMPANY Water Services Median Jan 07-Feb 07 Water Services Park Jan 07-Feb 07 Water Services Building Jan 07-Feb 07	03/03/2023	1,676.19 2,969.17 348.83
Total for Check Number 2438:				4,994.19
2439	MIS16496 PPE 02/25/2023	MISSIONSQUARE PPE 02/25/2023 - #302393	03/03/2023	3,165.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
Total for Check Number 2439:				3,165.00
2440	REC16138	RECTRAC REFUNDS	03/06/2023	
	28903	Partial Refund due to Dept Cancellation of Rema		18.75
	28969	Partial Refund due to Dept Cancellation of Rema		18.75
	29121	Partial Refund due to Dept Cancellation of Rema		18.75
	29196	Partial Refund due to Dept Cancellation of Rema		18.75
	29211	Partial Refund due to Dept Cancellation of Rema		18.75
	29215	Partial Refund due to Dept Cancellation of Rema		37.50
	29253	Partial Refund due to Dept Cancellation of Rema		18.75
	29290	Partial Refund due to Dept Cancellation of Rema		18.75
	29326	Partial Refund due to Dept Cancellation of Rema		18.75
	29432	Partial Refund due to Dept Cancellation of Rema		37.50
	29928	Refund Receipt #29928 Civic Banquet Hall 02/2		-35.00
	29928	Refund Receipt #29928 Civic Banquet Hall 02/2		500.00
Total for Check Number 2440:				690.00
2441	SOC2734	SO CAL EDISON	03/07/2023	
	02/28/23	Electric Service - Building - Feb		6,968.22
	02/28/23	Electric Service - Medians - Feb		26.67
	02/28/23	Electric Service - Signals - Feb		62.44
Total for Check Number 2441:				7,057.33
2442	INT1569	INTERNAL REVENUE SERVICE	03/07/2023	
	3/2/2023	(MC) Medicare - Employee Share		2,407.11
	3/2/2023	(FD) Federal Tax Withholding		18,284.77
	3/2/2023	(ME) Medicare - City Share		2,407.11
Total for Check Number 2442:				23,098.99
2443	EDD1067	EDD	03/07/2023	
	3/2/2023	State Unemployment		353.96
	3/2/2023	State Tax Withholding		6,866.20
Total for Check Number 2443:				7,220.16
2444	cas680	CA ST PERS 103	03/08/2023	
	PPE 02/25/23	PERS - Survivor (Employee) T1		7.44
	PPE 02/25/23	PERS - Employee Classic Tier 2		2,987.24
	PPE 02/25/23	PERS - Survivor Classic Tier 2		6.51
	PPE 02/25/23	PERS - City's Share - Classic T2		3,682.83
	PPE 02/25/23	PERS - Employee's Share T1		1,751.75
	PPE 02/25/23	PERS Employee New T3		5,389.10
	PPE 02/25/23	PERS - Survivor New T3		26.97
	PPE 02/25/23	PERS - City's Share - New T3		5,963.93
	PPE 02/25/23	PERS - City's Share T1		2,720.19
Total for Check Number 2444:				22,535.96
136267	21114338	2-1-1 ORANGE COUNTY	03/09/2023	
	HF-2023-17	Annual/ Coordinated Entry Sys (CES) Access Fe		200.00
Total for Check Number 136267:				200.00
136268	ALL228	ALL CITY MANAGEMENT SVCS, INC.	03/09/2023	
	83450	School crossing guard services 2/5/23-2/18/23		2,274.48
Total for Check Number 136268:				2,274.48

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
136269	ATT377 2/28/2023 2/28/2023	AT&T DMV Access Line - Feb Cerritos Intercon - Feb	03/09/2023	55.36 200.72
Total for Check Number 136269:				256.08
136270	AUT14715 87241990	AUTOMATED GATE SERVICES, INC Repairs to rear gate at Sheriff Station	03/09/2023	506.00
Total for Check Number 136270:				506.00
136271	BOY13501 2032G	BOYS & GIRLS CLUBS OF GARDEN GI Contractual Services (FaCT) Invoice for Boys &	03/09/2023	5,125.21
Total for Check Number 136271:				5,125.21
136272	CHA16577 ST345479	JESUS J. CHACON MENDOZA Citation Refund #ST345479// Jesus J. Chacon M	03/09/2023	41.00
Total for Check Number 136272:				41.00
136273	COL15604 54982 54983	COLANTUONO, HIGHSMITH & WHATI Legal Svcs for Collection of UUT thru 01-31-20 Penalties & Interest thru 01-31-2023	03/09/2023	15.96 92.25
Total for Check Number 136273:				108.21
136274	COR14961 14892	CORNERSTONE COMMUNICATIONS Regional CBO - Public Relations Services (Jan 2	03/09/2023	10,000.00
Total for Check Number 136274:				10,000.00
136275	COU15550 PW230042	COUNTY OF ORANGE Concrete and Road Maintenance for Jan	03/09/2023	442.80
Total for Check Number 136275:				442.80
136276	CSG16451 48749 49178	CSG CONSULTANTS, INC. Plan Review 7080 Kenmore Plan Review 7080 Kenmore, 11572 Court Lane,	03/09/2023	193.75 3,836.25
Total for Check Number 136276:				4,030.00
136277	CSU14679 AR172734	CSU FULLERTON ASC Regional CBO - Focus Area #1 - Dec 2022	03/09/2023	6,851.89
Total for Check Number 136277:				6,851.89
136278	DRO12418 04/06/2022	CECILIA DROSIHN Reimbursement: Greeting Cards/Dept Re-stock	03/09/2023	19.36
Total for Check Number 136278:				19.36
136279	FED1155 7-944-05131 8-034-41712 8-042-43034	FEDEX FedEx Overnight/ Catalyst Correspondence - Lai *To be reimbursed from CSMFO*/Delivery Exp Delivery Services/ Nichols Consulting	03/09/2023	4.35 48.12 39.64
Total for Check Number 136279:				92.11
136280	FUE13027 66933	FUEL PROS, INC Fuel stations repairs	03/09/2023	1,494.67

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
Total for Check Number 136280:				1,494.67
136281	GOL16311	GOLDENWEST LAWNMOWERS	03/09/2023	
	234894	Repairs to landscaping tools		52.08
	24078	New weed whacker for alley and gutter cleanup		521.99
	241071	Parts for chainsaw		103.26
	241072	Parts to repair weed eater		20.10
Total for Check Number 136281:				697.43
136282	GRU16389	GRUBER AND LOPEZ, INC	03/09/2023	
	4496	FY 2021/22 Single Audit		2,750.00
Total for Check Number 136282:				2,750.00
136283	HAR1410	HARRELL & COMPANY ADVISORS,LL	03/09/2023	
	30123	FY 2021/22 Continuing Disclosure Annual Repo		6,100.00
Total for Check Number 136283:				6,100.00
136284	HDL13965	HDL SOFTWARE, LLC	03/09/2023	
	SIN025561	Payment Services / December 2022		2,316.46
Total for Check Number 136284:				2,316.46
136285	HIL1466	HILL'S BROS LOCK & SAFE INC	03/09/2023	
	82271	Rekey lock on door @ Community Center		129.00
Total for Check Number 136285:				129.00
136286	LIF16289	LIFE CHRISTIAN CHURCH OF ORANG	03/09/2023	
	28980	Refund for 1 Security Guard on 1/29/23		162.80
	28980	Refund for 1 Security Guard on 1/8, 1/15, 1/22, &		683.76
	29379   28980	Deposit Refund #29379 & #28980 Life Christi		700.00
	29689	Deposit Refund #29698 for Life Christian Churc		300.00
Total for Check Number 136286:				1,846.56
136287	LY16579	RYAN LY	03/09/2023	
	29738	Deposit Refund #29738 for Ryan Ly 02/19/2023		150.00
Total for Check Number 136287:				150.00
136288	MAR16582	MARIANA SANCHEZ	03/09/2023	
	1/19/2023	Travel Expense for CSMFO OC Chapter Meeting		30.13
Total for Check Number 136288:				30.13
136289	MAS16381	MASTER JANITORIAL SERVICE, LLC	03/09/2023	
	0323	City Janitorial Services for March		5,095.00
	0323	Detailing of Multi-Purpose Room at SCP		1,110.00
Total for Check Number 136289:				6,205.00
136290	MEN16578	ERIK MENJIVAR	03/09/2023	
	27053	Deposit Refund #27053 Erik Menjivar 02/11/202		500.00
Total for Check Number 136290:				500.00
136291	NGU16581	NATALIE H. NGUYEN	03/09/2023	
	ST337963	Citation Refund for #ST337963, #ST338491, #S		363.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
Total for Check Number 136291:				363.00
136292	NV515131 318454	NV5, INC Consulting services for the preparation of an upd	03/09/2023	69,191.93
Total for Check Number 136292:				69,191.93
136293	ORA16580 42960 43318	ORANGE COAST PLUMBING, HEATING Repairs to sewer line at Sheriff Station Repairs to sewer line at Sheriff Station	03/09/2023	300.00 2,895.00
Total for Check Number 136293:				3,195.00
136294	PHA12971 52449	PARS DEC2022/ PARS/ Administrator Services	03/09/2023	478.03
Total for Check Number 136294:				478.03
136295	PSI11874 37986	PSI Repairs to graffiti pressure weather	03/09/2023	1,141.91
Total for Check Number 136295:				1,141.91
136296	RES2489 2529901 3533326 3533916	RESOURCE BUILDING MATERIALS Concrete for repairs at SCP Sand bag gravel Asphalt for pothole repair	03/09/2023	174.24 76.89 187.59
Total for Check Number 136296:				438.72
136297	SCS13184 234823 234824	S.C. SIGNS & SUPPLIES LLC New Street Name Signs Sign Hardware	03/09/2023	2,823.15 777.56
Total for Check Number 136297:				3,600.71
136298	SOC12606 617267	SO CAL INDUSTRIES Fence Rental for 8910-8920 Pacific - Mar	03/09/2023	311.94
Total for Check Number 136298:				311.94
136299	GAS1282 2/28/2023 3/6/2023	SOCALGAS Gas Service - City Hall - Feb Gas Services Corp Yard Feb	03/09/2023	1,448.36 42.28
Total for Check Number 136299:				1,490.64
136300	BCN14064 132244404	SOLEX - FUSION LAN LINES Burgular Alarms/ Fire - Jan 2023	03/09/2023	1,302.66
Total for Check Number 136300:				1,302.66
136301	WAT13601 28950	SOUTHLAND AUTOMOTIVE WORKS Repair flat tire	03/09/2023	25.00
Total for Check Number 136301:				25.00
136302	SPA15432 4096775 022423	SPARKLETTS FEB-23/ Breakroom Water Delivery	03/09/2023	127.83
Total for Check Number 136302:				127.83

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
136303	SUN14720 4	SYA FOUNDATION Regional CBO - Focus Area #1 - Jan 2023	03/09/2023	6,610.00
Total for Check Number 136303:				6,610.00
136304	TUR2970 39646 39646	TURBO DATA SYSTEMS INC FEB-23/ Administrative Citation Processing FEB-23/ Parking Citation Processing	03/09/2023	256.11 2,338.06
Total for Check Number 136304:				2,594.17
136305	VAN13002 9685 9685	VAN RY MAINTENANCE Floor Service FRC - Feb 2023 Floor Service Civic Center - Feb 2023	03/09/2023	125.00 450.00
Total for Check Number 136305:				575.00
136306	VEN13764 2502832-IN	VENCO WESTERN INC Annual Backflow testing	03/09/2023	3,982.00
Total for Check Number 136306:				3,982.00
136307	VER3059 9927855983 9927855984	VERIZON WIRELESS Mobile/ Data Plans/ Hotspots 1/17/23-2/16/23 Mobile/ Data Plans/ Hotspots 1/17/23-2/16/23	03/09/2023	972.65 1,310.60
Total for Check Number 136307:				2,283.25
136308	VIS3077 2023-898463-00 2023-908238-00	VISTA PAINT CORP Paint Supplies Paint supplies	03/09/2023	273.56 67.52
Total for Check Number 136308:				341.08
136309	WAG13143 INV4839563 INV4839563	WAGEWORKS FEB 2023/ Administration Fee FEB 2023/ Compliance Fee	03/09/2023	66.00 50.00
Total for Check Number 136309:				116.00
136310	XPR15487 3477 3477 3477 3477	XPRESS URGENT CARE STANTON Pre-Employment Exams/ Ramirez Pre-Employment Exams/ Holguin Pre-Employment Exams/ Luevano Pre-Employment Exams/ Barraza	03/09/2023	120.00 120.00 120.00 120.00
Total for Check Number 136310:				480.00
Report Total (67 checks):				1,567,453.80

MINUTES OF THE CITY COUNCIL / SUCCESSOR AGENCY / HOUSING AUTHORITY  
OF THE CITY OF STANTON  
JOINT REGULAR MEETING MARCH 14, 2023

1. **CLOSED SESSION** None.

2. **CALL TO ORDER STANTON CITY COUNCIL / SUCCESSOR AGENCY / HOUSING AUTHORITY JOINT REGULAR MEETING**

The City Council / Successor Agency / Housing Authority meeting was called to order at 6:30 p.m. by Mayor Shawver.

3. **PLEDGE OF ALLEGIANCE**

Led by Orange County Fire Authority, Administrative Captain Chris Sobiesiak.

4. **ROLL CALL**

Present: Council/Agency/Authority Member Taylor, Council/Agency/Authority Member Torres, Council/Agency/Authority Member Warren, Mayor Pro Tem/Vice Chairperson Van, and Mayor/Chairman Shawver.

Absent: None.

Excused: None.

5. **SPECIAL PRESENTATIONS AND AWARDS**

~~Presentation by the Orange County Fire Authority regarding lithium-ion batteries.~~

Due to an unforeseen emergency, item 5 was tabled for presentation at a future City Council meeting.

6. **CONSENT CALENDAR**

Motion/Second: Van/Taylor

ROLL CALL VOTE:	Council/Agency/Authority Member Taylor	AYE
	Council/Agency/Authority Member Torres	AYE
	Council/Agency/Authority Member Warren	AYE
	Mayor Pro Tem/Vice Chairperson Van	AYE
	Mayor/Chairman Shawver	AYE

Motion unanimously carried:



# **DRAFT**

## **CONSENT CALENDAR**

### **6A. MOTION TO APPROVE THE READING BY TITLE OF ALL ORDINANCES AND RESOLUTIONS. SAID ORDINANCES AND RESOLUTIONS THAT APPEAR ON THE PUBLIC AGENDA SHALL BE READ BY TITLE ONLY AND FURTHER READING WAIVED**

The City Council/Agency Board/Authority Board waived reading of Ordinances and Resolutions.

### **6B. APPROVAL OF WARRANTS**

The City Council approved demand warrants dated February 10, 2023 – February 23, 2023, in the amount of \$560,730.50.

### **6C. APPROVAL OF MINUTES**

1. The City Council/Successor Agency/Housing Authority approved Minutes of Joint Regular Meeting – February 28, 2023; and
2. The City Council approved Minutes of Special Meeting – March 7, 2023.

### **6D. JANUARY 2023 INVESTMENT REPORT**

The Investment Report as of January 31, 2023, has been prepared in accordance with the City's Investment Policy and California Government Code Section 53646.

1. The City Council finds that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15378(b)(5) (Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment); and
2. Received and filed the Investment Report for the month of January 2023.

### **6E. JANUARY 2023 INVESTMENT REPORT (SUCCESSOR AGENCY)**

The Investment Report as of January 31, 2023, has been prepared in accordance with the City's Investment Policy and California Government Code Section 53646.

1. The Successor Agency finds that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15378(b)(5) (Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment); and
2. Received and filed the Investment Report for the month of January 2023.

## **DRAFT**

### **6F. JANUARY 2023 GENERAL FUND REVENUE AND EXPENDITURE REPORT; HOUSING AUTHORITY REVENUE AND EXPENDITURE REPORT; AND STATUS OF CAPITAL IMPROVEMENT PROGRAM**

The Revenue and Expenditure Report for the month ended January 31, 2023, has been provided to the City Manager in accordance with Stanton Municipal Code Section 2.20.080 (D) and is being provided to City Council. This report includes information for both the City's General Fund and the Housing Authority Fund. In addition, staff has provided a status of the City's Capital Improvement Projects (CIP) as of January 31, 2023.

1. The City Council finds that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15378(b)(5) (Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment); and
2. Received and filed the General Fund and Housing Authority Fund's January 2023 Revenue and Expenditure Report and Status of Capital Improvement Projects for the month ended January 31, 2023.

### **6G. ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR 2021-22 AND RELATED AUDIT REPORTS**

Each year the City issues an Annual Comprehensive Financial Report (ACFR), which summarizes the financial activity of a local government for a given fiscal year in accordance with financial statement presentation requirements prescribed by government accounting standards (Attachment A). The ACFR is accompanied by an opinion from the City's audit firm. The audit firm's opinion on the City's 2021-22 ACFR is a clean opinion, with no exceptions, modifications, or qualifications. (The audit firm also issued a separate report for the Housing Authority's 2021-22 audited financial statements. The report included in Attachment B also includes a clean opinion with no exceptions, modifications, or qualifications from the audit firm.) In addition, the City's auditors issue other reports in relation to the City's audit. These reports are provided in Attachments C through E. (Attachment D, page 2 includes one recommendation that the City corrected during the Fiscal Year 2021-22 audit.).

1. The City Council finds that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15378(b)(5) (Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment); and
2. Received and filed the Annual Comprehensive Financial Report (ACFR), and related audit reports.

## **DRAFT**

### **6H. AWARD OF CONSTRUCTION CONTRACT FOR THE STANTON CITY HALL FIRE ALARM UPGRADE PROJECT**

The existing fire alarm system at Stanton City Hall is due for an upgrade as the system is no longer compliant with the current Fire Code and long past its life expectancy. City staff is recommending award of contract to Climatec, LLC to provide design and construction services to upgrade City Hall's Fire Alarm System.

1. The City Council finds that the project is categorically exempt under the California Environmental Quality Act ("CEQA"), Class 1, Section 15301(a) as alteration of existing public facilities; and
2. Waived the competitive bidding requirements in the City's purchasing policy for this procurement; and
3. Awarded a construction contract to Climatec, LLC to provide professional engineering and construction services to upgrade the fire alarm system for the amount of \$182,376; and
4. Authorized the City Manager to bind the City of Stanton and Climatec, LLC in a contract for the project; and
5. Authorized the City Manager to approve contract change orders, not to exceed \$17,500.

### **END OF CONSENT CALENDAR**

**7. PUBLIC HEARINGS**                      None.

**8. UNFINISHED BUSINESS**

**8A. HOLD THE SECOND READING OF AN ORDINANCE TO AMEND THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM CONTRACT WITH THE CITY OF STANTON - APPROVAL OF ORDINANCE NO. 1129**

This Ordinance was introduced at the regular City Council meeting of February 14, 2023. The City Council will hold the second reading of Ordinance No. 1129 to amend the California Public Employees' Retirement System Contract with the City of Stanton to remove the exclusion language for persons compensated on an hourly basis and to provide for the exclusions of the Intern, Park Ranger, Recreation Leader, and Senior Recreation Leader positions.

## DRAFT

Staff report by Ms. Patricia A. Vazquez, City Clerk.

Motion/Second: Torres/Van

ROLL CALL VOTE:	Council Member Taylor	AYE
	Council Member Torres	AYE
	Council Member Warren	AYE
	Mayor Pro Tem Van	AYE
	Mayor Shawver	AYE

Motion unanimously carried:

1. The City Clerk read the title of Ordinance No. 1129, entitled:

**“AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY COUNCIL OF THE CITY OF STANTON AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES’ RETIREMENT SYSTEM TO REMOVE THE CONTRACT PROVISION EXCLUDING FROM CALPERS MEMBERSHIP “PERSONS COMPENSATED ON AN HOURLY BASIS” PROSPECTIVELY, PURSUANT TO GOVERNMENT CODE SECTIONS 20305 AND 20503”; and**

2. The City Council adopted Ordinance No. 1129.

### 9. NEW BUSINESS

#### 9A. SCHEDULING A BUDGET WORKSHOP

The City Council will consider dates for its budget workshop covering Fiscal Year (FY) 2023-24.

Staff report by Ms. Hannah Shin-Heydorn, City Manager.

Motion/Second: Taylor/Torres

ROLL CALL VOTE:	Council Member Taylor	AYE
	Council Member Torres	AYE
	Council Member Warren	AYE
	Mayor Pro Tem Van	AYE
	Mayor Shawver	AYE

Motion unanimously carried:

## DRAFT

1. The City Council finds that this item is not subject to California Environmental Quality Act ("CEQA") pursuant to Sections 15378(b)(5)(Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment); and
2. Directed staff to verify and confirm City Council availability for the annual budget workshop on either May 16, 2023 or May 30, 2023.

**9B. PROPOSED RESOLUTION TERMINATING THE LOCAL EMERGENCY DECLARED BY THE CITY AS A RESULT OF THE COVID-19 PANDEMIC AND RESCINDING COVID-19 RELATED EMERGENCY MEASURES ADOPTED BY THE CITY**

Pursuant to state law and the City of Stanton's ("City") Municipal Code, the City proclaimed a local emergency in response to the COVID-19 pandemic. The City Council will consider adopting a resolution terminating its COVID-19 local emergency and clarify existing emergency measures issued by the City in response to the COVID-19 pandemic that shall automatically expire following the termination of the local emergency.

Staff report by Ms. HongDao Nguyen, City Attorney.

Motion/Second: Van/Warren

ROLL CALL VOTE:	Council Member Taylor	AYE
	Council Member Torres	AYE
	Council Member Warren	AYE
	Mayor Pro Tem Van	AYE
	Mayor Shawver	AYE

Motion unanimously carried:

1. The City Council in accordance with the requirements of California Environmental Quality Act ("CEQA"), declare that the project is exempt pursuant to Sections 15378 and Section 15061(b)(3) of the State CEQA Guidelines (Title 14 of the California Code of Regulations); and
2. Declared an end to the City's COVID-19 local emergency by adopting Resolution No. 2023-05, titled:

**"A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, TERMINATING THE CITY'S LOCAL EMERGENCY DECLARED BY THE CITY AS A RESULT OF THE COVID-19 PANDEMIC AND RESCINDING COVID-19 RELATED EMERGENCY MEASURES ADOPTED BY THE CITY".**

# DRAFT

## 10. ORAL COMMUNICATION

Ms. Clarissa Serpas, Public Affairs Manager, Southern California Gas Company, sharing their mission with the City Council and providing information on their current operations.

## 11. WRITTEN COMMUNICATIONS                      None.

## 12. MAYOR/CHAIRMAN/COUNCIL/AGENCY/AUTHORITY INITIATED BUSINESS

### 12A. COMMITTEE REPORTS/COUNCIL/AGENCY/AUTHORITY ANNOUNCEMENTS

- Council Member Torres reported on the City's attendance at the 48<sup>th</sup> Annual Cypress College Foundation Americana Awards event, which was held on March 11, 2023.
- Mayor Pro Tem Van reported on her attendance at an Annual Women's Leadership Summit held in March, 2023.

### 12B. COUNCIL/AGENCY/AUTHORITY INITIATED ITEMS FOR A FUTURE COUNCIL MEETING

- Council Member Taylor requested to agendize discussion regarding the implementation of term limits for the position of Mayor, bringing the position in line with the current term limits of Council Member positions.
- Mayor Shawver requested to agendize discussion regarding the City's current district-based election system.
- Mayor Shawver requested to agendize discussion regarding the feasibility of a moratorium on street vending.

### 12C. COUNCIL/AGENCY/AUTHORITY INITIATED ITEMS FOR A FUTURE STUDY SESSION

None.

## **DRAFT**

### **12D. CITY COUNCIL INITIATED ITEM — DISCUSSION REGARDING OBTAINING A LAND LEASE WITH SOUTHERN CALIFORNIA EDISON**

At the February 28, 2023, City Council meeting, Council Member Warren requested that this item be agendaized for discussion. Council Member Warren is requesting to discuss the possibility of obtaining a land lease with Southern California Edison for public use of vacant land.

Presentation by Council Member Warren.

The City Council received consensus and directed staff to proceed with research on the feasibility possibility of obtaining a land lease with Southern California Edison for public use of vacant land.

### **12E. CITY COUNCIL INITIATED ITEM — DISCUSSION REGARDING CONSIDERATION FOR A RESOLUTION OF SUPPORT OF THE IRANIAN AMERICAN COMMUNITY**

At the February 28, 2023, City Council meeting, Council Member Torres requested that this item be agendaized for discussion. Council Member Torres is requesting to discuss City Council consideration for a resolution of support of the Iranian American community, condemning the violence perpetrated by the government of Iran against its people.

Presentation by Council Member Torres.

The City Council received consensus and directed staff to proceed with creation of a proclamation in support of the Iranian American community, condemning the violence perpetrated by the government of Iran against its people.

### **12F. CITY COUNCIL INITIATED ITEM — DISCUSSION REGARDING THE CITY'S PERMIT PARKING PROGRAM**

At the February 28, 2023, City Council meeting, Council Member Torres requested that this item be agendaized for discussion. Council Member Torres is requesting to hold a discussion regarding revisiting the City's permit parking program.

Presentation by Council Member Torres.

The City Council received consensus, formed a subcommittee to discuss, research, and make recommendations to the City Council, and appointed Council Member Taylor and Council Member Torres to serve on the newly formed committee.

### **13. ITEMS FROM CITY ATTORNEY/AGENCY COUNSEL/AUTHORITY COUNSEL**

None.

# DRAFT

## 14. ITEMS FROM CITY MANAGER/EXECUTIVE DIRECTOR

- Ms. Hannah Shin-Heydorn, City Manager reported on the City's upcoming groundbreaking ceremony for the City's Family Resource Center (FRC), which is scheduled to be held on March 16, 2023, at 9:00 AM.
- Ms. Hannah Shin-Heydorn, City Manager reported on the City's upcoming Talk on the Block meeting, which is scheduled to be held on March 22, 2023, at 3:00 PM at the La Lampara Mobile Home Park (Club).

## 14A. ORANGE COUNTY FIRE AUTHORITY

At this time the Orange County Fire Authority will provide the City Council with an update on their current operations.

Administrative Captain Chris Sobiesiak provided the City Council with an update on their current operations.

15. **ADJOURNMENT** Motion/Second: Shawver/  
Motion carried at 7:08 p.m.

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MAYOR/CHAIRMAN

ATTEST:

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CITY CLERK/SECRETARY



## CITY OF STANTON

### REPORT TO CITY COUNCIL

**TO:** Honorable Mayor and Members of the City Council

**DATE:** March 28, 2023

**SUBJECT: SECOND AMENDMENT TO AGREEMENT FOR FAMILY RESOURCE CENTER SERVICES WITH BOYS & GIRLS CLUB OF GARDEN GROVE**

#### **REPORT IN BRIEF:**

The attached Second Amendment to the Agreement for Family Resource Center Services would extend the term of the agreement for counseling services at the Family Resource Center (FRC) with the Boys & Girls Club of Garden Grove through June 30, 2025.

#### **RECOMMENDED ACTION:**

1. City Council declare that this item is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) and 15060(c)(3); and
2. Approve the Second Amendment to the Agreement for Family Resource Center Services with the Boys & Girls Club of Garden Grove; and
3. Authorize the City Manager to bind the City of Stanton and the Boys & Girls Club of Garden Grove in an amended agreement to provide counseling services.

#### **BACKGROUND:**

Since July 1, 2020, the Boys & Girls Club of Garden Grove has provided counseling, parenting education, and case management consultant services to the City. The goals of the counseling services are to:

- Increase participants' coping skills;
- Stabilize immediate crises;
- Increase access to social support systems;
- Facilitate linkages to appropriate and needed treatment programs (e.g., domestic violence, substance abuse, mental health, etc.);
- Reduce risk of violence, abuse, and/or neglect in the home; and
- Improve individual and family functioning.

On April 26, 2022, the City Council approved the First Amendment to the agreement allowing for an expansion of counseling services in response to high-demand as a result of the pandemic and the community's increased needs. This additional funding allowed for a full-time counselor, two Masters-Level Social Worker interns and clinical supervision of all three positions. On February 28, 2023, the City Council approved an appropriation of \$213,120 from the City's America Rescue Plan Act (ARPA) Fund (#257) for these additional services.

Counseling staff are responsible for providing therapy, including assessment, treatment planning, documentation; communicating applicable case-related information to Social Services Agency staff as requested; completing Families and Communities Together (FaCT)-designated measurement tools; entering all required data into the FaCT database.

The bilingual full-time counselor is stationed at the Family Resource Center (FRC) and provides crisis counseling, individual counseling, family counseling, and group counseling services to the Stanton community, including low-income, high-risk participants who are not Medi-Cal eligible.

#### **ANALYSIS/JUSTIFICATION:**

On February 14, 2023, City Council approved the Second Amendment to the Agreement for Family Resource Center Services under the County of Orange Families and Communities Together (FaCT) Program to extend the contract for an additional two years, July 1, 2023 – June 30, 2025, with funding in the amount of \$370,800 each year.

To align with the contract term of the overall services provided at the Family Resource Center through the County FaCT Program, staff is recommending an extension to the agreement for counseling services with the Boys & Girls Club of Garden Grove with current staffing levels through June 30, 2025.

#### **FISCAL IMPACT:**

The cost to the City for services provided pursuant to the Second Amendment will be funded by the City's ARPA Fund (#257) (which is already included in the Fiscal Year 2022/23 Amended Budget) and the Families and Communities Together (FaCT) Grant Fund (#250) (which will be requested in the Fiscal Years 2023/24 and 2024/25 Operating Budgets).

**ENVIRONMENTAL IMPACT:**

None. This item is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378(b)(5) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly).

**PUBLIC NOTIFICATION:**

Public notification provided through the regular agenda process.

**LEGAL REVIEW:**

The City Attorney reviewed Attachment A as to form.

**STRATEGIC PLAN OBJECTIVE(S) ADDRESSED:**

Obj. No. 5: Provide a high quality of life.

**Prepared by:** Zenia Bobadilla, Community Services Director

**Fiscal Impact Reviewed by:** Michelle Bannigan, Finance Director

**Approved by:** Hannah Shin-Heydorn, City Manager

**Attachment:**

A. Second Amendment to the Agreement for Family Resource Center Services

**CITY OF STANTON****SECOND AMENDMENT TO  
AGREEMENT FOR FAMILY RESOURCE CENTER SERVICES****1. PARTIES AND DATE.**

This Second Amendment to the Agreement for Family Resource Center Services (“Second Amendment”) is entered into on the 28th day of March, 2023 by and between the City of Stanton (hereinafter referred to as the “City”) and **The Boys and Girls Club of Garden Grove** (hereinafter referred to as the **consultant** City and **consultant** are sometimes collectively referred to herein as the “Parties.”

**2. RECITALS.**

2.1 Agreement. The Parties entered into that certain Agreement for Family Resource Center Services (**Counseling, Parenting Education and Case Management**) dated July 1, 2020 (“Agreement”).

2.2 First Amendment. The Parties amended the Agreement in order to increase the total compensation under the Agreement on April 26, 2022.

2.3 Second Amendment. The Parties now desire to amend the Agreement in order to extend the term under the Agreement.

**3. TERMS.**

3.1 Term. Section 3.1.2 of the Agreement is hereby amended in its entirety to read as follows:

“The term of this Agreement shall be from March 28, 2023 - June 30, 2025 unless earlier terminated as provided in the Agreement”

3.2 Declaration of Political Contributions. Prior to the City’s approval of this Amendment, Consultant shall submit to City a statement in writing declaring any political contributions of money, in-kind services, or loan made to any member of the City Council within the previous twelve-month period by the Consultant and all of Consultant’s employees, including any employee(s) that Consultant intends to assign to perform the Services described in this Agreement.

3.3 Remaining Provisions of Agreement. Except as otherwise specifically set forth in this Second Amendment, the remaining provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this First Amendment to Agreement on 28<sup>th</sup> day of March, 2023.

**CITY OF STANTON**

**BOYS & GIRLS CLUB OF GARDEN GROVE**

By: \_\_\_\_\_  
Hannah Shin-Heydorn  
City Manager

By: \_\_\_\_\_  
Mark Surmanian, CEO

**ATTEST:**

By: \_\_\_\_\_  
Patricia A. Vazquez  
City Clerk

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Best Best & Krieger LLP  
City Attorney

## CITY OF STANTON

### REPORT TO CITY COUNCIL

**TO:** Honorable Mayor and Members of the City Council

**DATE:** March 28, 2023

**SUBJECT: CITY SPONSORSHIP REQUEST – STANTON COMMUNITY  
FOUNDATION 20<sup>TH</sup> ANNUAL CAR SHOW**

#### **REPORT IN BRIEF:**

Per the City's Sponsorship Program, the Stanton Community Foundation is requesting co-sponsorship of the 20<sup>th</sup> Annual Car Show. The sponsorship request is for in-kind consideration valued at \$300. At its meeting on August 23, 2022, the City Council directed staff to bring all sponsorship requests to the Council for consideration until further notice.

#### **RECOMMENDED ACTIONS:**

1. City Council declare this project to be categorically exempt under the California Environmental Quality Act, Class 1, Section 15301c; and
2. Determine the status of the Stanton Community Foundation's sponsorship request for a total in-kind value of \$300.

#### **BACKGROUND:**

At its meeting on August 23, 2022, the Council approved a City Administrative Policy for a City Sponsorship Program. The policy sets forth guidelines and criteria governing the granting of City funds or in-kind services for the purpose of supporting local festivals, special events, community projects or programs.

The goals and objectives of the approved City Sponsorship Program are as follows:

- Promote the City as a desirable place to live, visit and do business.
- Promote the City as a visitor destination and/or bring tourism-associated revenue to the City.
- Enhance the quality of life and well-being of the citizenry.
- Advance the City's commitment to and pride in being a multicultural community.
- Encourage the development of neighborhood identity and pride.

The City Sponsorship Program includes general requirements, eligibility criteria, and conditions outlined in the policy. As part of the approved policy, the City Council directed staff to bring all sponsorship requests for consideration until further notice to evaluate the impact on City resources. The City Council also outlined that if sponsorships are in-kind, the value of the in-kind items may not equal more than 25% of the program/event budget, up to a maximum of \$1,000.

#### **ANALYSIS/JUSTIFICATION:**

The Stanton Community Foundation submitted a request for sponsorship on March 21, 2023 (Attachment A). The request solicits support for the 20<sup>th</sup> annual Car Show planned for May 20, 2023, from 9 am to 2 pm at Stanton Park. Requested items include:

1. Promotion of the event through the City's social media channels (including use of the City logo) and displaying the event on the electronic boards in front of City Hall and Stanton Central Park.
2. Waive the Special Event Permit Fees and any other City fees.
3. Allow the display of promotional banners at Stanton Park leading up to the day of the event and flyers at City facilities.
4. Use of Stanton Park including restrooms and picnic tables on the day of the event.
5. City support with invitations for OCSD and/or OCFA attendance.

The sponsorship request states that it is less than 25% of the entire event budget. The total in-kind value is outlined below:

Staff-Time for Marketing, Coordination	\$40/hr, 3 hours total	\$120
Special Event Permit Fee	\$180 (flat rate)	\$180
	<b>TOTAL</b>	<b>\$300</b>

Upon review of the application, staff found that all required criteria have been met, including the provision of documentation for nonprofit status in the form of an IRS determination letter.

#### **FISCAL IMPACT:**

Fiscal impact includes an in-kind value of \$300 to support the event with requested City resources.

This is the fifth sponsorship request reviewed by the Council. The current sponsorship status is provided below:

<b>Number of Requests Approved To-Date</b>	<b>Funds Granted To-Date</b>	<b>In-Kind Consideration Granted To-Date</b>
4	\$0	\$1,059

**ENVIRONMENTAL IMPACT:**

None.

**LEGAL REVIEW:**

None.

**PUBLIC NOTIFICATION:**

None.

**STRATEGIC PLAN OBJECTIVES ADDRESSED:**

Obj. No. 4: Ensure fiscal stability and efficiency in governance.

Obj. No. 5: Provide a high quality of life.

Obj. No. 6: Maintain and promote a responsive, high quality and transparent government.

**Prepared by:** Zenia Bobadilla, Community Services Director

**Approved by:** Hannah Shin-Heydorn, City Manager

**Attachments:**

A. Sponsorship Request – Stanton Community Foundation, Stanton Car Show



Dear Director Zenia Bobadilla:

The Stanton Community Foundation is writing to ask the City of Stanton to become a sponsor of the 20<sup>th</sup> Annual Stanton Car Show, scheduled for Saturday, May 20, 2023 at Stanton Park. This annual car show has special historical significance in the city of Stanton as it was ran by the city for many years in the past, and it continues to draw a huge crowd of car enthusiasts, tourists, community partners, and residents. It also provides positive media coverage for the city. PCTA's Youtube channel has numerous videos covering the annual Stanton Car Show dating back over a decade.

The Stanton Community Foundation kindly requests the city's sponsorship for this event in the following capacities:

1. Help with promotion through the city's social media channels and displaying the event on the electronic board in front of city hall and Stanton Central Park
2. Waive the Special Event Permit Fees and any other city fees
3. Allow the display of promotional banners at Stanton Park leading up to the day of the event and flyers at city facilities
4. Use of Stanton Park including restrooms and picnic tables on day of the event
5. City support with any invitations for OCSD or OCFA's attendance

This sponsorship request is less than 25% of the program/event budget. The City of Stanton will be prominently recognized as a sponsor in all promotional materials, and the City's logos will be included in the flyer.

The Stanton Community Foundation has a long history of working with the City for over a decade to elevate our community and benefit the residents. You may view our website at [stantoncommunityfoundation.org](https://stantoncommunityfoundation.org) to see the numerous services and benefits we provide for the Stanton Community. Some of our projects include, but not limited to:

- **Senior Shopping Carts:** In 2011, the SCF began providing seniors living at Park Place Senior Apartments with shopping carts. They help our seniors to complete their personal shopping needs within our community.
- **Threads for Kids:** This program began in 2013 and provides funds to local elementary schools to purchase a school hoodie/sweatshirt for a child in need.
- **Back to School Fest:** The Stanton Back to School Fest is a partnership between the Foundation, the city, and numerous community-based organizations to host a school supply giveaway serving the families of Stanton and surrounding neighborhoods. The 2021 Back to School Fest served around 500 K-12 students, providing free school supplies, eye exams, on-site COVID vaccinations, and much more.
- **Supply Our Schools:** SOS began in 2014, providing funds to local elementary and junior high school teachers to purchase items needed in the classroom.
- **Senior Exercise Program:** Provides local seniors a weekly exercise program at two different locations in our city at no cost. This program has been in place since 2015.

- **SMART:** Our most recent program, SMART, stands for Summer Math Academy & Resource Training, started in 2018. It is an intensive summer bridge program for incoming high school freshmen who failed middle school math and are at risk of dropping out of high school.
- **Veterans Plaque Program:** Honoring veterans who have served or are currently serving in the United States Armed Forces, the Inspirational Wall Plaque Program offers an opportunity to have an engraved bronze plaque at Stanton's Veterans Memorial Park.
- **Stanton Community Garden:** Local residents can rent a plot to grow and have access to fresh produce. Since its inception in 2015, the Stanton Community Garden has served approximately 55 families per year.

Please do not hesitate to contact me with any questions or concerns. My phone number is (714) 733-8326; and you may email me at [stantoncommunityfoundation@gmail.com](mailto:stantoncommunityfoundation@gmail.com). We appreciate your support.

Sincerely,



Alyce Van  
Chair, Stanton Community Foundation

# **CITY OF STANTON**

## **REPORT TO CITY COUNCIL**

**TO:** Honorable Mayor and Members of the City Council

**DATE:** March 28, 2023

**SUBJECT: AWARD OF CONTRACT TO ALL CITY MANAGEMENT SERVICES, INC.  
FOR CROSSING GUARD SERVICES**

### **REPORT IN BRIEF:**

Following a Request for Proposals in 2019 soliciting proposals to provide professional cross guard services for three (3) locations at nearby schools, All City Management Services, Inc. (ACMS) was awarded a one (1) year contract at the March 23, 2021, City Council meeting. The contract term expired as of June 30, 2022. Following discussion, City staff and ACMS were able to come to an agreement for a new three (3) year contract. To ensure a safe community, City staff recommends entering into an agreement with All City Management Services, Inc. to continue to provide professional crossing guard services.

### **RECOMMENDED ACTION:**

1. City Council declare this action to be categorically exempt under the California Environmental Quality Act, since the action herein does not constitute a “project” as defined by Section 15378 of the CEQA guidelines; and
2. Award a contract to All City Management Services, Inc. to provide professional crossing guard services for a 3-year maximum contract amount of \$137,000, excluding CPI adjustments as provided for in the draft Professional Services Agreement; and
3. Authorize the City Manager to, with concurrence of the City Attorney, to make minor modifications to the Professional Services Agreement and to bind the City of Stanton; and
4. Authorize the City Manager to approve contract change orders and contract amendments with All City Management Services, Inc., as needed and determined by City staff, for any contingencies up to \$13,700 (10% of contract amount).

## **BACKGROUND:**

The City has been providing crossing guard services at three (3) nearby schools to promote public safety.

- Chanticleer Road and Dale Avenue by Robert M. Pyles STEM Academy
- Magnolia Avenue and Pacific Avenue by Esther L. Walter Elementary School
- Cerritos Avenue and Knott Avenue by Hansen Elementary School

ACMS was awarded a one (1) year contract with the City at the March 23, 2021 Council meeting. The contract term expired as of June 30, 2022.

## **ANALYSIS/JUSTIFICATION:**

Following discussion, City staff and ACMS were able to come to an agreement for a new three (3) year contract.

Following Council direction at its meeting of September 27, 2022, staff reached out to representatives of the Magnolia School District and Savanna School District to discuss cost sharing opportunities. Both school districts agreed to the following cost sharing for Academic Year 2022-2023.

- 33% of academic year costs per school
  - For Academic Year 2022-2023  
 $3 \text{ hours per day} \times 180 \text{ days} \times \$28.08 = \$15,163.20 \text{ per academic year}$   
 $33\% \times \$15,163.20 = \$5,003.86 \text{ per academic year (cost share)}$
- 33% of summer school costs per school
  - Specific schedules to be determined
- 100% of costs for any requests outside of the traditional academic year and summer school (i.e., Saturday academies)

Future cost sharing opportunities will be considered on an annual basis concurrent with the budget development process.

## **FISCAL IMPACT:**

The Fiscal Year 2022/23 budget includes funds for crossing guard services (Account No. 101-3300-608175) in the amount of \$45,165.00. Based on the hourly rates, the annual projected cost for these services is \$45,489.60. The City will recover \$15,011.58 from cost sharing with the Magnolia School District and Savanna School District. The total annual projected cost for these services after cost sharing is \$30,478.02.

**ENVIRONMENTAL IMPACT:**

This action to be categorically exempt under the California Environmental Quality Act, since the action herein does not constitute a “project” as defined by Section 15378 of the CEQA guidelines.

**LEGAL REVIEW:**

The City Attorney has reviewed the Agreement.

**PUBLIC NOTIFICATION:**

Notifications were performed as prescribed by law.

**STRATEGIC PLAN OBJECTIVE ADDRESSED:**

Obj. No. 1: Provide a safe community.

**Prepared by:** Han Sol Yoo, E.I.T, Associate Engineer

**Fiscal Impact Reviewed by:** Michelle Bannigan, Finance Director

**Approved by:** Hannah Shin-Heydorn, City Manager

**Attachments:**

- A. Professional Services Agreement - All City Management Services, Inc.

**CITY OF STANTON  
PROFESSIONAL SERVICES AGREEMENT  
FOR  
CROSSING GUARD CONSULTING SERVICES**

**1. PARTIES AND DATE.**

This Agreement is made and entered into this 28<sup>th</sup> day of March, 2023, by and between the **City of Stanton**, a municipal organization organized under the laws of the State of California with its principal place of business at 7800 Katella Avenue, Stanton, California 90680 (“City”) and **All City Management Services, Inc.**, a California Corporation, with its principal place of business at 10440 Pioneer Boulevard, Suite 5, Santa Fe Springs, California 90670 (“Consultant”). City and Consultant are sometimes individually referred to herein as “Party” and collectively as “Parties.”

**2. RECITALS.**

**2.1 Consultant.**

Consultant desires to perform and assume responsibility for the provision of certain professional **Crossing Guard** consultant services required by the City on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing professional **Crossing Guard** consultant services to public clients, is licensed in the State of California, and is familiar with the plans of City.

**2.2 Project.**

City desires to engage Consultant to render such professional Crossing Guard consulting services required by the City on the terms and conditions set forth in this Agreement. Consultant represents that it is experienced in providing professional **Crossing Guard** consultant services to public clients, is licensed in the State of California, and is familiar with the plans of City.

**3. TERMS.**

**3.1 Scope of Services and Term.**

3.1.1 General Scope of Services. Consultant promises and agrees to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the professional **Crossing Guard** consultant services necessary for the Project (“Services”). The Services are more particularly described in Exhibit “A” attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

3.1.2 Term. The term of this Agreement shall be from April 1, 2023 to March 31, 2026, unless earlier terminated as provided herein. The City Manager shall have the unilateral option, at its sole discretion, to renew this Agreement annually for no more than two additional one-year terms. Consultant shall complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines.

### 3.2 Responsibilities of Consultant.

3.2.1 Independent Contractors, Control and Payment of Subordinates. The Services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. City retains Consultant on an independent contractor basis and not as an employee. Consultant shall complete, execute, and submit to City a Request for Taxpayer Identification Number and Certification (IRS Form W-9) prior to commencement of any Services under this Agreement. Consultant retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Consultant shall also not be employees of City and shall at all times be under Consultant's exclusive direction and control. Neither City, nor any of its officials, officers, directors, employees or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

3.2.2 Schedule of Services. Consultant shall perform the Services expeditiously, within the term of this Agreement, and in accordance with the Schedule of Services set forth in Exhibit "B" attached hereto and incorporated herein by reference. Consultant represents that it has the professional and technical personnel required to perform the Services in conformance with such conditions. In order to facilitate Consultant's conformance with the Schedule, City shall respond to Consultant's submittals in a timely manner. Upon request of City, Consultant shall provide a more detailed schedule of anticipated performance to meet the Schedule of Services.

3.2.3 Conformance to Applicable Requirements. All work prepared by Consultant shall be subject to the approval of City.

3.2.4 Substitution of Key Personnel. Consultant has represented to City that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of City. In the event that City and Consultant cannot agree as to the substitution of key personnel, City shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to the City, or who are determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by the Consultant at the request of the City. The key personnel for performance of this Agreement are as follows: **Baron Farwell, General Manager.**

3.2.5 City's Representative. The City hereby designates the City Manager, or his or her designee, to act as its representative in all matters pertaining to the administration and performance of this Agreement ("City's Representative"). City's Representative shall have the power to act on behalf of the City for review and approval of all products submitted by Consultant

but no the authority to enlarge the Scope of Work or change the total compensation due to Consultant under this Agreement. The City Manager shall be authorized to act on City's behalf and to execute all necessary documents which enlarge the Scope of Work or change the Consultant's total compensation subject to the provisions contained in Section 3.3 of this Agreement. Consultant shall not accept direction or orders from any person other than the City Manager, City's Representative or his/her designee.

3.2.6 Consultant's Representative. Consultant hereby designates **Baron Farwell, General Manager**, or his/her designee, to act as its representative for the performance of this Agreement ("Consultant's Representative"). Consultant's Representative shall have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his/her best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

3.2.7 Coordination of Services. Consultant agrees to work closely with City staff in the performance of Services and shall be available to City's staff, consultants and other staff at all reasonable times.

3.2.8 Standard of Care; Performance of Employees. Consultant shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Consultant represents and maintains that it is skilled in the professional calling necessary to perform the Services. Consultant warrants that all employees and subconsultants shall have sufficient skill and experience to perform the Services assigned to them. Finally, Consultant represents that it, its employees and subconsultants have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Consultant shall perform, at its own cost and expense and without reimbursement from the City, any services necessary to correct errors or omissions which are caused by the Consultant's failure to comply with the standard of care provided for herein. Any employee of the Consultant or its sub-consultants who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the City, shall be promptly removed from the Project by the Consultant and shall not be re-employed to perform any of the Services or to work on the Project.

3.2.9 Laws and Regulations. Consultant shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Project or the Services, including all Cal/OSHA requirements, and shall give all notices required by law. Consultant shall be liable for all violations of such laws and regulations in connection with Services. If the Consultant performs any work knowing it to be contrary to such laws, rules and regulations, Consultant shall be solely responsible for all costs arising therefrom. Consultant shall defend, indemnify and hold City, its officials, directors, officers, employees, agents and volunteers free and harmless, pursuant to the indemnification provisions of



this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.2.10 Safety. Consultant shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its Services, the Consultant shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subconsultants, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

3.2.11 Insurance. Consultant agrees to procure and maintain, at Consultant's expense all insurance specified in Exhibit "D" attached hereto and by this reference incorporated herein. Consultant shall require all subconsultants to carry the same policies and limits of insurance that the Consultant is required to maintain, unless otherwise approved in writing by the City.

### **3.3 Fees and Payments.**

3.3.1 Compensation. Consultant shall receive compensation, including authorized reimbursements, for all Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed **ONE HUNDRED THIRTY-SEVEN THOUSAND DOLLARS (\$137,000.00)** ("Total Compensation") without written approval of City Council or City Manager, as applicable. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

3.3.2 Payment of Compensation. Consultant shall submit to City a monthly invoice which indicates work completed and hours of Service rendered by Consultant. The invoice shall describe the amount of Services provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the invoice. City shall, within 30 days of receiving such invoice, review the invoice and pay all non-disputed and approved charges thereon. If the City disputes any of Consultant's fees, the City shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth therein.

3.3.3 Reimbursement for Expenses. Consultant shall not be reimbursed for any expenses unless authorized in writing by City, or included in Exhibit "C" of this Agreement.

3.3.4 Extra Work. At any time during the term of this Agreement, City may request that Consultant perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Project, but which the Parties did not reasonably anticipate would be necessary at the execution of this Agreement. Consultant shall not perform, nor be compensated for, Extra Work without written authorization from the City.

3.3.5 Rate Increases. In the event that this Agreement is renewed pursuant to Section 3.1.2, the rate set forth in Exhibit “C” may be adjusted each year at the time of renewal as set forth in Exhibit “C”.

### **3.4 Labor Code Requirements.**

3.4.1 Prevailing Wages. Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., (“Prevailing Wage Laws”), which require the payment of prevailing wage rates and the performance of other requirements on “public works” and “maintenance” projects. If the Services are being performed as part of an applicable “public works” or “maintenance” project, as defined by the Prevailing Wage Laws, and if the total compensation is \$1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws. City shall provide Consultant with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Consultant shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Consultant’s principal place of business and at the project site. It is the intent of the parties to effectuate the requirements of sections 1771, 1774, 1775, 1776, 1777.5, 1813, and 1815 of the Labor Code within this Agreement, and Consultant shall therefore comply with such Labor Code sections to the fullest extent required by law. Consultant shall defend, indemnify and hold the City, its elected officials, officers, employees, agents and volunteers free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

3.4.2 Registration. If the Services are being performed as part of an applicable “public works” or “maintenance” project, in addition to the foregoing, then pursuant to Labor Code sections 1725.5 and 1771.1, the Consultant and all subconsultants must be registered with the Department of Industrial Relations (“DIR”). Consultant shall maintain registration for the duration of the project and require the same of any subconsultants. This project may also be subject to compliance monitoring and enforcement by the DIR. It shall be Contractor’s sole responsibility to comply with all applicable registration and labor compliance requirement, including the submission of payroll records directly to the DIR.

### **3.5 Accounting Records.**

3.5.1 Maintenance and Inspection. Consultant shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

### **3.6 General Provisions.**

3.6.1 Termination of Agreement.

3.6.1.1 Grounds for Termination. City may, by written notice to Consultant, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Consultant of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Consultant shall be compensated only for those services which have been adequately rendered to City, and Consultant shall be entitled to no further compensation. Consultant may not terminate this Agreement except for cause.

3.6.1.2 Effect of Termination. If this Agreement is terminated as provided herein, City may require Consultant to provide all finished or unfinished Documents and Data and other information of any kind prepared by Consultant in connection with the performance of Services under this Agreement. Consultant shall be required to provide such document and other information within fifteen (15) days of the request.

3.6.1.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

3.6.2 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

**Consultant:**

All City Management Services, Inc.  
10440 Pioneer Boulevard, Suite 5  
Santa Fe Springs, CA 90670  
Attn: **Baron Farwell, General Manager**

**City:**

City of Stanton  
7800 Katella Avenue  
Stanton, CA 90680  
Attn: **Hannah Shin-Heydorn, City Manager**

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

3.6.3 Ownership of Materials and Confidentiality.

3.6.3.1 Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be

prepared by Consultant under this Agreement (“Documents & Data”). Consultant shall require all subconsultants to agree in writing that City is granted a non-exclusive and perpetual license for any Documents & Data the subconsultant prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents & Data. Consultant makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Consultant or provided to Consultant by the City. City shall not be limited in any way in its use of the Documents and Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City’s sole risk.

3.6.3.2 Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents and Data either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant. Such materials shall not, without the prior written consent of City, be used by Consultant for any purposes other than the performance of the Services. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Services or the Project. Nothing furnished to Consultant which is otherwise known to Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City’s name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of City.

3.6.3.3 Confidential Information. The City shall refrain from releasing Consultant’s proprietary information (“Proprietary Information”) unless the City’s legal counsel determines that the release of the Proprietary Information is required by the California Public Records Act or other applicable state or federal law, or order of a court of competent jurisdiction, in which case the City shall notify Consultant of its intention to release Proprietary Information. Consultant shall have five (5) working days after receipt of the Release Notice to give City written notice of Consultant’s objection to the City’s release of Proprietary Information. Consultant shall indemnify, defend and hold harmless the City, and its officers, directors, employees, and agents from and against all liability, loss, cost or expense (including attorney’s fees) arising out of a legal action brought to compel the release of Proprietary Information. City shall not release the Proprietary Information after receipt of the Objection Notice unless either: (1) Consultant fails to fully indemnify, defend (with City’s choice of legal counsel), and hold City harmless from any legal action brought to compel such release; and/or (2) a final and non-appealable order by a court of competent jurisdiction requires that City release such information.

3.6.4 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

3.6.5 Attorney’s Fees. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorney’s fees and all other costs of such action.

3.6.6 Indemnification. To the fullest extent permitted by law, Consultant shall defend (with counsel reasonably acceptable to City), indemnify and hold the City, its officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any alleged acts, errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant's Services, the Project or this Agreement, including without limitation the payment of all damages, expert witness fees and attorneys fees and other related costs and expenses. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the Consultant or the City, its officials, officers, employees, agents or volunteers.

If Consultant's obligation to defend, indemnify, and/or hold harmless arises out of Consultant's performance as a "design professional" (as that term is defined under Civil Code section 2782.8), then, and only to the extent required by Civil Code section 2782.8, which is fully incorporated herein, Consultant's indemnification obligation shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, and, upon Consultant obtaining a final adjudication by a court of competent jurisdiction, Consultant's liability for such claim, including the cost to defend, shall not exceed the Consultant's proportionate percentage of fault.

The obligation to indemnify, as provided herein, shall survive the termination or expiration of this Agreement.

3.6.7 Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both parties.

3.6.8 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Orange County.

3.6.9 Time of Essence. Time is of the essence for each and every provision of this Agreement.

3.6.10 City's Right to Employ Other Consultants. City reserves right to employ other consultants in connection with this Project.

3.6.11 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

3.6.12 Assignment or Transfer. Consultant shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

3.6.13 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Consultant include all personnel, employees, agents, and subconsultants of Consultant, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

3.6.14 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

3.6.15 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

3.6.16 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

3.6.17 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.6.18 Prohibited Interests. Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

3.6.19 Equal Opportunity Employment. Consultant represents that it is an equal opportunity employer and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Consultant shall also comply with all relevant provisions of City's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

3.6.20 Labor Certification. By its signature hereunder, Consultant certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

3.6.21 Authority to Enter Agreement. Consultant has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

3.6.22 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.6.23 Declaration of Political Contributions. Consultant shall, throughout the term of this Agreement, submit to City an annual statement in writing declaring any political contributions of money, in-kind services, or loan made to any member of the City Council within the previous twelve-month period by the Consultant and all of Consultant's employees, including any employee(s) that Consultant intends to assign to perform the Services described in this Agreement.

### **3.7 Subcontracting.**

3.7.1 Prior Approval Required. Consultant shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

*[Signatures on following page.]*

IN WITNESS WHEREOF, the parties have executed this Professional Services Agreement on this \_\_\_\_ day of \_\_\_\_\_, 202\_.

**CITY OF STANTON**

**ALL CITY MANAGEMENT SERVICES,  
INC.**

By: \_\_\_\_\_  
Hannah Shin-Heydorn  
City Manager

By: \_\_\_\_\_  
Baron Farwell  
General Manager

**ATTEST:**

By: \_\_\_\_\_  
Patricia A. Vazquez  
City Clerk

By: \_\_\_\_\_  
Demetra Farwell  
Corporate Security / Director of  
Administrative Services

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Best Best & Krieger LLP  
City Attorney



## **EXHIBIT “A”**

### **SCOPE OF SERVICES**

The City of Stanton utilizes a contracted company to provide crossing guard services at intersections near schools during the school year and selected special events. Services include but are not limited to monitoring, supervising, and assuring the safety of school children and pedestrians who utilize street intersections and crosswalks to and from school.

#### **I. Scope of Work shall include but is not limited to:**

- Provide a program manager who will coordinate crossing guard services with a City liaison.
- Provide a supervisor to ensure guard activities are taking place at the required places and times and that proper safety procedures are complied with.
- Provide fully trained and equipped alternate personnel to ensure all contracted locates are covered in the event regular personnel are absent
- Provide all crossing guards with a standardized uniform and proper weather apparel and gear, approved by the City, which will be worn at all times while performing their duties.
- Provide all crossing guards with handheld stop signs and reflective vests, which comply with applicable Federal, State and City laws and regulations.
- Persons provided by the contractor as crossing guards shall be trained by the contractor. Training shall include the laws and codes of the State of California and the City of Stanton pertaining to general pedestrian safety and school crossing areas. Training shall also include general traffic safety for pedestrians, motorists, and the crossing guards themselves. Copies of all training certificates must be provided prior to execution of the contract.
- Provide training for crossing guards in first aid and CPR in accordance with Red Cross certification guidelines. Copies of valid Red Cross certificates on each crossing guard must be furnished to the City prior to signing of the agreement and annually thereafter.
- Provide evidence of compliance with California Vehicle Code Section 21100 as it relates to crossing guards and compliance with California Vehicle Code Section 21100(i) prior to execution of the agreement.

#### **II. Contractor Personnel Requirements-Package of Minimum Qualifications**

The Contractor shall maintain personnel files. Files shall consist of a package of documents for each assigned Crossing Guard consisting of training records, minimum qualifications and includes medical record, social security number, military services, arrest records, and previous employment. Contractor shall provide the City with written certification that each Guard assigned to the City conforms to all City requirements and standards specified.

### **III. Criminal Background Check**

The Contractor shall complete a criminal background check of all Crossing Guards, prior to assignment under the contract, and prior to assigning a Crossing Guard to a City location. Thereafter, Contractor shall conduct an annual check, or as deemed necessary for security reasons. The criminal background check shall be for felony and misdemeanor violations in all United States or countries that the individual has resided in the last five (5) years. Any Crossing Guard found failing to divulge a felony or misdemeanor conviction should not be assigned to the City's contract. All costs of these checks shall be at the Contractor's expense. Nothing in this contract affects or limits Contractor's obligation under state and federal law to comply with all hiring and background checks procedures in a nondiscriminatory manner.

Based on the nature of the duties of the Crossing Guards, which involves close proximity to and authority over children, an analysis has been undertaken to determine crimes which would make an employee unsuitable to be assigned to City Crossing Guard Service. Crossing Guards who have been convicted of (or arrested for and are awaiting trial) any of the following will not be accepted nor assigned to City Crossing Guard Service:

- Conviction for any crimes listed in Public Resources Code Section 5164, as it may be amended including but not limited to indecent exposure; willful cruelty or unjustified punishment of a child; causing, encouraging, or contributing to the delinquency of a minor; child molestation; rape, statutory rape, incest, or sodomy; kidnapping; armed robbery; murder or involuntary manslaughter; use of a firearm or dangerous weapon in the commission or attempt to commit a felony; or any felony subject to life imprisonment or the death penalty, subject to the limitation stated in Section 5164
- Any crimes, felony or misdemeanor, against a child
- Sex Crime Conviction

### **IV. Conduct**

Contractor's Crossing Guards will be working at City locations, and as such, they must be polite, courteous, helpful, and interested in serving the public well. Professional standards are expected at all times while on a City post. The City's designated representative will routinely conduct surprise inspections to ensure the quality of contract Crossing Guards assigned to the City. If it is determined that assigned Crossing Guards do not meet standards of courtesy, ethics, appearance, alertness, and preparedness, they will be removed from post immediately at the expense of the Contractor.

### **V. Contractor Supervision Requirements**

#### Operations Manager

The Contractor will assign an Operations Manager to ensure the required field supervision and training to the Crossing Guards under his/or supervision during the performance of their duties as required.

The Operations Manager need not be present at all times but should ensure that Crossing Guards assigned to the City are well trained and effective in carrying out their assigned duties. This person will be the liaison to the City. The Operations Manager shall become the City's primary contact person and be available as needed for the administration and effective functioning of the requested crossing guard services required in the Contract. City staff will have direct access to a manager or shift supervisor. Contract crossing guard company will provide phone numbers to City staff.

## EXHIBIT “B”

### SCHEDULE OF SERVICES

The Schedule of Services is based on the approximate total of 1,620 project hours annually (August – June) for crossing guards at all locations. Consultant shall perform the Services identified in the Scope of Work at the direction of the City.

The three (3) locations in the City in which crossing guards are necessary. the necessary hours are as follows:

Location	School	Daily Hours	Annual Hours
Chanticleer & Dale	Robert Pyles E/S	3.00	540
Magnolia & Pacific	Ester Walter E/S	3.00	540
Cerritos & Knott	Hansen E/S	3.00	540
Total Annual Program Hours		1,620	
Billing Rate		\$28.08	
Not to Exceed Total		\$137,000.00	

Additionally, there may be a need for summer school which should be able to be billed as needed.

**\*Locations are subject to change at any time**

## EXHIBIT "C"

### COMPENSATION

The City will compensate Consultant for the Services at the rates set forth below, based on the approximate total of 1,620 hours project hours annually for crossing guards at all locations.

#### Client Worksheet 2022 - 2023

Department: 1000701

Billing Rate for 2022/2023: \$28.08

City of Stanton  
7800 Katella Ave.  
Stanton, CA 90680

#### KEY:

##### Traditional Calendar:

For sites with no regularly scheduled early release days, use 180 regular days

For sites with one regularly scheduled early release day/week, use 144 regular days and 36 minimum days

#### Sites with traditional calendar:

		9		180		\$28.08	=	\$45,489.60
3	Sites at 3.0 hrs per day	Total Hrs/day	X	days/yr	X	Hourly Billing Rate		

TOTAL PROJECTED HOURS

1620

TOTAL ANNUAL PROJECTED COST

\$45,489.60

## EXHIBIT "D"

### INSURANCE REQUIREMENTS

3.7.1.1 Time for Compliance. Consultant shall not commence Work under this Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required under this section. In addition, Consultant shall not allow any subconsultant to commence work on any subcontract until it has provided evidence satisfactory to the City that the subconsultant has secured all insurance required under this section.

3.7.1.2 Types of Insurance Required. As a condition precedent to the effectiveness of this Agreement for work to be performed hereunder and without limiting the indemnity provisions of the Agreement, the Consultant in partial performance of its obligations under such Agreement, shall procure and maintain in full force and effect during the term of the Agreement, the following policies of insurance. If the existing policies do not meet the Insurance Requirements set forth herein, Consultant agrees to amend, supplement or endorse the policies to do so.

- (a) Commercial General Liability: Commercial General Liability Insurance which affords coverage at least as broad as Insurance Services Office "occurrence" form CG 0001, with minimum limits of at least \$3,000,000 per occurrence, and if written with an aggregate, the aggregate shall be double the per occurrence limit. Defense costs shall be paid in addition to the limits.

The policy shall contain no endorsements or provisions limiting coverage for (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; or (3) contain any other exclusion contrary to the Agreement.

- (b) Automobile Liability Insurance: Automobile Liability Insurance with coverage at least as broad as Insurance Services Office Form CA 0001 covering "Any Auto" (Symbol 1) with minimum limits of \$1,000,000 each accident.
- (c) Professional Liability: Professional Liability insurance with minimum limits of \$1,000,000. Covered professional services shall specifically include all work to be performed under the Agreement and delete any exclusions that may potentially affect the work to be performed (for example, any exclusions relating to lead, asbestos, pollution, testing, underground storage tanks, laboratory analysis, soil work, etc.).

If coverage is written on a claims-made basis, the retroactive date shall precede the effective date of the initial Agreement and continuous coverage will be maintained or an extended reporting period will be exercised for a period of at least three (3) years from termination or expiration of this Agreement.

- (d) Workers' Compensation: Workers' Compensation Insurance, as required by the State of California and Employer's Liability Insurance with a limit of not less than \$1,000,000 per accident for bodily injury and disease.

3.7.1.3 Endorsements. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for approval.

- (a) The policy or policies of insurance required by Section 3.2.10.2 (a) Commercial General Liability shall be endorsed to provide the following:

- (1) Additional Insured: The City, its officials, officers, employees, agents, and volunteers shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement.

Additional Insured Endorsements shall not (1) be restricted to "ongoing operations"; (2) exclude "contractual liability"; (3) restrict coverage to "sole" liability of Consultant; or (4) contain any other exclusions contrary to the Agreement.

- (2) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

- (b) The policy or policies of insurance required by Section 3.2.10.2 (b) Automobile Liability and (d) Professional Liability shall be endorsed to provide the following:

- (1) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

- (c) The policy or policies of insurance required by Section 3.2.10.2 (e) Workers' Compensation shall be endorsed to provide the following:

- (1) Waiver of Subrogation: A waiver of subrogation stating that the insurer waives all rights of subrogation against the indemnified parties.
- (2) Cancellation: Required insurance policies shall not be canceled or the coverage reduced until a thirty (30) day

written notice of cancellation has been served upon the City except ten (10) days shall be allowed for non-payment of premium.

3.7.1.4 Primary and Non-Contributing Insurance. All insurance coverages shall be primary and any other insurance, deductible, or self-insurance maintained by the indemnified parties shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.

3.7.1.5 Waiver of Subrogation. Required insurance coverages shall not prohibit Consultant from waiving the right of subrogation prior to a loss. Consultant shall waive all subrogation rights against the indemnified parties. Policies shall contain or be endorsed to contain such provisions.

3.7.1.6 Deductible. Any deductible or self-insured retention must be approved in writing by the City and shall protect the indemnified parties in the same manner and to the same extent as they would have been protected had the policy or policies not contained a deductible or self-insured retention.

3.7.1.7 Evidence of Insurance. The Consultant, concurrently with the execution of the Agreement, and as a condition precedent to the effectiveness thereof, shall deliver either certified copies of the required policies, or original certificates and endorsements on forms approved by the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15) days prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced, Consultant shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies.

3.7.1.8 Failure to Maintain Coverage. Consultant agrees to suspend and cease all operations hereunder during such period of time as the required insurance coverage is not in effect and evidence of insurance has not been furnished to the City. The City shall have the right to withhold any payment due Consultant until Consultant has fully complied with the insurance provisions of this Agreement.

In the event that the Consultant's operations are suspended for failure to maintain required insurance coverage, the Consultant shall not be entitled to an extension of time for completion of the Services because of production lost during suspension.

3.7.1.9 Acceptability of Insurers. Each such policy shall be from a company or companies with a current A.M. Best's rating of no less than A:VII and authorized to do business in the State of California, or otherwise allowed to place insurance through surplus line brokers under applicable provisions of the California Insurance Code or any federal law.

3.7.1.10 Insurance for Subconsultants. All Subconsultants shall be included as additional insureds under the Consultant's policies, or the Consultant shall be



responsible for causing Subconsultants to purchase the appropriate insurance in compliance with the terms of these Insurance Requirements, including adding the City as an Additional Insured to the Subconsultant's policies.

## CITY OF STANTON

### REPORT TO CITY COUNCIL

**TO:** Honorable Mayor and Members of the City Council

**DATE:** March 28, 2023

**SUBJECT: ACCEPTANCE OF THE FISCAL YEAR (FY) 2021-22 CITYWIDE STREET RESURFACING PROJECT BY THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA**

#### **REPORT IN BRIEF:**

The FY 2021-22 Citywide Street Resurfacing Project consisting of roadway grading and earthwork, curb and gutter, asphalt pavement, slurry seal, signing and striping, and all appurtenant work of the arterial highways throughout the City of Stanton is now complete. The final construction cost for the project was \$2,015,848.59. The City Engineer certifies that the work was satisfactorily completed as of February 15, 2023 and recommends that the City Council accept the completed work performed on this project.

#### **RECOMMENDED ACTION:**

1. City Council declare that project categorically exempt under the California Environmental Quality Act (CEQA), Class 1, Section 15301c; and
2. Approve the final construction contract amount of \$2,015,848.59 with All American Asphalt, Inc.; and
3. Direct the City Clerk within ten (10) days from the date of acceptance to file the Notice of Completion (Attachment) with the County Clerk-Recorder of the County of Orange; and
4. Direct City staff after thirty-five (35) days has elapsed from the filing of the "Notice of Completion" with the County Clerk-Recorder to make the retention payment to All American Asphalt, Inc. in the amount of \$100,793.00.

#### **BACKGROUND:**

On April 26, 2022, All American Asphalt, Inc. was awarded the construction contract to perform roadway grading and earthwork, curb and gutter, asphalt pavement, slurry seal, signing and striping, and all appurtenant work of the arterial highways throughout the City of Stanton as the lowest responsive bidder. The original contract amount was for \$1,926,726.00 and City Council authorized the City Manager to approve contract change orders up to \$96,336 (5% of the original contract amount).

The City Manager approved a total of four (4) change orders in the total amount of \$89,122.59 (4.6% of original contract amount) for additional work that was necessary to complete the project. Additional work included improvements on Orangewood Avenue (restriping, concrete island, and solar powered telespar post and stop sign), additional striping and upgrade of equipment, and reworking concrete work (ramp, sidewalk, curb & gutter).

On February 15, 2023, staff completed a final inspection of the work and the City Engineer certified that the work was satisfactorily completed.

**ANALYSIS/JUSTIFICATION:**

The FY 2021-22 Citywide Street Resurfacing Project has been completed in conformance with the project plans and specifications and has been accepted by the City Engineer. The filing of a Notice of Completion is required by the Agreement for this project and under the California Public Contract Code.

**FISCAL IMPACT:**

The total contract costs including approved change orders for All American Asphalt for the FY 2021-22 Citywide Street Resurfacing Project (Task Code No. 2022-101) was \$2,015,848.59.

**ENVIRONMENTAL IMPACT:**

The project has been determined to be categorically exempt under the California Environmental Quality Act (CEQA), Class 1, Section 15301c as repair and maintenance of existing street, sidewalks, and gutters.

**LEGAL REVIEW:**

None.

**STRATEGIC PLAN OBJECTIVE ADDRESSED:**

Obj. No. 3: Provide a quality infrastructure.

**Prepared by:** Han Sol Yoo, E.I.T, Associate Engineer

**Reviewed by:** Cesar Rangel, P.E., Public Works Director/City Engineer

**Fiscal Impact Reviewed by:** Michelle Bannigan, Finance Director

**Approved by:** Hannah Shin-Heydorn, City Manager

**ATTACHMENT:**

A. Notice of Completion

CITY OF STANTON  
ATTN: CITY CLERK  
7800 KATELLA AVE.  
STANTON, CA 90680

EXEMPT FROM RECORDING FEES PER  
GOVERNMENT CODE SECTION 27383

(Space above this line for Recorder's use)

## NOTICE OF COMPLETION

Notice pursuant to Civil Code Section 3093, must be filed within 10 days after completion.

**Notice is hereby given that:**

1. The undersigned is owner or corporate officer of the owner of the interest or estate stated below in the property hereinafter described:
2. The full name of the owner is the City of Stanton.
3. The full address of owner is 7800 Katella Avenue, Stanton, CA 90680.
4. The nature of the interest or estate of the owner is: Public Right of Way
5. A work of improvement on the property hereinafter described was completed on February 15, 2023. The work was the FY 2021-2022 Citywide Street Resurfacing Project.
6. The name of the contractor for such work of improvement was: All American Asphalt, Inc.
7. The property on which said work of improvement was completed is in the City of: Stanton, County of Orange, and State of California.

Dated: \_\_\_\_\_  
Verification for Individual Owner

\_\_\_\_\_, City of Stanton  
Cesar Rangel, City Engineer

### VERIFICATION

I, the undersigned, say: I am the City Engineer of the City of Stanton, the declarant of the foregoing Notice of Completion; I have read said Notice of Completion and know the contents thereof; the same is true of my own knowledge. I declare under penalty of perjury that the foregoing is true and correct.

Executed on \_\_\_\_\_, 2023, at Stanton, California.

\_\_\_\_\_, City of Stanton  
Cesar Rangel, City Engineer

## CITY OF STANTON

### REPORT TO CITY COUNCIL

**TO:** Honorable Mayor and Members of the City Council

**DATE:** March 28, 2023

**SUBJECT: AUTHORIZING ADJUSTMENTS TO SCOPE OF SERVICES FOR TELECOMMUNICATIONS PROFESSIONAL SERVICES AGREEMENT WITH TPX COMMUNICATIONS**

#### **REPORT IN BRIEF:**

At its meeting of October 11, 2022, Council approved a professional services agreement with TPx Communications (TPx) to provide telecommunications services. TPx Communications provides flexible scaling of their cloud voice phone system to accommodate changes in the number of phone users. Staff is requesting authorization to make minor adjustments to the scope of services to meet the operational needs of the City.

#### **RECOMMENDED ACTION:**

1. City Council declare that this item is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) and 15060(c)(3); and
2. Authorize the City Manager to make service quantity changes in the TPx Telecommunications Service Agreement, provided that the cumulative resulting change in cost does not exceed the City Manager's signing authority.

#### **BACKGROUND:**

At its meeting of October 11, 2022, Council approved a professional services agreement with TPx Communications (TPx) to provide telecommunications services. This service bundle included cloud voice phone systems—also known as Voice over Internet Protocol (VoIP)—as well as managed Software-Defined Wide-Area Network (SD-WAN) broadband. The Unified Communications VoIP system is completely scalable, meaning that the City is only charged for active phone users and can increase or decrease that number at any time. The City's previous VoIP provider, Mitel, Inc., had limited scalability, which resulted in the City having to rent surplus phones, even when they were not connected or in use.

## **ANALYSIS AND JUSTIFICATION:**

In the original professional services agreement with TPx approved by Council, staff documented a specific number of phone users in the scope of services, without building in flexibility to add additional users as needed. In any given year, the number of active phone users will fluctuate depending upon the season and the current employee census. Rather than memorialize the exact number of active phone users at the point in time the professional services agreement was drafted, it would have been prudent to include an estimated maximum number of lines with flexibility built in.

Based upon recent staffing changes, the City currently needs to provide phone access to three additional staff members. The addition of three phone users would result in an approximate increase of \$63 in monthly recurring costs (approximately \$756 per year) based on the following services:

<b>Description</b>	<b>Service (as listed in the Service Agreement)</b>	<b>Unit Monthly Recurring Cost</b>
Physical phone rentals	Polycom VVX 350/450 Business Media Phones	\$5.00 / \$6.00
Phone user enterprise integration	UCx with Webex Business	\$11.95
Voicemail transcription setups	Voicemail Transcription – Standard	\$2.65

To address staff fluctuations in the future, staff is requesting the Council grant the City Manager the authority to make necessary adjustments to the number of active phone users at any point in time to meet the operational needs of the City.

## **FISCAL IMPACT:**

The monthly cost to support one additional phone user is approximately \$21 per month, or \$252 per year. Funding for Fiscal Year 2022-23 costs is available in the General Fund (IT – Telecommunications), and funding requests for future years will be brought as part of the General Operating Budget.

## **ENVIRONMENTAL IMPACT:**

None. This item is an administrative activity not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378(b)(5) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly).

**LEGAL REVIEW:**

None.

**STRATEGIC PLAN OBJECTIVE(S):**

Obj. 3: Provide a quality infrastructure.

Obj. 6: Maintain and promote a responsive, high-quality, and transparent government.

**PUBLIC NOTIFICATION:**

Public notice for this item was made through the regular agenda process.

**Prepared by:** Jason Huynh, Management Analyst

**Reviewed by:** Steven Martin, IT Specialist

**Fiscal Impact Reviewed by:** Michelle Bannigan, Finance Director

**Approved by:** Hannah Shin-Heydorn, City Manager

**Attachment(s):**

A. Current Professional Services Agreement Package



## Service Agreement

### City of Stanton

TPx Communications will provide Customer with the specified type and amount of Services at the rates, and terms and conditions listed below and on the Rate Schedule(s) that follow, and Customer shall accept and pay for Services under the Terms and Conditions to which Customer agreed on the Telecommunications Account Agreement (TAA)/Master Service Agreement (MSA) and any related Addendums that follow that govern this Service Agreement, including any changes to Total Monthly Recurring Charges up to five percent (5%) and/or Total Non-Recurring Charges up to five percent (5%) for Services and Equipment specified on this Service Agreement. For any Access, MSx, and/or UCx Service listed below that is being added to Services currently provided to Customer at the below referenced Service Location, a new Service Term (as provided in the Term Length below) shall apply to any such Service.

Federal, State and Local Taxes and Other Charges will be applied in accordance with the definitions stated at [www.tpx.com/rates](http://www.tpx.com/rates).

The term for service(s) being ordered is 60 months. ("Term")

Customer Requested Due Date: 3/31/2022

RS ID	Title	Address	Non-Recurring	Recurring
	11822 Santa Paula St, Stanton CA	11822 Santa Paula St, Stanton, CA 90680-3529	\$5.00	\$72.41
	10660 Western Ave, Stanton CA	10660 Western Ave, Stanton, CA 90680	\$5.00	\$36.53
	8100 Pacific St, Stanton CA	8100 Pacific St, Stanton, CA 90680-2649	\$5.00	\$202.61
	7800 Katella Ave, Stanton CA	7800 Katella Ave, Stanton, CA 90680-3162	\$35.00	\$930.43
Totals			\$50.00	\$1,241.98

Equipment Addendum - Single Payment Purchase, Rental and/or Customer Provided Equipment set for at [www.tpx.com/Equipment-Addendum.pdf](http://www.tpx.com/Equipment-Addendum.pdf)

Agreed by: Customer Signature

Date

Customer Name (Print)

Title

Sales Representative Name

Agreed

Date





Rate Schedule #899161  
11822 Santa Paula St, Stanton CA

Quote ID: 494078  
9/26/2022

City of Stanton

Good through: 10/26/2022

Address: 11822 Santa Paula St, Stanton, CA 90680-3529

The term for Service(s) being ordered is 60 months ("Term").

UCx User Bundles (Install)	Description	Qty	Each	Usage	Type	NRC	MRC
	Direct Inward Dial Number -- On-Net	5	\$0.01	-	xNet	-	\$0.05
	Existing DID, No Porting - On-Net	5	\$0.00	-	xNet	\$0.00	-
	End User Connection Charge (EUCC)	5	\$0.00	-	xNet	-	(\$0.00)
	Geo-Location Emergency System Registration -- per geo-location	1	\$4.95	-	xNet	-	\$4.95
	UCx & iPBX Bundle Domestic Usage Included	5,000	\$0.00	\$0.0000	-	-	-
	UCx & iPBX Domestic USA & Canada Usage -- overage per minute	1	\$0.0290	\$0.0290	-	-	-
	Unlimited Local Usage	1	\$0.00	-	xNet	-	\$0.00
	User Bundle Count	5	\$0.00	-	xNet	-	\$0.00
	User Bundle Configuration Charge	5	\$0.00	-	xNet	\$0.00	-
	UCx with Webex Business	5	\$11.95	-	xNet	-	\$59.75
	Voicemail Transcription - Standard	1	\$2.65	-	xNet	-	\$2.65
						\$0.00	\$67.40
Virtual Fax (Install)	Description	Qty	Each	Usage	Type	NRC	MRC
	Virtual Fax	1	\$5.00	-	xNet	-	\$5.00
	Direct Inward Dial Number -- On-Net	1	\$0.01	-	xNet	-	\$0.01
	Existing DID, No Porting - On-Net	1	\$0.00	-	xNet	\$0.00	-
	Virtual Fax - Setup	1	\$5.00	-	xNet	\$5.00	-
						\$5.00	\$5.01



Rate Schedule #899160  
10660 Western Ave, Stanton CA

Quote ID: 494078  
9/26/2022

City of Stanton

Good through: 10/26/2022

Address: 10660 Western Ave, Stanton, CA 90680

The term for Service(s) being ordered is 60 months ("Term").

UCx User Bundles (Install)	Description	Qty	Each	Usage	Type	NRC	MRC
Direct Inward Dial Number -- On-Net		2	\$0.01	-	xNet	-	\$0.02
Existing DID, No Porting - On-Net		2	\$0.00	-	xNet	\$0.00	-
End User Connection Charge (EUCC)		2	\$0.00	-	xNet	-	\$0.00
Geo-Location Emergency System Registration -- per geo-location		1	\$4.95	-	xNet	-	\$4.95
UCx & iPBX Bundle Domestic Usage Included		2,000	\$0.00	\$0.0000	-	-	-
UCx & iPBX Domestic USA & Canada Usage -- overage per minute		1	\$0.0290	\$0.0290	-	-	-
Unlimited Local Usage		1	\$0.00	-	xNet	-	\$0.00
User Bundle Count		2	\$0.00	-	xNet	-	\$0.00
User Bundle Configuration Charge		2	\$0.00	-	xNet	\$0.00	-
UCx with Webex Business		2	\$11.95	-	xNet	-	\$23.90
Voicemail Transcription - Standard		1	\$2.65	-	xNet	-	\$2.65
						\$0.00	\$31.52
Virtual Fax (Install)	Description	Qty	Each	Usage	Type	NRC	MRC
Virtual Fax		1	\$5.00	-	xNet	-	\$5.00
Direct Inward Dial Number -- On-Net		1	\$0.01	-	xNet	-	\$0.01
Existing DID, No Porting - On-Net		1	\$0.00	-	xNet	\$0.00	-
Virtual Fax - Setup		1	\$5.00	-	xNet	\$5.00	-
						\$5.00	\$5.01



Rate Schedule #899163  
8100 Pacific St, Stanton CA

Quote ID: 494078  
9/26/2022

City of Stanton

Good through: 10/26/2022

Address: 8100 Pacific St, Stanton, CA 90680-2649

The term for Service(s) being ordered is 60 months ("Term").

UCx User Bundles (Install)	Description	Qty	Each	Usage	Type	NRC	MRC
	Direct Inward Dial Number -- On-Net	15	\$0.01	-	xNet	-	\$0.15
	Existing DID, No Porting - On-Net	15	\$0.00	-	xNet	\$0.00	-
	End User Connection Charge (EUCC)	15	(\$0.00)	-	xNet	-	(\$0.00)
	Geo-Location Emergency System Registration -- per geo-location	1	\$4.95	-	xNet	-	\$4.95
	UCx & iPBX Bundle Domestic Usage Included	15,000	\$0.00	\$0.0000	-	-	-
	UCx & iPBX Domestic USA & Canada Usage -- overage per minute	1	\$0.0290	\$0.0290	-	-	-
	Unlimited Local Usage	1	\$0.00	-	xNet	-	\$0.00
	User Bundle Count	15	\$0.00	-	xNet	-	\$0.00
	User Bundle Configuration Charge	15	\$0.00	-	xNet	\$0.00	-
	UCx with Webex Business	15	\$11.95	-	xNet	-	\$179.25
	Voicemail Transcription - Standard	5	\$2.65	-	xNet	-	\$13.25
						\$0.00	\$197.60
Virtual Fax (Install)	Description	Qty	Each	Usage	Type	NRC	MRC
	Virtual Fax	1	\$5.00	-	xNet	-	\$5.00
	Direct Inward Dial Number -- On-Net	1	\$0.01	-	xNet	-	\$0.01
	Existing DID, No Porting - On-Net	1	\$0.00	-	xNet	\$0.00	-
	Virtual Fax - Setup	1	\$5.00	-	xNet	\$5.00	-
						\$5.00	\$5.01



**Rate Schedule #899162**  
**7800 Katella Ave, Stanton CA**

**Quote ID: 494078**  
**9/26/2022**

**City of Stanton**

**Good through:** 10/26/2022

**Address:** 7800 Katella Ave, Stanton, CA 90680-3162

The term for Service(s) being ordered is 60 months ("Term").

UCx User Bundles (Install)	Description	Qty	Each	Usage	Type	NRC	MRC
Direct Inward Dial Number -- On-Net		41	\$0.01	-	xNet	-	\$0.41
Existing DID, No Porting - On-Net		41	\$0.00	-	xNet	\$0.00	
End User Connection Charge (EUCC)		41	\$0.00	-	xNet	-	\$0.00
Geo-Location Emergency System Registration -- per geo-location		1	\$4.95	-	xNet	-	\$4.95
UCx & iPBX Bundle Domestic Usage Included		41,000	\$0.00	\$0.0000	-	-	-
UCx & iPBX Domestic USA & Canada Usage -- overage per minute		1	\$0.0290	\$0.0290	-	-	-
Unlimited Local Usage		1	\$0.00	-	xNet	-	\$0.00
User Bundle Count		41	\$0.00	-	xNet	-	\$0.00
User Bundle Configuration Charge		41	\$0.00	-	xNet	\$0.00	-
UCx with Webex Business		41	\$11.95	-	xNet	-	\$489.95
Voicemail Transcription - Standard		17	\$2.65	-	xNet	-	\$45.05
						<b>\$0.00</b>	<b>\$540.36</b>
Virtual Fax (Install)	Description	Qty	Each	Usage	Type	NRC	MRC
Virtual Fax		7	\$5.00	-	xNet	-	\$35.00
Direct Inward Dial Number -- On-Net		7	\$0.01	-	xNet	-	\$0.07
Existing DID, No Porting - On-Net		7	\$0.00	-	xNet	\$0.00	-
Virtual Fax - Setup		7	\$5.00	-	xNet	\$35.00	-
						<b>\$35.00</b>	<b>\$35.07</b>
UCx/iPBX Phone / Device Rental (Install)	Description	Qty	Each	Usage	Type	NRC	MRC
Polycom VVX 350 Business Media Phone -- Rental		53	\$5.00	-	xNet	-	\$265.00
Polycom VVX 350 Business Media Phone -- Upfront Charge		53	\$0.00	-	xNet	\$0.00	-
Polycom VVX 450 Business Media Phone -- Rental		15	\$6.00	-	xNet	-	\$90.00
Professional Installation of Equipment		1	\$0.00	-	xNet	\$0.00	-
Customer Site Visit Charge - Includes 1 hour travel to and from		1	\$0.00	-	xNet	\$0.00	-

Phone Installation Charge - per unit

68

\$0.00

-

xNet

\$0.00

-

**\$0.00 \$355.00**





## Master Service Agreement

Must include Service Agreement

This Master Service Agreement ("Master Service Agreement") is made by and between U.S. TelePacific Corp. d/b/a TPx Communications and/or its affiliated companies ("TPx"), and the Customer described below ("Customer").

### Section 1 Customer Information

#### City of Stanton

Company Legal Name (Individual if Sole Proprietorship)

10660 Western Ave Stanton, CA  
90680

Billing Address

### Section 2 Acceptance

The parties have agreed to the Terms and Conditions Attachment and each addendum identified and linked below (each an "Addendum" and collectively the "Addenda"). Each reference to an "Addendum" includes all attachments, exhibits, and schedules incorporated into such Addendum. The Master Service Agreement and all Addenda (whether incorporated herein as of the effective date of this Master Service Agreement or thereafter) are referred to as the "Agreement".

The Agreement also includes one or more Service Agreements entered into by the Customer and TPx. "Service Agreement" means a service agreement entered into between TPx and Customer that incorporates by reference this Master Service Agreement and specifies services and products to be provided by TPx pursuant to this Master Service Agreement, the Terms and Conditions Attachment and the Addenda applicable to such Services. The Service Agreement will specify the charges to the services and products provided thereunder, the initial term of the Service Agreement, service location(s) and other information applicable only to the Services provided pursuant to such Service Agreement.

**BY SIGNING BELOW, YOU ACKNOWLEDGE THAT YOU HAVE REVIEWED AND AGREED TO THE FOLLOWING ON THE DATE ENTERED BY YOU BELOW:**

TPx Terms and Conditions set forth at [www.tpx.com/terms](http://www.tpx.com/terms)

Service Level Agreements (SLA) set forth at [www.tpx.com/sla](http://www.tpx.com/sla)

Equipment Addendum - Single Payment Purchase, Rental and/or Customer Provided Equipment set for at [www.tpx.com/Equipment-Addendum.pdf](http://www.tpx.com/Equipment-Addendum.pdf)

Month-to-Month Renewal After Initial Term set forth at [www.tpx.com/M2MInitial.pdf](http://www.tpx.com/M2MInitial.pdf)

Fixed Price Monthly Recurring Charges set forth at [www.tpx.com/fixed.pdf](http://www.tpx.com/fixed.pdf)

Service Guarantee Full Term 3 Business Days set forth at [www.tpx.com/SGfull3day.pdf](http://www.tpx.com/SGfull3day.pdf)

Additionally by signing below, the person signing on behalf of Customer (i) personally represents and warrants to TPx that he or she has the authority and power to sign on behalf of Customer and bind Customer to this Agreement, including the Addenda incorporated by reference below, (ii) consents to receiving electronic communications from TPx via the email address provided in Section 1 of this Agreement and (iii) acknowledges that he or she has reviewed and agreed to each Addendum hereto. THIS AGREEMENT INCLUDES AN ARBITRATION PROVISION WHICH REQUIRES THE BINDING ARBITRATION OF DISPUTES AND WAIVES RIGHTS TO JURY TRIALS AND CLASS ACTIONS. This Agreement will become a binding contract upon execution by Customer and TPx.

**ELECTRONIC CONTRACTING AND SIGNATURE ACKNOWLEDGMENT.** To the extent that Customer executes this Agreement electronically, Customer agrees that (i) the Agreement (including all Addenda) is an electronic contract executed by Customer using Customer's electronic signature, (ii) Customer's electronic signature signifies Customer's intent to enter into the Agreement (including all Addenda) and that the Agreement (including all Addenda) be legally valid and enforceable in accordance with its terms to the same extent as if Customer had executed the Agreement using its written signature and (iii) the

authoritative copy of the Agreement ("Authoritative Copy") shall be that electronic copy that resides in a document management system designated by TPx for the storage of authoritative copies of electronic records, which shall be deemed held by TPx in the ordinary course of business. Notwithstanding the foregoing, if the Authoritative Copy is converted by printing a paper copy which is marked by TPx as the original (the "Paper Contract"), then Customer acknowledges and agrees that (1) Customer's signing of the Agreement with Customer's electronic signature also constitutes issuance and delivery of such Paper Contract, (2) Customer's electronic signature associated with the Agreement, when affixed to the Paper Contract, constitutes Customer's legally valid and binding signature on the Paper Contract and (3) subsequent to such conversion, Customer's obligations will be evidenced by the Paper Contract alone.

X\_\_\_\_\_

Agreed by: Customer Signature

Date

\_\_\_\_\_

\_\_\_\_\_

Sales Representative Name

Phone

v052920



## Customer Contact Authority

TPx Communications has an obligation, and Customer has a right, under federal or state law to protect the confidentiality of your Customer Proprietary Network Information (CPNI). CPNI includes information relating to the quantity, technical configuration, type, destination, location and amount of use of the services Customer purchases from TPx. You can help prevent unauthorized access to that information by indicating below the parties authorized to access that information.

### Authority Roles

**Primary Account Authority / Authorized Signee:** This user will have full access to all CPNI data related to network configuration and usage. This user will have full administrative access for the account which includes managing account settings, viewing invoices, making payments, initiating new orders, providing price change approvals, and overseeing trouble reports. *Only this user will be authorized to sign any Service Agreements or Equipment Addendums.* Only this user will be authorized to add "secondary" users to the authorized list.

**Alternate Primary Account Authority:** This user will have full access to all CPNI data related to network configuration and usage. This user will have partial administrative access for the account which includes managing account settings, making payments, initiating new orders, providing price change approvals, and overseeing trouble reports.

**Agent Contact:** This user will have access to CPNI data and for the account in accordance with their Authority Level which is to be determined by the Primary Account Authority / Authorized Signee.

**Voice Vendor:** This user will have access to CPNI data and for the account in accordance with their Authority Level which is to be determined by the Primary Account Authority / Authorized Signee.

**Data Vendor:** This user will have access to CPNI data and for the account in accordance with their Authority Level which is to be determined by the Primary Account Authority / Authorized Signee.

### Authority Levels

**R/W/A (Read/Write/All)** Grants full authority to CPNI usage and network configuration data. Permits authority to request account information, view and remit payments, place and oversee orders, and initiate & manage trouble reports.

**R/W/B (Read/Write/Bill)** Grants authority to CPNI network configuration data in support of resolving billing related issues. Permits authority to view invoices, request invoice related changes on the account such as the billing address, and to view and remit payments.

**R/W/O (Read/Write/Orders)** Grants authority to CPNI network configuration data in support of order implementation. Permits authority to oversee all open orders against the account and to initiate orders against the account for existing service changes or ancillary service additions

**R/W/T (Read/Trouble)** Grants authority to CPNI network configuration data in support of resolving trouble on the account. Permits authority to report and look after trouble related to existing services on the account.

<b>PRIMARY ACCOUNT AUTHORITY/ AUTHORIZED SIGNED</b>				<input type="checkbox"/> Email Opt Out	
Name		Title			
Phone		Cell		Email	
Authority Level: RWA					
<b>ALTERNATE PRIMARY ACCOUNT AUTHORITY</b>				<input type="checkbox"/> Email Opt Out	
Name		Title			
Phone		Cell		Email	
Authority Level: RWA					
<b>AGENT CONTACT</b>			<b>COMPANY NAME</b>		
Name		Title			
Phone		Cell		Email	
Duration: <input type="checkbox"/> This installation only <input type="checkbox"/> Term of contract					
Authority Level: <input type="checkbox"/> RWA <input type="checkbox"/> RWB <input type="checkbox"/> RWO <input type="checkbox"/> RWT					
<b>VOICE VENDOR</b>			<b>COMPANY NAME</b>		
Name		Title			
Phone		Cell		Email	
Duration: <input type="checkbox"/> This installation only <input type="checkbox"/> Term of contract					
Authority Level: <input type="checkbox"/> RWA <input type="checkbox"/> RWB <input type="checkbox"/> RWO <input type="checkbox"/> RWT					
<b>DATA VENDOR</b>			<b>COMPANY NAME</b>		
Name		Title			
Phone		Cell		Email	
Duration: <input type="checkbox"/> This installation only <input type="checkbox"/> Term of contract					



Authority Level: ☐ RWA ☐ RWB ☐ RWO ☐ RWT

*"I grant permission to TPx to provide access to CPNI to the authorized account contacts listed above subject to the designated authority level."*

City of Stanton

**Company Legal Name**

**Authorized Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Printed Name:** \_\_\_\_\_ **Title:** \_\_\_\_\_

v060721



## Letter of Agency (LOA)

Only required when porting Local and/or Long Distance

Current Carrier(s) \_\_\_\_\_

Company Legal Name (Customer)

City of Stanton

Service Address (Street, City, State, Zip)

Billing Address (Street, City, State, Zip) \_

10660 Western Ave Stanton, CA  
90680

Billing Telephone Numbers \_\_\_\_\_

### ☐ Customer Service Records

To: Current Carrier(s) Listed Above

Subject: The Customer identified above hereby authorizes TPx Communications to act as its agent in dealing with local companies listed above for porting telephone numbers or changing carriers.

☐ Service Change      ☐ New Service

I authorize TPx to act as our agent with respect to the telephone number(s) listed above to (1) change our telecommunications carrier from current carrier(s) or (2) initiate new service.

Local Service, IntraLata (local toll) Carrier \_\_\_\_\_

InterLata (long distance) Carrier \_\_\_\_\_ or

I want to retain my existing LD carrier on some or all of my telephone numbers

Specify Intra and InterLata PIC for each telephone number(s) provided to TPx

I understand that only one telecommunications carrier may be designated as my primary interexchange carrier for any one telephone number for each (a) IntraLATA Toll and (b) InterLATA Long Distance services. I also understand that if I select no primary interexchange carrier (NO PIC), I will be unable to make IntraLATA Toll and/or InterLATA long distance calls except by using casual dialing. I understand that any change in my primary carrier selection may involve a charge.

Contact Name (print) \_\_\_\_\_ Title \_\_\_\_\_

Customer Signature \_\_\_\_\_ Date \_\_\_\_\_

v091417



### UCx International Calling

To protect our customers from international toll fraud, UCx is configured, by default, to disable all calling to international destinations.

We find that most customers only place calls within the United States. By initialing "Disable All International Destinations" we will keep this safety measure in place.

If your company would like to enable international calling you have two (2) options.

-By initialing "Enable Low Risk International Destinations", the Customer authorizes TPx to unblock International calling for all destinations except those listed below (High Risk Destinations).

-By initialing "Enable High Risk International Destinations", the Customer authorizes TPx to unblock international calling for both low and high risk destinations. High risk destinations are listed below.

**Disable All International Destinations [       ]**

**Enable Low Risk International Destinations [       ]**

**Enable Low & High Risk International Destinations listed below [       ]**

High Risk Destinations		High Risk Destinations		High Risk Destinations	
Name	Code	Name	Code	Name	Code
Afghanistan	93	Gabonese Republic	241	Nigeria	234
Algeria	213	Gambia	220	Niue	683
Angola	244	Georgia	995	Pakistan	92
Austrailian External Territories	672	Guinea	224	Papua New Guinea	675
Benin	229	Guinea-Bissau	245	Philippines	63
Bosnia and Herzegovina	387	Inmarsat (Atlantic Ocean-East)	871	Rwanda	250
Botswana	267	Inmarsat (Atlantic Ocean-West)	874	Saint Helena	290
Burkina Faso	226	Inmarsat (Indian Ocean)	873	Sao Tome and Principe	239
Cameroon	237	Inmarsat (Pacific Ocean)	872	Senegal	221
Cape Verde	238	Kazakhstan	7	Serbia	381
Central African Republic	236	Kenya	254	Seychelles	248
Chad	235	Kiribati	686	Solomon Islands	677
Comoros	269	Lesotho	266	Somalia	252
Congo	242	Liberia	231	South Africa	27
Cook Islands	682	Madagascar	261	Sudan	249
Cote D'Ivoire	225	Malawi	265	Swaziland	268
Croatia	385	Mali	223	Tanzania	255
Democratic Republic of the Congo	243	Mauritania	222	Togolese Republic	228
Diego Garcia	246	Mauritius	230	Tunisia	216
Djibouti	253	Mayotte	269	Tuvalu	688
Equatorial Guinea	240	Mozambique	258	Uganda	256
Ethiopia	251	Myanmar	95	Uzbekistan	998
French Department and Territories in the Indian Ocean	262	Namibia	264	Wallis and Futuna	681
		Niger	227	Zambia	260
				Zimbabwe	263

By signing this form, Customer agrees that it is responsible for all authorized and unauthorized international usage charges made based on the above choice, beginning on the date this authorization form is signed.

City of Stanton

Customer Name

Signature

Date

Name (printed)

Title

## **ADDENDUM TO MASTER SERVICE AGREEMENT**

This Addendum to Master Service Agreement (“Addendum”) is made as of the 11<sup>th</sup> day of October 2022, by and between **U.S. TelePacific Corp.**, a California corporation, d/b/a, TPx Communications and/or its affiliated companies, 515 S. Flower Street, 45<sup>th</sup> Floor, Los Angeles, CA 90071-2201 (“TPx”) and the **City of Stanton**, a California municipality, headquartered at 7800 Katella Ave, Stanton, CA 90680 (“Customer”).

This Addendum amends and modifies that certain Master Service Agreement (“MSA”), including the Terms and Conditions and related MSx Services Addendum, between TPx and Customer signed by Customer on the 11<sup>th</sup> day of October 2022 (collectively “Agreement”) as follows:

1. Based on the volume of Services ordered by Customer and the competitive conditions in the marketplace for telecommunications services, TPx hereby agrees to provide Services to Customer pursuant to the Terms and Conditions and rates applicable to the Agreement as modified below based upon Customer’s commitment to a five (5) year term (“Initial Term”) subject to the Terms and Conditions as modified by this Addendum as set forth below.
2. Notwithstanding any other provisions to the contrary in Paragraphs 2(c) of the Terms and Conditions of the Agreement, at the end of the initial Term, the Term of this Agreement will renew on a month-to-month basis unless either Customer or TPx notifies the other in writing at least thirty (30) days prior to the end of the then-current Term of the intent not to allow the Agreement to renew.
3. Notwithstanding the provisions of subsection (b) of Section 4 of the Terms and Conditions of the Agreement, in the event Customer no longer needs the Services covered under this Agreement at any one or more Service Locations, Customer may, upon forty-five (45) days written notice to TPx, terminate Services that are not needed and, except that Customer shall pay to TPx an amount equal to the tariffed Non-Recurring Charges for installation of Services to such affected Service Locations, other termination charges (except for any termination charges imposed on TPx by a provider of any underlying facilities) will not apply, provided that the total Monthly Recurring Charges covered under this Agreement at any time are not reduced by more than twenty percent (20%) below the greater of (i) the total



Monthly Recurring Charges applicable to the Services installed at the commencement of this Agreement, or (ii) the total Monthly Recurring Charges applicable to the Services provided to Customer in any one of the then-preceding three (3) months. If the total Monthly Recurring Charges for Services falls below the eighty percent (80%) level, Customer shall pay the termination charges set forth in subsection (b) of Section 4 of the Terms and Conditions of the Agreement. In addition, Customer agrees that the ability to reduce services no longer needed and without termination charges shall not apply to any terminated services the Customer ports or transfers to a different service provider. In those cases, Customer shall be responsible for paying the termination charges.

4. Customer may terminate this Agreement without further obligation if the Services provided by TPx are not substantially performing up to industry standards during the term the Services are available for Customer's use. If Customer elects to terminate the Agreement according to this guarantee, TPx will reimburse Customer for all reasonable costs incurred by Customer to re-establish service with its previous service provider, not to exceed the amount that Customer paid to TPx for installation of the Services. This Service Guarantee only applies if the cause of the Service deficiency was within TPx's reasonable control; Customer ordered at least the amount of Services recommended by TPx to meet Customer's traffic volumes; and TPx fails to correct the Service deficiency within three (3) business days after receiving written notice from Customer of the deficiency given during the term of the contract.

5. Delete Section 8 and all subsections thereunder relating to Binding Arbitration, including the prefatory language on page one (1) of the Terms and Conditions to the Agreement and all references to Binding Arbitration on pages 1 and 2 of the MSA. TPx and Customer intend, by execution of this Addendum, to remove any language contained in the MSA, or any addenda referenced therein, relating to any obligation to participate in Binding Arbitration.

6. At the end of Section 3, subsection (i) of the Terms and Conditions of the Agreement, insert the following: "*Subject to the limitation of liability set forth in sub-sections (c) and (d) of Section 5, TPx will defend, indemnify and hold Customer harmless (including Customer's officers, directors, employees, agents, and contractors) from any claims, liabilities, losses, damages and expenses (including reasonable attorneys' fees and court costs) arising out of or relating to TPx's delivery of the Services. This indemnity will not be available if the damage or*

or reckless acts or omissions.”

7. In the first (1<sup>st</sup>) sentence of Section 6, subsection (b) of the Agreement, delete “; and (iii) the terms of this Agreement”.

8. Replace Section 10, subsection (f) of the Agreement with the following: “Governing Law. This Agreement shall be construed pursuant to the laws of the State of California and venue shall be in the Superior Court of California, County of Orange.”

9. All of the other provisions of the Agreement shall remain in full force and effect.

U.S. TelePacific Corp.,  
a California corporation

City of Stanton,  
a California municipality

By  By: \_\_\_\_\_

Name: Christine Ruane Name: Hannah Shin-Heydorn

Title: Vice President Title: City Manager

Approved as to Form Attest

Recommended for Approval

HongDao Nguyen  
City Attorney

Patricia A. Vazquez  
City Clerk

Steven Martin  
IT Specialist

## **ADDENDUM TO MASTER SERVICE AGREEMENT**

This Addendum to Master Service Agreement (“Addendum”) is made as of the 11<sup>th</sup> day of October 2022, by and between **U.S. TelePacific Corp.**, a California corporation, d/b/a, TPx Communications and/or its affiliated companies, 515 S. Flower Street, 45<sup>th</sup> Floor, Los Angeles, CA 90071-2201 (“TPx”) and the **City of Stanton**, a California municipality, headquartered at 7800 Katella Ave, Stanton, CA 90680 (“Customer”).

This Addendum amends and modifies that certain Master Service Agreement (“MSA”), including the Terms and Conditions and related MSx Services Addendum, between TPx and Customer signed by Customer on the 11<sup>th</sup> day of October 2022 (collectively “Agreement”) as follows:

1. Based on the volume of Services ordered by Customer and the competitive conditions in the marketplace for telecommunications services, TPx hereby agrees to provide Services to Customer pursuant to the Terms and Conditions and rates applicable to the Agreement as modified below based upon Customer’s commitment to a five (5) year term (“Initial Term”) subject to the Terms and Conditions as modified by this Addendum as set forth below.
2. Notwithstanding any other provisions to the contrary in Paragraphs 2(c) of the Terms and Conditions of the Agreement, at the end of the initial Term, the Term of this Agreement will renew on a month-to-month basis unless either Customer or TPx notifies the other in writing at least thirty (30) days prior to the end of the then-current Term of the intent not to allow the Agreement to renew.
3. Notwithstanding the provisions of subsection (b) of Section 4 of the Terms and Conditions of the Agreement, in the event Customer no longer needs the Services covered under this Agreement at any one or more Service Locations, Customer may, upon forty-five (45) days written notice to TPx, terminate Services that are not needed and, except that Customer shall pay to TPx an amount equal to the tariffed Non-Recurring Charges for installation of Services to such affected Service Locations, other termination charges (except for any termination charges imposed on TPx by a provider of any underlying facilities) will not apply, provided that the total Monthly Recurring Charges covered under this Agreement at any time are not reduced by more than twenty percent (20%) below the greater of (i) the total Monthly Recurring Charges applicable to the Services installed at the commencement of this Agreement, or (ii) the total Monthly Recurring Charges applicable to the Services provided to Customer in any one of the then-preceding three (3) months. If the total Monthly Recurring Charges for Services falls below the eighty percent (80%) level, Customer shall pay the termination charges set forth in subsection (b) of Section 4 of the Terms and Conditions of the Agreement. In addition, Customer agrees that the ability to reduce services no longer needed and without termination charges shall not apply to any terminated services the Customer ports or transfers to a different service provider. In those cases, Customer shall be responsible for paying the termination charges.
4. Customer may terminate this Agreement without further obligation if the Services provided by TPx are not substantially performing up to industry standards during the term the Services are



available for Customer's use. If Customer elects to terminate the Agreement according to this guarantee, TPx will reimburse Customer for all reasonable costs incurred by Customer to re-establish service with its previous service provider, not to exceed the amount that Customer paid to TPx for installation of the Services. This Service Guarantee only applies if the cause of the Service deficiency was within TPx's reasonable control; Customer ordered at least the amount of Services recommended by TPx to meet Customer's traffic volumes; and TPx fails to correct the Service deficiency within three (3) business days after receiving written notice from Customer of the deficiency given during the term of the contract.

5. Delete Section 8 and all subsections thereunder relating to Binding Arbitration, including the prefatory language on page one (1) of the Terms and Conditions to the Agreement and all references to Binding Arbitration on pages 1 and 2 of the MSA. TPx and Customer intend, by execution of this Addendum, to remove any language contained in the MSA, or any addenda referenced therein, relating to any obligation to participate in Binding Arbitration.

6. At the end of Section 3, subsection (i) of the Terms and Conditions of the Agreement, insert the following: *"Subject to the limitation of liability set forth in sub-sections (c) and (d) of Section 5, TPx will defend, indemnify and hold Customer harmless (including Customer's officers, directors, employees, agents, and contractors) from any claims, liabilities, losses, damages and expenses (including reasonable attorneys' fees and court costs) arising out of or relating to TPx's delivery of the Services. This indemnity will not be available if the damage or loss is due to Customer's breach of this Agreement, or its willful or reckless acts or omissions."*

7. In the first (1<sup>st</sup>) sentence of Section 6, subsection (b) of the Agreement, delete "; and (iii) the terms of this Agreement".

8. Replace Section 10, subsection (f) of the Agreement with the following: "Governing Law. This Agreement shall be construed pursuant to the laws of the State of California and venue shall be in the Superior Court of California, County of Orange."

9. All of the other provisions of the Agreement shall remain in full force and effect.

U.S. TelePacific Corp.,  
a California corporation

City of Stanton,  
a California municipality

By 

By: \_\_\_\_\_

Name: Christine Ruane

Name: Hannah Shin-Heydorn

Title: Vice President

Title: City Manager



Approved as to Form

Attest

Recommended for Approval

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HongDao Nguyen  
City Attorney

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Patricia A. Vazquez  
City Clerk

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Steven Martin  
IT Specialist



# MEETING DATES 2023 *(Amended)*

City of Stanton | 7800 Katella Avenue, Stanton, CA 90680 | StantonCA.gov

## Item: 6I

[Click here to return to the agenda.](#)

CITY COUNCIL	PLANNING COMMISSION	PARKS & RECREATION COMMISSION	PUBLIC SAFETY COMMITTEE
2 <sup>nd</sup> & 4 <sup>th</sup> Tuesday 6:30 P.M.	1 <sup>st</sup> & 3 <sup>rd</sup> Wednesday 6:30 P.M.	3 <sup>rd</sup> Monday 5:30 P.M.	4 <sup>th</sup> Wednesday (Meets Quarterly) 6:00 P.M.
January 10	January 4	January 16 (Holiday-TBD)	January 25
January 24	January 18		
February 14	February 1	February 20 (Holiday-TBD)	April 26
February 28	February 15		
March 14	March 1	March 20	July 26
March 28	March 15		
April 11	April 5	April 17	October 25
April 25	April 19		
May 9	May 3	May 15	
May 23	May 17		
June 13	June 7	June 19	
June 27	June 21		
July 11	July 5	July 17	
- DARK - SUMMER RECESS	July 19		
August 8	August 2	August 21	
August 22	August 16		
September 12	September 6	September 18	
September 26	September 20		
October 10	October 4	October 16	
October 24	October 18		
November 14	November 1	November 20	
November 28	November 15		
December 12	December 6	December 18	
	December 20		

**\*\*City Council Study Sessions: when scheduled, are held on the 3<sup>rd</sup> Tuesday of the month\*\***

## CITY OF STANTON

### REPORT TO THE CITY COUNCIL

**TO:** Honorable Mayor and Members of the City Council

**DATE:** March 28, 2023

**SUBJECT: AUTHORIZATION FOR COUNCIL MEMBERS TO ATTEND UPCOMING MEETINGS AND EVENTS**

#### REPORT IN BRIEF:

Pursuant to the City of Stanton Travel and Reimbursement policy, a Council Member must receive City Council approval prior to a trip if the trip will exceed \$500. Council will consider the following requests for travel:

- Mayor David J. Shawver
  - Event: Southern California Association of Governments (SCAG) 2023 Regional Conference and General Assembly
  - Location: Palm Desert, CA
  - Dates: May 4 – 5, 2023

#### RECOMMENDED ACTION:

1. City Council find that this item is not subject to California Environmental Quality Act (“CEQA”) pursuant to Sections 15378(b)(5)(Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment); and
2. Authorize the Mayor’s attendance at the proposed meeting as desired and authorize staff to make a budget adjustment as needed to cover travel costs.

#### ANALYSIS/JUSTIFICATION:

The SCAG 2023 Regional Conference and General Assembly is scheduled for May 4 – 5, 2023 in Palm Desert, CA. This conference brings together state and local elected officials, CEOs, business and civic leaders, transportation and environmental stakeholders, local government staff, and others. The conference program will feature a slate of panel sessions on topics including mobility hubs and the region’s multi-modal future; accelerating clean transportation; job growth in an inclusive economy; housing the region; and a look ahead to Connect SoCal 2024.

Mayor Shawver had previously requested and received Council approval to attend the 2023 League of California Cities 2023 City Leaders Summit. He has since rescinded that request, estimated between \$1,995 - \$2,370.

### **FISCAL IMPACT:**

The per person cost to attend the SCAG 2023 Regional Conference and General Assembly is as follows:

- Registration: Free for elected officials in the SCAG region
- Hotel (1 night): Covered by SCAG
- Hotel (1 night): \$300 (including applicable taxes and fees)
- Parking (3 days): \$150
- Mileage: \$150
- Per diem (3 days): \$100 – 270

TOTAL: \$700 – 870

The Fiscal Year 2022-23 Adopted Operating Budget includes \$11,000 in Account No. 101-1100-607110 for City Council Travel/Conference/Meetings. To-date, the entire budget has been allocated, along with an additional \$1,500 as approved by the Council at its meeting of February 28, 2023.

Utilizing the highest estimates, the fiscal impact of approving the request is approximately \$870.

### **ENVIRONMENTAL IMPACT:**

This item is not subject to California Environmental Quality Act (“CEQA”) pursuant to Sections 15378(b)(5)(Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment).

### **PUBLIC NOTIFICATION:**

Through the normal agenda process.

### **STRATEGIC PLAN OBJECTIVE ADDRESSED:**

Obj. No. 6: Maintain and promote a responsive, high quality and transparent government.

**Prepared by:** Patricia A. Vazquez, City Clerk

**Fiscal Impact Reviewed by:** Michelle Bannigan, Finance Director

**Approved by:** Hannah Shin-Heydorn, City Manager

**Attachments:**

- A. SCAG 2023 Regional Conference and General Assembly



On May 4-5, 2023 local leaders from throughout Southern California will convene for SCAG's 58th annual Regional Conference and General Assembly at the JW Marriott Desert Springs Resort & Spa in Palm Desert, CA. This conference brings together state and local elected officials, CEOs, business and civic leaders, transportation and environmental stakeholders, local government staff, and others.

The conference program will feature a slate of panel sessions on topics including mobility hubs and the region's multi-modal future; accelerating clean transportation; job growth in an inclusive economy; housing the region; and a look ahead to Connect SoCal 2024.

## CONFERENCE SCHEDULE

Wednesday, May 3	
3 – 4 p.m.	EXECUTIVE/ADMINISTRATIVE COMMITTEE MEETING
5 – 6 p.m.	NEW MEMBER PROGRAM (Invitation Only)
6 – 8 p.m.	PRESIDENT'S RECEPTION (Invitation Only)
Thursday, May 4	
8 – 10 a.m.	REGISTRATION, NETWORKING & CONTINENTAL BREAKFAST
9 – 10 a.m.	REGIONAL COUNCIL MEETING
10:15 – 11 a.m.	WELCOME & OPENING REMARKS

<b>Wednesday, May 3</b>	
11 a.m. – Noon	GENERAL ASSEMBLY MEETING
12:15 – 2 p.m.	SUSTAINABILITY AWARDS LUNCHEON
2:15 – 3:15 p.m.	BREAKOUT SESSIONS (1) AND STUDENT SHOWCASE
3:15 – 3:45 p.m.	BREAK & NETWORKING
3:45 – 4:45 p.m.	BREAKOUT SESSIONS (2) AND STUDENT SHOWCASE
5:30 – 7:30 p.m.	EVENING RECEPTION
<b>Friday, May 5</b>	
8:30 – 9 a.m.	BREAKFAST
9 – 9:30 a.m.	WELCOME / STUDENT SHOWCASE AWARDS
9:30 – 10 a.m.	SPECIAL PRESENTATION / KEYNOTE
10 – 11:15 a.m.	CLOSING GENERAL SESSION
11:15 a.m.	CONFERENCE WRAP-UP

## CITY OF STANTON

### REPORT TO THE CITY COUNCIL

**TO:** Honorable Mayor and Members of the City Council

**DATE:** March 28, 2023

**SUBJECT: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, PERTAINING TO RESTRICTIONS BASED ON CURB MARKINGS**

#### **REPORT IN BRIEF:**

This ordinance establishes parking restrictions on City streets based on the color that the City paints curbs through the authority found in California Vehicle Code § 21458.

#### **RECOMMENDED ACTION:**

1. City Council find the proposed ordinance not subject to the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines section 15060(c)(2), 15061(b)(3), and 15378(b)(5);
2. Conduct the first reading of Ordinance No. 1131 entitled:

**"AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, ADDING SECTION 10.08.015 TO THE MUNICIPAL CODE TO ESTABLISH PARKING REQUIREMENTS BASED ON CURB MARKINGS AND DETERMINING THE ORDINANCE TO BE EXEMPT FROM CEQA PURSUANT TO STATE CEQA GUIDELINES SECTIONS 15060(c)(2), 15061(b)(3) AND 15378(b)(5)"; and**

3. Set April 11, 2023 as the date for second reading of Ordinance No. 1131.

#### **BACKGROUND:**

The City currently lacks a mechanism for designating parking restrictions using curb markings. The California Vehicle Code authorizes cities to adopt regulations to indicate parking regulations based on the paint on curbs (Vehicle Code § 21458). That section of the Vehicle Code authorizes paint to be placed on curbs to indicate a variety of restrictions.



- Red indicates that vehicles cannot stop or park in that area.
- Yellow indicates that vehicles can stop only for a short time to load or unload passengers or freight.
- White indicates loading or unloading of passengers or the ability to stop to deposit mail in an adjacent mailbox.
- Green indicates a set time limit as specified by a local ordinance.
- Blue indicates that parking is only permissible for individuals with disabilities.

Cities may determine for themselves the appropriate time periods for stopping relevant to yellow, white, and green curb markings.

### **ANALYSIS/JUSTIFICATION:**

Curb markings are an effective way to designate parking regulations and allows an easy way for residents to be alerted to potential restrictions on street parking. Signage, while effective, imposes additional cost and requires additional material relative to simply marking a curb with paint. Curb markings also reduce visual clutter within the City. The proposed ordinance will grant the City Engineer the discretion to place curb markings on City curbs as authorized in the ordinance and allow for traffic regulations to be adopted in a manner which is responsive to the needs of City residents. This ordinance was drafted based on the requirements of Vehicle Code § 21458 and modeled after the ordinances passed in the cities of Buena Park and Garden Grove.

### **FISCAL IMPACT:**

The fiscal impact will be limited to the cost required for the City Engineer and staff to install curb markings at locations as determined by the City Engineer.

### **ENVIRONMENTAL IMPACT:**

None.

### **LEGAL REVIEW:**

This ordinance is intended as a regulation adopted pursuant to subdivision (a) of Vehicle Code 21458. This ordinance was prepared by the City Attorney's Office.

### **PUBLIC NOTIFICATION:**

Public notice for this item was made through the regular agenda process.

**STRATEGIC PLAN OBJECTIVES ADDRESSED:**

Obj. No. 5: Provide a high quality of life.

Obj. No. 6: Maintain and promote a responsive, high quality and transparent government.

**Prepared by:** Cesar Rangel, Public Works Director/City Engineer

**Approved by:** Hannah Shin-Heydorn, City Manager

**Attachment:**

A. Ordinance No. 1131

**ORDINANCE NO. 1131**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF STANTON, CALIFORNIA, ADDING SECTION 10.08.015 TO THE MUNICIPAL CODE TO ESTABLISH PARKING REQUIREMENTS BASED ON CURB MARKINGS AND DETERMINING THE ORDINANCE TO BE EXEMPT FROM CEQA PURSUANT TO STATE CEQA GUIDELINES SECTIONS 15060(c)(2), 15061(b)(3) AND 15378(b)(5)**

**WHEREAS**, the City of Stanton, California ("City") is a municipal corporation, duly organized under the constitution and laws of the State of California; and

**WHEREAS**, Vehicle Code section 21458 sets forth the colors of paint local agencies must use on curbs when enacting local parking regulations; and

**WHEREAS**, as currently written, Stanton Municipal Code Section 10.08.010 regulates general requirements for parking spaces; and

**WHEREAS**, adopting Stanton Municipal Code Section 10.08.015 will help ensure that the Stanton Municipal Code conforms with the requirements of state law and create clearer delineation of parking zones within the City.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF STANTON DOES ORDAIN AS FOLLOWS:**

**SECTION 1:** The recitals above are each incorporated by reference and adopted as findings by the City Council.

**SECTION 2:** The City Council hereby finds that the Ordinance is not subject to the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines sections 15060(c)(2), 15061(b)(3), and 15378(b)(5). The activity is not subject to CEQA because it will not result in a direct or reasonably foreseeable physical change in the environment; and the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment, the activity is not subject to CEQA.

**SECTION 3:** Section 10.08.015 of Chapter 10.08 of Title 10 of the Stanton Municipal Code, entitled, "Curb Color Markings," is hereby added to read in its entirety as follows:

**"10.08.015 Curb Color Markings**

The following described curb markings are to indicate parking or standing regulations, and the curb markings shall have the meanings set forth in this section:

- A. A red curb means no stopping, standing or parking a vehicle at any time, unless otherwise stated by a sign on that street, whether the

vehicle is attended or unattended, except that a bus may stop by a curb marked or signed as a bus zone.

- B. A yellow curb means no stopping, standing or parking a vehicle at any time between 7:00 a.m. and 6:00 p.m. of any day, except Sundays, for any purpose other than the loading or unloading of passengers or materials, provided that the loading or unloading of passengers shall not take more than three minutes nor the loading or unloading of materials more than 20 minutes.
- C. A white curb means no stopping, standing, or parking for any purpose other than loading or unloading of passengers, or for the purpose of depositing mail in an adjacent mailbox, which shall not exceed three minutes, and such restrictions shall apply between 7:00 a.m. and 6:00 p.m. of any day, except Sundays.
- D. A blue curb means no stopping, standing, or parking a vehicle at any time except for a vehicle displaying a disabled person parking placard or plates as issued by the California Department of Motor Vehicles.
- E. A green curb means no stopping, standing, or parking a vehicle for a time which exceeds two hours at any time between 7:00 a.m. and 6:00 p.m. of any day, except Sundays.
- F. The City Engineer or their designee is authorized to designate and place curb markings, in compliance with this Section and the Vehicle Code. When such markings have been placed, no person shall stop, stand, or park a vehicle adjacent to any visible curb marking in violation of any of the provisions of this Section."

**SECTION 4:** This ordinance shall take effect 30 days following its adoption.

**SECTION 5:** The City Council hereby directs staff to prepare, execute and file with the Orange County Clerk a Notice of Exemption within five working days of the approval and adoption of this ordinance.

**SECTION 6:** If any provision of this ordinance or its application to any person or circumstance is held to be invalid, such invalidity has no effect on the other provisions or applications of the ordinance that can be given effect without the invalid provision or application, and to this extent, the provisions of this resolution are severable. The City Council declares that it would have adopted this resolution irrespective of the invalidity of any portion thereof.

**SECTION 7:** The documents and materials that constitute the record of proceedings on which this Ordinance and the above findings have been based are located in the City Clerk's Department, 7800 Katella Avenue, Stanton, California. The City Clerk is the custodian of records.

**PASSED, APPROVED, AND ADOPTED** this 11<sup>th</sup> day of April, 2023.

\_\_\_\_\_  
DAVID J. SHAWVER, MAYOR

ATTEST:

\_\_\_\_\_  
PATRICIA A. VAZQUEZ, CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
HONGDAO NGUYEN, CITY ATTORNEY

STATE OF CALIFORNIA    )  
COUNTY OF ORANGE     ) ss.  
CITY OF STANTON         )

I, Patricia A. Vazquez, City Clerk of the City of Stanton, California, do hereby certify that the foregoing Ordinance No. 1131 was introduced at a regular meeting of the City Council of the City of Stanton, California, held on the 28<sup>th</sup> day of March, 2023 and was duly adopted at a regular meeting of the City Council held on the 11<sup>th</sup> day of April, 2023, by the following roll-call vote, to wit:

AYES:           COUNCILMEMBERS: \_\_\_\_\_

NOES:           COUNCILMEMBERS: \_\_\_\_\_

ABSENT:         COUNCILMEMBERS: \_\_\_\_\_

ABSTAIN:        COUNCILMEMBERS: \_\_\_\_\_

\_\_\_\_\_  
PATRICIA A. VAZQUEZ, CITY CLERK

# **CITY OF STANTON**

## **REPORT TO THE CITY COUNCIL**

**TO:** Honorable Mayor and Members of the City Council

**DATE:** March 28, 2023

**SUBJECT: CITY COUNCIL CONSIDERATION OF OPTING INTO SETTLEMENT AGREEMENTS WITH THE FOLLOWING DEFENDANTS WHO HAVE ENTERED INTO NATIONAL OPIOID SETTLEMENTS - TEVA; ALLERGAN; WALMART; WALGREENS; AND CVS**

### **REPORT IN BRIEF:**

Consideration of opportunity to opt into federal settlement agreements with defendants who have entered into National Opioid Settlements: Teva, Allergan, Walmart, Walgreens, and CVS.

### **RECOMMENDED ACTION:**

1. City Council declare that this item is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) and 15060(c)(3); and
2. Opt into settlement agreement with three pharmacy chains — CVS, Walgreens, and Walmart and direct the City Manager to execute any documents necessary to implement the action and, when possible, allocate the City's designated share of settlement funds to the County of Orange; and
3. Opt into settlement agreement with two opioid manufacturers — Allergan and Teva and direct the City Manager to execute any documents necessary to implement the action and, when possible, allocate the City's designated share of settlement funds to the County of Orange.

### **BACKGROUND AND ANALYSIS:**

Litigation brought by states and cities across the United States has resulted in additional settlement agreements with three pharmacy chains (CVS, Walgreens, and Walmart) and two opioid manufacturers (Allergan and Teva). Collectively, these settlement agreements are referred to as the 2022 National Settlement Agreements.

Previously, the City entered into settlement agreements with the three largest pharmaceutical distributors of opioid painkillers, Amerisource Bergen, Cardinal Health, and McKesson (the "Distributors"), and the opioid painkiller manufacturer, Janssen (owned by Johnson & Johnson) ("Janssen"). These previously approved settlement agreements are referred to as the 2021 National Settlement Agreements.

The proposed settlement agreements before you now are separate and distinct settlement agreements with different parties resulting from the same litigation. In late 2022, agreements were announced with the three pharmacy chains and two additional manufacturers. In January 2023, each of those pharmacy chains and manufacturers confirmed that a sufficient number of states had agreed to the settlements to move forward. As with the 2021 National Settlements, states and local governments that want to participate in the 2022 National Settlements now will have the opportunity to “opt in.” The greater the level of subdivision participation, the more funds will ultimately be paid out for abatement. Assuming maximum participation, the 2022 National Settlements require:

- Teva to pay up to \$3.34 billion over 13 years and to provide either \$1.2 billion of its generic version of the drug Narcan over 10 years or \$240 million of cash in lieu of product, as each state may elect;
- Allergan to pay up to \$2.02 billion over 7 years;
- CVS to pay up to \$4.90 billion over 10 years;
- Walgreens to pay up to \$5.52 billion over 15 years; and
- Walmart to pay up to \$2.74 billion in 2023, and all payments to be made within 6 years.

Similar to the 2021 National Settlement Agreements, for these 2022 National Settlement Agreements at least 85% to 95.5% of abatement funds shall be used to fund opioid-remediation efforts, with at least 70% of abatement funds required to be used in connection with future opioid-remediation efforts. The 2022 National Settlements effectively define “opioid-remediation” as including care, treatment, and other programs and expenditures (including reimbursement for past such programs or expenditures, except where the agreement restricts the use of funds solely to future opioid-remediation) designed to (1) address the misuse and abuse of opioid products, (2) treat or mitigate opioid use or related disorders, or (3) mitigate other alleged effects of, including on those injured as a result of, the opioid epidemic. The 2022 National Settlements include broad and non-exhaustive lists of qualifying opioid-remediation expenditures.

Under the Teva, Allergan, Walgreens, and CVS Settlements, there is no set threshold of subdivision-level participation required for those settlements to become effective. As to the Teva and Allergan Settlements, once the deadline for subdivisions to participate has passed, these settling Defendants will determine whether there has been sufficient subdivision-level participation for these settlements to become effective. The Walgreens and CVS Settlements operate similarly to the Teva and Allergan Settlements, except that under those settlements, the settling states (Walgreens) or the “Enforcement Committee” representing the settling states (CVS) will first have the opportunity to determine whether there has been sufficient subdivision participation to proceed with these settlements. If so, then Walgreens and CVS are to determine whether they agree that sufficient subdivisions have participated in the settlements. The decisions of Teva, Allergan, CVS, and Walgreens as to whether there has been adequate subdivision-level participation is in their sole discretion and must be made in good faith.

The Walmart Settlement is different in that the level of subdivision participation required for the settlement to become effective is based on objective criteria: (1) more than 85% of the aggregate population of all litigating subdivisions located in settling states, as well as states that have separately settled with Walmart, must agree to participate or otherwise have their

claims fully released, and (2) more than 85% of the aggregate population of all non-litigating threshold subdivisions (defined to include subdivisions with populations greater than 30,000 or those with populations between 10,000 and 30,000 that have brought opioids-related claims against McKesson, Cardinal Health, Amerisource Bergen, or J&J) must agree to participate or otherwise have their claims fully released. The calculation of the aggregate populations of litigating subdivisions and non-litigating threshold subdivisions is on an aggregated basis and not a state-by-state basis. If these thresholds are met, then the Walmart Settlement will become effective.

Like the 2021 National Settlement Agreements, each county and city that receives payment of funds from the settlements will have to annually track and report its use of the funds. Due to the uncertainty of the number of jurisdictions opting in, it is hard to predict what amount of funds will be allocated to the City; however, it is likely that the amount will be less than the 2021 National Settlement Agreements.

### **Opting In**

The City must opt into the settlements by **April 18, 2023**, which requires the City to release its claims against the parties in the 2022 National Settlement Agreements.

### **Conclusion**

Unless the City intends to pursue its own litigation against the parties in the 2022 National Settlement Agreements, it is recommended that the City opt into the settlement. While it is unclear the exact amount the City will be allocated based on the to-be-determined participation rate, it is estimated that this amount will be less than the relatively small amount of funds the City received pursuant to the 2021 National Settlement Agreements. Because of this and the restrictions on what the funds can be used for and the onerous reporting requirements, it is also recommended that, when possible, the City allocate its funds to the County of Orange.

### **FISCAL IMPACT:**

There are no impacts to the City's General Fund.

### **ENVIRONMENTAL IMPACT:**

This item is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378(b)(5) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly).



**LEGAL REVIEW:**

The City Attorney has reviewed the attached Settlement Agreements, Allocation Agreements, and Participation Agreements.

**PUBLIC NOTIFICATION:**

Public notice for this item was made through the regular agenda process.

**STRATEGIC PLAN OBJECTIVES ADDRESSED:**

Obj. No. 1: Provide a safe community.

Obj, No. 4: Ensure fiscal stability and efficiency in governance.

Obj. No. 5: Provide a high quality of life.

Obj. No. 6: Maintain and promote a responsive, high quality and transparent government.

**Prepared by:** HongDao Nguyen, City Attorney

**Approved by:** Hannah Shin-Heydorn, City Manager

**Attachment:**

A. Settlement Overview

B. 2022 National Settlement Agreements Participation Package

National Opioid Settlements: Teva, Allergan, CVS, Walgreens, and Walmart



**TO LOCAL POLITICAL SUBDIVISIONS AND SPECIAL DISTRICTS:  
THIS NOTICE CONTAINS IMPORTANT INFORMATION ABOUT NATIONAL OPIOID SETTLEMENTS.**

### **SETTLEMENT OVERVIEW**

Proposed nationwide settlement agreements (“Settlements”) have been reached that would resolve opioid litigation brought by states, local political subdivisions, and special districts against two pharmaceutical manufacturers, Teva and Allergan (“Manufacturers”), and three pharmacies, CVS, Walgreens, and Walmart (“Pharmacies”). Local political subdivisions and special districts are referred to as “subdivisions.”

The Settlements require the settling Manufacturers and Pharmacies to pay billions of dollars to abate the opioid epidemic. The Settlements total over \$20 billion. Of this amount, approximately \$17 billion will be used by participating states and subdivisions to remediate and abate the impacts of the opioid crisis. Depending on participation by states and subdivisions, the Settlements require:

- Teva to pay up to \$3.34 billion over 13 years and to provide either \$1.2 billion of its generic version of the drug Narcan over 10 years or an agreed upon cash equivalent over 13 years;
- Allergan to pay up to \$2.02 billion over 7 years;
- CVS to pay up to \$4.90 billion over 10 years;
- Walgreens to pay up to \$5.52 billion over 15 years; and
- Walmart to pay up to \$2.74 billion in 2023, and all payments to be made within 6 years.

As provided under the Agreements, these figures are net of amounts attributable to prior settlements between the Defendants and certain states/subdivisions, and include amounts for attorneys’ fees and costs.

The Settlements also contain injunctive relief governing opioid marketing, sale, distribution, and/or dispensing practices.

Each of the proposed settlements has two key participation steps.

**First**, each eligible state decides whether to participate in each Settlement. A list of participating states for each settlement can be found at <https://nationalopioidsettlement.com>.

**Second**, eligible subdivisions within each participating state decide whether to participate in each Settlement. The more subdivisions that participate, the more funds flow to that state and its subdivisions. Any subdivision that does not participate cannot directly share in any of the settlement funds, even if the subdivision’s state is settling and other participating subdivisions are sharing in settlement funds. If the state does not participate in a particular Settlement, the subdivisions in that state are not eligible to participate in that Settlement.

## **WHO IS RUBRIS INC. AND WHAT IS THE IMPLEMENTATION ADMINISTRATOR?**

The Settlements provide that an Implementation Administrator will provide notice and manage the collection of participation forms. Rubris Inc. is the Implementation Administrator for these new Settlements and was also retained for the 2021 national opioid settlements.

## **WHY IS YOUR SUBDIVISION RECEIVING THIS NOTICE?**

Your state has elected to participate in one or more of the Settlements with the Manufacturers and/or the Pharmacies, and your subdivision may participate in those Settlements in which your state has elected to participate. This notice is also sent directly to counsel for such subdivisions if the Implementation Administrator has their information.

*If you are represented by an attorney with respect to opioid claims, please contact them.* **Subdivisions can participate in the Settlements whether or not they filed a lawsuit or are represented.**

## **WHERE CAN YOU FIND MORE INFORMATION?**

Detailed information about the Settlements, including each settlement agreement, may be found at: <https://nationalopioidsettlement.com>. This website also includes information about how the Settlements are being implemented in most states and how funds will be allocated within your state.

You are encouraged to review the settlement agreement terms and discuss the terms and benefits with your counsel, your Attorney General's Office, and other contacts within your state. Information and documents regarding the Settlements and your state allocation can be found on the settlement website at <https://nationalopioidsettlement.com>.

Your subdivision will need to decide whether to participate in the proposed Settlements, and subdivisions are encouraged to work through this process before the **April 18, 2023** deadline.

## **HOW DO YOU PARTICIPATE IN THE SETTLEMENTS?**

The Settlements require that you take affirmative steps to "opt in" to the Settlements.

In the next few weeks, you will receive documentation and instructions from the Implementation Administrator or, in some cases, your Attorney General's Office. In order to participate in a settlement, a subdivision must sign and return the required Participation Form for that settlement.

Please add the following email addresses to your "safe" list so emails do not go to spam / junk folders: [dse\\_na3@docusign.net](mailto:dse_na3@docusign.net) and [opioidsparticipation@rubris.com](mailto:opioidsparticipation@rubris.com). Please monitor your email for the Participation Forms and instructions.

All required documentation must be signed and returned on or before **April 18, 2023**.

New National Opioids Settlements: Teva, Allergan, CVS, Walgreens, and Walmart  
Opioids Implementation Administrator  
[REDACTED]

Stanton city, CA

Reference Number: [REDACTED]

***TO LOCAL POLITICAL SUBDIVISIONS AND SPECIAL DISTRICTS:***

**THIS PACKAGE CONTAINS DOCUMENTATION TO PARTICIPATE IN THE NEW NATIONAL OPIOID SETTLEMENTS. YOU MUST TAKE ACTION IN ORDER TO PARTICIPATE.**

**Deadline: April 18, 2023**

Five new proposed national opioid settlements ("*New National Opioid Settlements*") have been reached with **Teva, Allergan, CVS, Walgreens, and Walmart** ("*Settling Defendants*"). This *Participation Package* is a follow-up communication to the *Notice of National Opioid Settlements* recently received electronically by your subdivision or special district ("*subdivision*").

You are receiving this *Participation Package* because California is participating in the following settlements:

- Teva
- Allergan
- CVS
- Walgreens
- Walmart

This electronic envelope includes eleven attachments:

- *Participation Forms* for Teva, Allergan, CVS, Walgreens, and Walmart, including a release of any claims.
- *California State-Subdivision Agreements* for Teva, Allergan, CVS, Walgreens, and Walmart.
- *Side-letter agreement* between California and CVS.

**The *Participation Form* and *California Intrastate Allocation Agreement* for each settlement must be executed, without alteration, and submitted on or before April 18, 2023, in order for your subdivision to be considered for initial participation calculations and payment eligibility.**

*The side-letter agreement between California and CVS modifies the CVS National Settlement's incentive structure for subdivision participation as it applies to California.*

Based upon subdivision participation forms received on or before April 18th, the subdivision participation rate will be used to determine whether participation for each deal is sufficient for the settlement to move forward and whether a state earns

its maximum potential payment under the settlement. If the settlement moves forward, your release will become effective. If a settlement does not move forward, that release will not become effective.

Any subdivision that does not participate cannot directly share in the settlement funds, even if the subdivision's state is settling and other participating subdivisions are sharing in settlement funds. Any subdivision that does not participate may also reduce the amount of money for programs to remediate the opioid crisis in its state. Please note, a subdivision will not necessarily directly receive settlement funds by participating; decisions on how settlement funds will be allocated within a state are subject to intrastate agreements or state statutes.

You are encouraged to discuss the terms and benefits of the *New National Opioid Settlements* with your city attorney/county counsel, outside counsel representing your city/county on opioid matters, the Attorney General's Office, and other contacts within your state. Many states are implementing and allocating funds for these new settlements the same as they did for the prior opioid settlements with McKesson, Cardinal, Amerisource, and J&J/Janssen, but states may choose to treat these settlements differently.

Information and documents regarding the *New National Opioid Settlements* and how they are being implemented in your state and how funds will be allocated within your state allocation can be found on the national settlement website at <https://nationalopioidsettlement.com/> and the California Attorney General's website at <https://oag.ca.gov/opioids>. These websites will be supplemented as additional documents are created. Please also refer to the Side-Letter Agreement with CVS, which modifies the *CVS National Opioid Settlement*.

### **How to return signed forms:**

There are three methods for returning the executed *Participation Forms* and *California-State Subdivision Agreements* ("*Subdivision Agreements*") to the Implementation Administrator:

- (1) *Electronic Signature via DocuSign*: Executing the *Participation Forms* and the *Subdivision Agreements* electronically through DocuSign will return the signed forms to the Implementation Administrator and associate your forms with your subdivision's records. Electronic signature is the most efficient method for returning *Participation Forms* and *Subdivision Agreements*, allowing for more timely participation and the potential to meet higher settlement payment thresholds, and is therefore strongly encouraged.
- (2) *Manual Signature returned via DocuSign*: DocuSign allows forms to be downloaded, signed manually, then uploaded to DocuSign and returned automatically to the Implementation Administrator. Please be sure to complete all fields and note that execution and return of both the *Subdivision Agreement* and the *Participation Form* are required for participation in the corresponding settlement. As with electronic signature, returning manually signed *Participation Forms* and *Subdivision Agreements* via DocuSign will associate your signed forms with your subdivision's records.

(3) *Manual Signature returned via electronic mail:* If your subdivision is unable to return executed *Participation Forms* and *Subdivision Agreements* using DocuSign, signed *Participation Forms* and *Subdivision Agreements* may be returned via electronic mail to [opioidsparticipation@rubris.com](mailto:opioidsparticipation@rubris.com). Please include the name, state, and reference ID of your subdivision in the body of the email and use the subject line Settlement Participation Forms – [Subdivision Name, Subdivision State] – [Reference ID]. Note that execution and return of both the Subdivision Agreement and the Participation Form are required for participation in the corresponding settlement.

Detailed instructions on how to sign and return the *Participation Forms* and the *Subdivision Agreements*, including changing the authorized signer, can be found at <https://nationalopioidsettlement.com>. You may also contact [opioidsparticipation@rubris.com](mailto:opioidsparticipation@rubris.com).

**The sign-on period for subdivisions ends on April 18, 2023.**

If you have any questions about executing these forms, please contact your city attorney/county counsel, outside counsel representing your city/county on opioids matters, the Implementation Administrator at [opioidsparticipation@rubris.com](mailto:opioidsparticipation@rubris.com), or the California Attorney General's Office at [opioidsettlement-localgovernment@doj.ca.gov](mailto:opioidsettlement-localgovernment@doj.ca.gov).

Thank you,

National Opioids Settlements Implementation Administrator

*The Implementation Administrator is retained to provide the settlement notice required by the respective settlement agreements referenced above and to manage the collection of settlement participation forms for each settlement.*

**EXHIBIT K**  
**Subdivision and Special District Settlement Participation Form**

Will your subdivision or special district be signing the settlement participation forms for the Allergan and Teva Settlements at this time?

☐ Yes      ☐ No

Governmental Entity: Stanton city	State: CA
Authorized Signatory:	
Address 1:	
Address 2:	
City, State, Zip:	
Phone:	
Email:	

The governmental entity identified above (“*Governmental Entity*”), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to the Agreement dated November 22, 2022 (“*Allergan Settlement*”), and acting through the undersigned authorized official, hereby elects to participate in the Allergan Settlement, release all Released Claims against all Released Entities, and agrees as follows.

1. The Governmental Entity is aware of and has reviewed the Allergan Settlement, understands that all terms in this Election and Release have the meanings defined therein, and agrees that by this Election, the Governmental Entity elects to participate in the Allergan Settlement as provided therein.
2. Following the execution of this Settlement Participation Form, the Governmental Entity shall comply with Section III.B of the Allergan Settlement regarding Cessation of Litigation Activities.
3. The Governmental Entity shall, within fourteen (14) days of the Reference Date and prior to the filing of the Consent Judgment, file a request to dismiss with prejudice any Released Claims that it has filed. With respect to any Released Claims pending in *In re National Prescription Opiate Litigation*, MDL No. 2804, the Governmental Entity authorizes the MDL Plaintiffs’ Executive Committee to execute and file on behalf of the Governmental Entity a Stipulation of Dismissal With Prejudice substantially in the form found at <https://nationalopioidsettlement.com>.
4. The Governmental Entity agrees to the terms of the Allergan Settlement pertaining to Subdivisions and Special Districts as defined therein.
5. By agreeing to the terms of the Allergan Settlement and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.
6. The Governmental Entity agrees to use any monies it receives through the Allergan Settlement solely for the purposes provided therein.



7. The Governmental Entity submits to the jurisdiction of the court in the Governmental Entity's state where the Consent Judgment is filed for purposes limited to that court's role as provided in, and for resolving disputes to the extent provided in, the Allergan Settlement.
8. The Governmental Entity has the right to enforce the Allergan Settlement as provided therein.
9. The Governmental Entity, as a Participating Subdivision or Participating Special District, hereby becomes a Releasor for all purposes in the Allergan Settlement, including, but not limited to, all provisions of **Section V (Release)**, and along with all departments, agencies, divisions, boards, commissions, Subdivisions, districts, instrumentalities of any kind and attorneys, and any person in their official capacity whether elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist in bringing, or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entity in any forum whatsoever. The releases provided for in the Allergan Settlement are intended to be broad and shall be interpreted so as to give the Released Entities the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The Allergan Settlement shall be a complete bar to any Released Claim.
10. The Governmental Entity hereby takes on all rights and obligations of a Participating Subdivision or Participating Special District as set forth in the Allergan Settlement.
11. In connection with the releases provided for in the Allergan Settlement, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

**General Release; extent.** A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the Allergan Settlement.

12. Nothing herein is intended to modify in any way the terms of the Allergan Settlement, to which the Governmental Entity hereby agrees. To the extent this Settlement Participation Form is interpreted differently from the Allergan Settlement in any respect, the Allergan Settlement controls.





I have all necessary power and authorization to execute this Settlement Participation Form on behalf of the Governmental Entity.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**Exhibit K**  
**Subdivision and Special District Settlement Participation Form**

Governmental Entity: Stanton city	State: CA
Authorized Signatory:	
Address 1:	
Address 2:	
City, State, Zip:	
Phone:	
Email:	

The governmental entity identified above (“*Governmental Entity*”), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to the Agreement dated November 22, 2022 (“*Teva Settlement*”), and acting through the undersigned authorized official, hereby elects to participate in the Teva Settlement, release all Released Claims against all Released Entities, and agrees as follows.

1. The Governmental Entity is aware of and has reviewed the Teva Settlement, understands that all terms in this Election and Release have the meanings defined therein, and agrees that by this Election, the Governmental Entity elects to participate in the Teva Settlement as provided therein.
2. Following the execution of this Settlement Participation Form, the Governmental Entity shall comply with Section III.B of the Teva Settlement regarding Cessation of Litigation Activities.
3. The Governmental Entity shall, within 14 days of the Reference Date and prior to the filing of the Consent Judgment, file a request to dismiss with prejudice any Released Claims that it has filed. With respect to any Released Claims pending in In re National Prescription Opiate Litigation, MDL No. 2804, the Governmental Entity authorizes the Plaintiffs’ Executive Committee to execute and file on behalf of the Governmental Entity a Stipulation of Dismissal With Prejudice substantially in the form found at <https://nationalopioidsettlement.com>.
4. The Governmental Entity agrees to the terms of the Teva Settlement pertaining to Subdivisions as defined therein.
5. By agreeing to the terms of the Teva Settlement and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.
6. The Governmental Entity agrees to use any monies it receives through the Teva Settlement solely for the purposes provided therein.
7. The Governmental Entity submits to the jurisdiction of the court in the Governmental Entity’s state where the Consent Judgment is filed for purposes limited to that court’s role as provided in, and for resolving disputes to the extent provided in, the Teva Settlement.



8. The Governmental Entity has the right to enforce the Teva Settlement as provided therein.
9. The Governmental Entity, as a Participating Subdivision or Participating Special District, hereby becomes a Releasor for all purposes in the Teva Settlement, including but not limited to all provisions of Section V (Release), and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in their official capacity elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entity in any forum whatsoever. The releases provided for in the Teva Settlement are intended by Released Entities and the Governmental Entity to be broad and shall be interpreted so as to give the Released Entities the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The Teva Settlement shall be a complete bar to any Released Claim.
10. The Governmental Entity hereby takes on all rights and obligations of a Participating Subdivision or Participating Special District as set forth in the Teva Settlement.
11. In connection with the releases provided for in the Teva Settlement, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

**General Release; extent.** A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the Teva Settlement.

12. Nothing herein is intended to modify in any way the terms of the Teva Settlement, to which Governmental Entity hereby agrees. To the extent this Election and Release is interpreted differently from the Teva Settlement in any respect, the Teva Settlement controls.



I have all necessary power and authorization to execute this Election and Release on behalf of the Governmental Entity.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**EXHIBIT K****Subdivision Participation and Release Form**

Will your subdivision or special district be signing the settlement participation form for the CVS Settlement at this time?

☐ Yes      ☐ No

Governmental Entity: Stanton city	State: CA
Authorized Signatory:	
Address 1:	
Address 2:	
City, State, Zip:	
Phone:	
Email:	

The governmental entity identified above ("*Governmental Entity*"), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to the Settlement Agreement dated December 9, 2022 ("*CVS Settlement*"), and acting through the undersigned authorized official, hereby elects to participate in the CVS Settlement, release all Released Claims against all Released Entities, and agrees as follows.

1. The Governmental Entity is aware of and has reviewed the CVS Settlement, understands that all terms in this Participation and Release Form have the meanings defined therein, and agrees that by executing this Participation and Release Form, the Governmental Entity elects to participate in the CVS Settlement and become a Participating Subdivision as provided therein.
2. The Governmental Entity shall promptly, and in any event no later than 14 days after the Reference Date and prior to the filing of the Consent Judgment, dismiss with prejudice any Released Claims that it has filed. With respect to any Released Claims pending in *In re National Prescription Opiate Litigation*, MDL No. 2804, the Governmental Entity authorizes the Plaintiffs' Executive Committee to execute and file on behalf of the Governmental Entity a Stipulation of Dismissal with Prejudice substantially in the form found at <https://nationalopioidsettlement.com>.
3. The Governmental Entity agrees to the terms of the CVS Settlement pertaining to Participating Subdivisions as defined therein.
4. By agreeing to the terms of the CVS Settlement and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.
5. The Governmental Entity agrees to use any monies it receives through the CVS Settlement solely for the purposes provided therein.



6. The Governmental Entity submits to the jurisdiction of the court in the Governmental Entity's state where the Consent Judgment is filed for purposes limited to that court's role as provided in, and for resolving disputes to the extent provided in, the CVS Settlement. The Governmental Entity likewise agrees to arbitrate before the National Arbitration Panel as provided in, and for resolving disputes to the extent otherwise provided in, the CVS Settlement.
7. The Governmental Entity has the right to enforce the CVS Settlement as provided therein.
8. The Governmental Entity, as a Participating Subdivision, hereby becomes a Releasor for all purposes in the CVS Settlement, including without limitation all provisions of Section XI (Release), and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in their official capacity elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entity in any forum whatsoever. The releases provided for in the CVS Settlement are intended by the Parties to be broad and shall be interpreted so as to give the Released Entities the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The CVS Settlement shall be a complete bar to any Released Claim.
9. The Governmental Entity hereby takes on all rights and obligations of a Participating Subdivision as set forth in the CVS Settlement.
10. In connection with the releases provided for in the CVS Settlement, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

**General Release; extent.** A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release that, if known by him or her would have materially affected his or her settlement with the debtor or released party.

A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the CVS Settlement.



11. Nothing herein is intended to modify in any way the terms of the CVS Settlement, to which Governmental Entity hereby agrees. To the extent this Participation and Release Form is interpreted differently from the CVS Settlement in any respect, the CVS Settlement controls.

I have all necessary power and authorization to execute this Participation and Release Form on behalf of the Governmental Entity.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**EXHIBIT K****Subdivision Participation and Release Form**

Will your subdivision or special district be signing the settlement participation form for the Walgreens Settlement at this time?

☐ Yes      ☐ No

Governmental Entity: Stanton city	State: CA
Authorized Signatory:	
Address 1:	
Address 2:	
City, State, Zip:	
Phone:	
Email:	

The governmental entity identified above (“*Governmental Entity*”), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to the Settlement Agreement dated December 9, 2022 (“*Walgreens Settlement*”), and acting through the undersigned authorized official, hereby elects to participate in the Walgreens Settlement, release all Released Claims against all Released Entities, and agrees as follows.

1. The Governmental Entity is aware of and has reviewed the Walgreens Settlement, understands that all terms in this Participation and Release Form have the meanings defined therein, and agrees that by executing this Participation and Release Form, the Governmental Entity elects to participate in the Walgreens Settlement and become a Participating Subdivision as provided therein.
2. The Governmental Entity shall promptly, and in any event no later than 14 days after the Reference Date and prior to the filing of the Consent Judgment, dismiss with prejudice any Released Claims that it has filed. With respect to any Released Claims pending in *In re National Prescription Opiate Litigation*, MDL No. 2804, the Governmental Entity authorizes the Plaintiffs’ Executive Committee to execute and file on behalf of the Governmental Entity a Stipulation of Dismissal with Prejudice substantially in the form found at <https://nationalopioidsettlement.com>.
3. The Governmental Entity agrees to the terms of the Walgreens Settlement pertaining to Participating Subdivisions as defined therein.
4. By agreeing to the terms of the Walgreens Settlement and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.
5. The Governmental Entity agrees to use any monies it receives through the Walgreens Settlement solely for the purposes provided therein.





6. The Governmental Entity submits to the jurisdiction of the court in the Governmental Entity's state where the Consent Judgment is filed for purposes limited to that court's role as provided in, and for resolving disputes to the extent provided in, the Walgreens Settlement. The Governmental Entity likewise agrees to arbitrate before the National Arbitration Panel as provided in, and for resolving disputes to the extent otherwise provided in, the Walgreens Settlement.
7. The Governmental Entity has the right to enforce the Walgreens Settlement as provided therein.
8. The Governmental Entity, as a Participating Subdivision, hereby becomes a Releasor for all purposes in the Walgreens Settlement, including without limitation all provisions of Section XI (Release), and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in their official capacity elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entity in any forum whatsoever. The releases provided for in the Walgreens Settlement are intended by the Parties to be broad and shall be interpreted so as to give the Released Entities the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The Walgreens Settlement shall be a complete bar to any Released Claim.
9. The Governmental Entity hereby takes on all rights and obligations of a Participating Subdivision as set forth in the Walgreens Settlement.
10. In connection with the releases provided for in the Walgreens Settlement, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

**General Release; extent.** A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release that, if known by him or her would have materially affected his or her settlement with the debtor or released party.

A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the Walgreens Settlement.



11. Nothing herein is intended to modify in any way the terms of the Walgreens Settlement, to which Governmental Entity hereby agrees. To the extent this Participation and Release Form is interpreted differently from the Walgreens Settlement in any respect, the Walgreens Settlement controls.

I have all necessary power and authorization to execute this Participation and Release Form on behalf of the Governmental Entity.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**EXHIBIT K****Subdivision Participation Form**

Will your subdivision or special district be signing the settlement participation form for the Walmart Settlement at this time?

☐ Yes      ☐ No

Governmental Entity: Stanton city	State: CA
Authorized Official:	
Address 1:	
Address 2:	
City, State, Zip:	
Phone:	
Email:	

The governmental entity identified above ("Governmental Entity"), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to the Settlement Agreement dated November 14, 2022 ("Walmart Settlement"), and acting through the undersigned authorized official, hereby elects to participate in the Walmart Settlement, release all Released Claims against all Released Entities, and agrees as follows.

1. The Governmental Entity is aware of and has reviewed the Walmart Settlement, understands that all terms in this Election and Release have the meanings defined therein, and agrees that by this Election, the Governmental Entity elects to participate in the Walmart Settlement and become a Participating Subdivision as provided therein.
2. The Governmental Entity shall promptly, and in any event within 14 days of the Effective Date and prior to the filing of the Consent Judgment, dismiss with prejudice any Released Claims that it has filed. With respect to any Released Claims pending in In re National Prescription Opiate Litigation, MDL No. 2804, the Governmental Entity authorizes the Plaintiffs' Executive Committee to execute and file on behalf of the Governmental Entity a Stipulation of Dismissal With Prejudice substantially in the form found at <https://nationalopioidsettlement.com/>.
3. The Governmental Entity agrees to the terms of the Walmart Settlement pertaining to Subdivisions as defined therein.
4. By agreeing to the terms of the Walmart Settlement and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.
5. The Governmental Entity agrees to use any monies it receives through the Walmart Settlement solely for the purposes provided therein.



6. The Governmental Entity submits to the jurisdiction of the court in the Governmental Entity's state where the Consent Judgment is filed for purposes limited to that court's role as provided in, and for resolving disputes to the extent provided in, the Walmart Settlement.
7. The Governmental Entity has the right to enforce the Walmart Settlement as provided therein.
8. The Governmental Entity, as a Participating Subdivision, hereby becomes a Releasor for all purposes in the Walmart Settlement, including but not limited to all provisions of Section X (Release), and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in their official capacity elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entity in any forum whatsoever. The releases provided for in the Walmart Settlement are intended by the Parties to be broad and shall be interpreted so as to give the Released Entities the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The Walmart Settlement shall be a complete bar to any Released Claim.
9. In connection with the releases provided for in the Walmart Settlement, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

**General Release; extent.** A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the Walmart Settlement.

10. Nothing herein is intended to modify in any way the terms of the Walmart Settlement, to which Governmental Entity hereby agrees. To the extent this Election and Release is interpreted differently from the Walmart Settlement in any respect, the Walmart Settlement controls.



I have all necessary power and authorization to execute this Election and Release on behalf of the Governmental Entity.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**Proposed California State-Subdivision Agreement  
Regarding Distribution and Use of  
Settlement Funds – Allergan Settlement**

**1. Introduction**

Pursuant to the Allergan Settlement Agreement, dated as of November 22, 2022, and any revision thereto (the “Allergan Settlement Agreement”), including Section VIII and Exhibit O, the State of California proposes this agreement (the “CA Allergan Allocation Agreement”) to govern the allocation, distribution, and use of Settlement Fund payments made to California pursuant to Sections VI, VII, and VIII of the Allergan Settlement Agreement. For the avoidance of doubt, this agreement does not apply to payments made pursuant to Sections XII or XIII of the Allergan Settlement Agreement.

Pursuant to Exhibit O, Paragraph 4, of the Allergan Settlement Agreement, acceptance of this CA Allergan Allocation Agreement is a requirement to be an Initial Participating Subdivision.<sup>1</sup>

Further, pursuant to Sections X.B and X.C of the Teva Settlement Agreement and Sections IX.B and IX.C of the Allergan Settlement Agreement, eligible Subdivisions must participate in both the Teva Settlement Agreement and Allergan Settlement Agreement, or neither.<sup>2</sup>

**2. Definitions**

- a) *CA Participating Subdivision* means a Participating Subdivision that is also (a) a Plaintiff Subdivision and/or (b) a Subdivision with a population equal to or greater than 10,000. For the avoidance of doubt, eligible CA Participating Subdivisions are those California subdivisions listed in Exhibit C (excluding Litigating Special Districts) and/or Exhibit I to the Allergan Settlement Agreement.
- b) *Teva Settlement Agreement* means the Teva Settlement Agreement dated November 22, 2022, and any revision thereto.
- c) *CVS Settlement Agreement* means the CVS Settlement Agreement dated December 9, 2022, and any revision thereto as well as any modification thereto entered into by the State of California and CVS.
- d) *Distributor Settlement Agreement* means the Distributor Settlement Agreement dated July 21, 2021, and any revision thereto.
- e) *Janssen Settlement Agreement* means the Janssen Settlement Agreement dated July 21, 2021, and any revision thereto.

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<sup>1</sup> A parallel but separate agreement (the “CA Teva Allocation Agreement”) will govern the allocation, distribution, and use of settlement fund payments under the Teva Settlement Agreement.

<sup>2</sup> However, if Teva enters bankruptcy prior to the Effective Date, an eligible Subdivision can choose to only join the Allergan Settlement Agreement.



- f) *Walgreens Settlement Agreement* means the Walgreens Settlement Agreement dated December 9, 2022, and any revision thereto.
- g) *Walmart Settlement Agreement* means the Walmart Settlement Agreement dated November 14, 2022, and any revision thereto.
- h) *CA Litigating Special District* means a Litigating Special District located in California. CA Litigating Special Districts include Downey Unified School District, Elk Grove Unified School District, Kern High School District, Montezuma Fire Protection District (located in Stockton, California), Santa Barbara San Luis Obispo Regional Health Authority, Inland Empire Health Plan, Health Plan of San Joaquin, San Leandro Unified School District, Pleasant Valley School District Board, and LA Care Health Plan.
- i) *Plaintiff Subdivision* means a Subdivision located in California, other than a CA Litigating Special District, that filed a lawsuit, on behalf of the Subdivision and/or through an official of the Subdivision on behalf of the People of the State of California, against one or more Opioid Defendants prior to October 1, 2020.
- j) *Opioid Defendant* means any defendant (including but not limited to Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Allergan Limited, CVS Health Corporation, CVS Pharmacy, Inc., Walgreen Co., Walmart Inc., Johnson & Johnson, Janssen Pharmaceuticals, Inc., Purdue Pharma L.P., Cardinal Health, Inc., AmerisourceBergen Corporation, and McKesson Corporation) named in a lawsuit seeking damages, abatement, or other remedies related to or caused by the opioid public health crisis in any lawsuit brought by any state or local government on or before October 1, 2020.

### 3. General Terms

This agreement is subject to the requirements of the Allergan Settlement Agreement, as well as applicable law, and the Allergan Settlement Agreement governs over any inconsistent provision of this CA Allergan Allocation Agreement. Terms used in this CA Allergan Allocation Agreement have the same meaning as in the Allergan Settlement Agreement unless otherwise defined herein.

Pursuant to Section VIII(E)(1) of the Allergan Settlement Agreement, (a) all Settlement Fund payments will be used for Opioid Remediation, except as allowed by Section VIII(C) of the Allergan Settlement Agreement; and (b) at least seventy percent (70%) of Settlement Fund payment amounts will be used solely for future Opioid Remediation.

### 4. State Allocation



The Settlement Fund payments to California,<sup>3</sup> pursuant to the Allergan Settlement Agreement, shall be allocated as follows: 15% to the State Fund; 70% to the Abatement Accounts Fund; and 15% to the Subdivision Fund. For the avoidance of doubt, all funds allocated to California from the Settlement Fund shall be combined pursuant to this CA Allergan Allocation Agreement, and 15% of that total shall be allocated to the State of California (the “State of California Allocation”), 70% to the California Abatement Accounts Fund (“CA Abatement Accounts Fund”), and 15% to the California Subdivision Fund (“CA Subdivision Fund”).

**A. State of California Allocation**

Fifteen percent of the total Settlement Fund payments will be allocated to the State and used by the State for future Opioid Remediation.

**B. CA Abatement Accounts Fund**

**i. Allocation of CA Abatement Accounts Funds**

- a) Seventy percent of the total Settlement Fund payments will be allocated to the CA Abatement Accounts Fund. The funds in the CA Abatement Accounts Fund will be allocated based on the allocation model developed in connection with the proposed negotiating class in the National Prescription Opiate Litigation (MDL No. 2804), as adjusted to reflect only those cities and counties that are eligible, based on population or litigation status, to become a CA Participating Subdivision. The percentage from the CA Abatement Accounts Fund allocated to each CA Participating Subdivision is set forth in Appendix 1 in the column entitled abatement percentage (the “Local Allocation”). For the avoidance of doubt, CA Litigating Special Districts and California towns, cities, and counties with a population less than 10,000 are not eligible to receive an allocation of CA Abatement Accounts Funds.
- b) A CA Participating Subdivision that is a county, or a city and county, will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision, and will receive payments as provided in the Allergan Settlement Agreement.
- c) A CA Participating Subdivision that is a city will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision. The Local Allocation share for a city that is a CA Participating Subdivision will be paid to the county in which the city is located, rather than to the city, so long as: (a) the county is a CA Participating Subdivision, and (b) the city has not advised the Settlement Fund Administrator that it requests direct payment at least 60 days prior to a Payment Date. A Local Allocation share allocated to a city but paid to a county is not required to be spent exclusively for abatement activities in that city, but will become part of the county’s share of the CA Abatement Accounts Funds, which will be used in accordance with Section 4.B.ii (Use of

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<sup>3</sup> For purposes of clarity, use of the term “California” refers to the geographic territory of California and the state and its local governments therein. The term “State” or “State of California” refers to the State of California as a governmental unit.





CA Abatement Accounts Funds) and reported on in accordance with Section 4.B.iii (CA Abatement Accounts Fund Oversight).

- d) A city within a county that is a CA Participating Subdivision may opt in or out of direct payment at any time, and it may also elect direct payment of only a portion of its share, with the remainder going to the county, by providing notice to the Settlement Fund Administrator at least 60 days prior to a Payment Date. For purposes of this CA Allergan Allocation Agreement, the Cities of Los Angeles, Oakland, San Diego, San Jose and Eureka will be deemed to have elected direct payment if they become Participating Subdivisions.
- e) The State will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision.
- f) Funds received by a CA Participating Subdivision, and not expended or encumbered within five years of receipt and in accordance with the Allergan Settlement Agreement and this CA Allergan Allocation Agreement shall be transferred to the State; provided however, that CA Participating Subdivisions have seven years to expend or encumber CA Abatement Accounts Funds designated to support capital outlay projects before they must be transferred to the State. This provision shall not apply to the Cost Reimbursement Funds, which shall be controlled by Appendix 2.

## **ii. Use of CA Abatement Accounts Funds**

- a) The CA Abatement Accounts Funds will be used for future Opioid Remediation in one or more of the areas described in the List of Opioid Remediation Uses, which is Exhibit E to the Allergan Settlement Agreement.
- b) In addition to this requirement, no less than 50% of the funds received by a CA Participating Subdivision from the Abatement Accounts Fund in each calendar year will be used for one or more of the following High Impact Abatement Activities:
  - (1) the provision of matching funds or operating costs for substance use disorder facilities within the Behavioral Health Continuum Infrastructure Program;
  - (2) creating new or expanded Substance Use Disorder (“SUD”) treatment infrastructure;
  - (3) addressing the needs of communities of color and vulnerable populations (including sheltered and unsheltered homeless populations) that are disproportionately impacted by SUD;
  - (4) diversion of people with SUD from the justice system into treatment, including by providing training and resources to first and early responders (sworn and non-sworn) and implementing best practices for outreach, diversion and deflection, employability, restorative justice, and harm reduction; and/or
  - (5) interventions to prevent drug addiction in vulnerable youth.



- c) The California Department of Health Care Services (“DHCS”) may add to this list (but not delete from it) by designating additional High Impact Abatement Activities. DHCS will make reasonable efforts to consult with stakeholders, including the CA Participating Subdivisions, before adding additional High Impact Abatement Activities to this list.
- d) For the avoidance of doubt, and subject to the requirements of the Allergan Settlement Agreement and applicable law, CA Participating Subdivisions may form agreements or ventures, or otherwise work in collaboration with, federal, state, local, tribal or private sector entities in pursuing Opioid Remediation activities funded from the CA Abatement Accounts Fund. Further, provided that all CA Abatement Accounts Funds are used for Opioid Remediation consistent with the Allergan Settlement Agreement and this CA Allergan Allocation Agreement, a county and any cities or towns within the county may agree to reallocate their respective shares of the CA Abatement Accounts Funds among themselves, provided that any direct distribution may only be to a CA Participating Subdivision and any CA Participating Subdivision must agree to their share being reallocated.

### **iii. CA Abatement Accounts Fund Oversight**

- a) Pursuant to Section 5 below, CA Participating Subdivisions receiving settlement funds must prepare and file reports annually regarding the use of those funds. DHCS may regularly review the reports prepared by CA Participating Subdivisions about the use of CA Abatement Accounts Funds for compliance with the Allergan Settlement Agreement and this CA Allergan Allocation Agreement.
- b) If DHCS determines that a CA Participating Subdivision’s use of CA Abatement Accounts Funds is inconsistent with the Allergan Settlement Agreement or this CA Allergan Allocation Agreement, whether through review of reports or information from any other sources, DHCS shall send a request to meet and confer with the CA Participating Subdivision. The parties shall meet and confer in an effort to resolve the concern.
- c) If the parties are unable to reach a resolution, DHCS may conduct an audit of the Subdivision’s use of the CA Abatement Accounts Funds within one year of the request to meet and confer, unless the parties mutually agree in writing to extend the meet and confer time frame.
- d) If the concern still cannot be resolved, the State may bring a motion or action in the court where the State has filed its Consent Judgment to resolve the concern or otherwise



enforce the requirements of the Allergan Settlement Agreement or this CA Allergan Allocation Agreement. However, in no case shall any audit be conducted, or motion be brought, as to a specific expenditure of funds, more than five years after the date on which the expenditure of the funds was reported to DHCS, in accordance with this agreement.

- e) Notwithstanding the foregoing, this Agreement does not limit the statutory or constitutional authority of any state or local agency or official to conduct audits, investigations, or other oversight activities, or to pursue administrative, civil, or criminal enforcement actions.

### **C. CA Subdivision Fund**

- i. Fifteen percent of the total Settlement Fund payments will be allocated to the CA Subdivision Fund. All funds in the CA Subdivision Fund will be allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. The funds will be used, subject to any limits imposed by the Allergan Settlement Agreement and this CA Allergan Allocation Agreement, to fund future Opioid Remediation and reimburse past opioid-related expenses, which may include fees and expenses related to litigation, and to pay the reasonable fees and expenses of the Special Master as set forth in Appendix 2.

The CA Subdivision Funds will be allocated as follows:

- a) First, funds in the CA Subdivision Fund shall be used to pay the Special Master's reasonable fees and expenses in accordance with the procedures and limitations set forth in Appendix 2 to this document;
- b) Second, funds will be allocated to Plaintiff Subdivisions that are Initial Participating Subdivisions that have been awarded Costs, as defined by and in accordance with the procedures and limitations set forth in Appendix 2 to this document.
- c) Funds remaining in the CA Subdivision Fund, which shall consist of no less than 50% of the total CA Subdivision Fund received in any year pursuant to Appendix 2, Section 2.c.v, will be distributed to Plaintiff Subdivisions that are Initial Participating Subdivisions, in relative proportion to the Local Allocation. These funds shall be used to fund future opioid-related projects and to reimburse past opioid-related expenses, which may include fees and expenses related to litigation against any Opioid Defendant.

### **D. Provision for State Back-Stop Agreement**

On August 6, 2021, Judge Dan Polster of the U.S. District Court, Northern District of Ohio, Eastern Division, issued an order (ECF Docket Number 3814) ("MDL Fees Order") in the National Prescription Opiate Litigation (MDL No. 2804) "cap[ping] all applicable contingent fee agreements at 15%." Private counsel representing Plaintiff Subdivisions should seek its



contingency fees and costs from the Attorney Fee Fund or Cost Funds under the Teva Settlement Agreement and Allergan Settlement Agreement, and, if applicable, the CVS Settlement Agreement, Distributor Settlement Agreement, Janssen Settlement Agreement, Walgreens Settlement Agreement, and Walmart Settlement Agreement.

A Plaintiff Subdivision may separately agree to use its share of the CA Subdivision Fund to pay for fees or costs incurred by its contingency-fee counsel (“State Back-Stop Agreement”), pursuant to Exhibit R, section I(X), of the Allergan Settlement Agreement and the MDL Fees Order, so long as such contingency fees do not exceed a total contingency fee of 15% of the total gross recovery of the Plaintiff Subdivision pursuant to the Allergan Settlement, inclusive of contingency fees from the national Attorney Fee Fund and this State Back-Stop Agreement. Before seeking fees or litigation costs and expenses from a State Back-Stop Agreement, private counsel representing Plaintiff Subdivisions must first seek contingency fees and costs from the Attorney Fee Fund or Cost Funds created under the Allergan Settlement Agreement. Further, private counsel may only seek reimbursement for litigation fees and costs that have not previously been reimbursed through prior settlements or judgments.

To effectuate a State Back-Stop Agreement pursuant to this section, an agreement in the form of Appendix 3 may be entered into by a Plaintiff Subdivision, private counsel, and the California Office of the Attorney General. The California Office of the Attorney General shall, upon the request of a Plaintiff Subdivision, execute any agreement executed by a Plaintiff Subdivision and its private counsel if it is in the form of Appendix 3. The California Office of the Attorney General will also consider requests from Plaintiff Subdivisions to execute and enter into agreements presented in other forms.

For the avoidance of doubt, this agreement does not require a Plaintiff Subdivision to request or enter into a State Back-Stop Agreement, and no State Back-Stop Agreement shall impose any duty or obligation on the State of California or any of its agencies or officers, including without limitation the Attorney General.

## **5. State and Subdivision Reporting**

- a) DHCS will prepare an annual written report regarding the State’s use of funds from the settlement until those funds are fully expended and for one year thereafter. These reports will be made publicly available on the DHCS web site.
- b) Each CA Participating Subdivision that receives payments of funds from the settlement will prepare written reports at least annually regarding the use of those funds, until those funds are fully expended and for one year thereafter. These reports will also include a certification that all funds that the CA Participating Subdivision has received through the settlement have been used in compliance with the Allergan Settlement Agreement and this CA Allergan Allocation Agreement. The report will be in a form reasonably determined by DHCS. Prior to specifying the form of the report DHCS will confer with representatives of the Plaintiff Subdivisions.



- c) The State and all CA Participating Subdivisions receiving CA Abatement Accounts Funds will track all deposits and expenditures. Each such subdivision is responsible solely for the CA Abatement Accounts Funds it receives. A county is not responsible for oversight, reporting, or monitoring of CA Abatement Accounts Funds received by a city within that county that receives direct payment. Unless otherwise exempt, Subdivisions' expenditures and uses of CA Abatement Accounts Funds and other Settlement Funds will be subject to the normal budgetary and expenditure process of the Subdivision.
- d) Each Plaintiff Subdivision receiving CA Subdivision Funds will track all deposits and expenditures, as required by the Allergan Settlement Agreement and this CA Allergan Allocation Agreement. Among other things, Plaintiff Subdivisions using monies from the CA Subdivision Fund for purposes that do not qualify as Opioid Remediation must identify and include in their annual report, the amount and how such funds were used, including if used to pay attorneys' fees, investigation costs, or litigation costs. Pursuant to Section VIII(C) of the Allergan Settlement Agreement, such information must also be reported to the Settlement Fund Administrator and Allergan.
- e) In each year in which DHCS prepares an annual report DHCS will also host a meeting to discuss the annual report and the Opioid Remediation activities being carried out by the State and Participating Subdivisions.

## **6. Miscellaneous**

- a) The State or any CA Participating Subdivision may bring a motion or action in the court where the State has filed its Consent Judgment to enforce the requirements of this CA Allergan Allocation Agreement. Before filing such a motion or action the State will meet and confer with any CA Participating Subdivision that is the subject of the anticipated motion or action, and vice versa.
- b) Except as provided in the Allergan Settlement Agreement, this CA Allergan Allocation Agreement is not enforceable by any party other than the State and the CA Participating Subdivisions. It does not confer any rights or remedies upon, and shall not be enforceable by, any third party.
- c) Except as provided in the CA Allergan Allocation Agreement, if any provision of this agreement or the application thereof to any person, entity, or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement, or the application of such provision to persons, entities, or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby, and each other provision of this agreement will be valid and enforceable to the fullest extent permitted by law.
- d) Except as provided in the Allergan Settlement Agreement, this agreement shall be governed by and interpreted in accordance with the laws of California.



The undersigned, Stanton city, ACKNOWLEDGES acceptance of this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Allergan Settlement is a requirement to be an Initial Participating Subdivision in the Allergan Settlement and ACCEPTS this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Allergan Settlement. EXECUTED on .

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**DISCLAIMER:** The allocation percentages herein are estimates only and should not be relied on for decisions regarding legal rights, releases, waivers, or other decisions affecting current or potential legal claims. Percentages shown in the Plaintiff Subdivision Percentage column may change pursuant to Section 4.C. of the California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds—Allergan Settlement, whereas the percentages shown in the Abatement Percentage column should not change. Participating Subdivisions, underlying calculations, and the calculated allocation percentages are subject to change. Regarding the column herein entitled “Abatement Percentage,” pursuant to Section 4.B.e., the State of California will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” payments allocated to a Plaintiff Subdivision, which is not an Initial Participating Subdivision, will be re-allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. Regarding the column herein entitled “Abatement Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Abatement Account Funds received, pursuant to Section 4.B. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Subdivision Funds received, pursuant to Section 4.C. Regarding the column herein entitled “Weighted Allocation Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the combined and weighted allocation of the Abatement Percentage and the Plaintiff Subdivision Percentage.



## APPENDIX 1

			100.000%	100.000%	100.000%
Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
County	<i>Alameda County</i>	Alameda	2.332%	2.853%	2.4237952%
City	Alameda	Alameda	0.069%		0.0570162%
City	Albany	Alameda	0.013%		0.0107768%
City	Berkeley	Alameda	0.152%		0.1249656%
City	Dublin	Alameda	0.033%	0.040%	0.0338810%
City	Emeryville	Alameda	0.023%		0.0185765%
City	Fremont	Alameda	0.108%		0.0888576%
City	Hayward	Alameda	0.117%		0.0966218%
City	Livermore	Alameda	0.054%		0.0446740%
City	Newark	Alameda	0.026%		0.0217626%
City	Oakland	Alameda	0.486%	0.595%	0.5055601%
City	Piedmont	Alameda	0.014%		0.0114064%
City	Pleasanton	Alameda	0.067%		0.0554547%
City	San Leandro	Alameda	0.039%		0.0321267%
City	Union City	Alameda	0.043%		0.0352484%
County	<i>Amador County</i>	Amador	0.226%	0.277%	0.2349885%
County	<i>Butte County</i>	Butte	1.615%	1.975%	1.6783178%
City	Chico	Butte	0.216%	0.264%	0.2246499%
City	Oroville	Butte	0.079%		0.0646595%
County	<i>Calaveras County</i>	Calaveras	0.226%	0.277%	0.2351644%
County	<i>Colusa County</i>	Colusa	0.059%		0.0489221%
County	<i>Contra Costa County</i>	Contra Costa	2.102%	2.571%	2.1844585%
City	Antioch	Contra Costa	0.037%		0.0301879%
City	Brentwood	Contra Costa	0.026%		0.0215339%
City	Clayton	Contra Costa	0.002%		0.0018060%
City	Concord	Contra Costa	0.055%		0.0456676%
City	Danville	Contra Costa	0.010%		0.0082255%
City	El Cerrito	Contra Costa	0.023%		0.0189024%
City	Hercules	Contra Costa	0.010%		0.0078273%





## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Lafayette	Contra Costa	0.006%		0.0046030%
City	Martinez	Contra Costa	0.012%		0.0098593%
City	Moraga	Contra Costa	0.004%		0.0031007%
City	Oakley	Contra Costa	0.010%		0.0079416%
City	Orinda	Contra Costa	0.005%		0.0038157%
City	Pinole	Contra Costa	0.013%		0.0110909%
City	Pittsburg	Contra Costa	0.053%		0.0436369%
City	Pleasant Hill	Contra Costa	0.013%		0.0106309%
City	Richmond	Contra Costa	0.146%		0.1201444%
City	San Pablo	Contra Costa	0.018%		0.0148843%
City	San Ramon	Contra Costa	0.021%		0.0176459%
City	Walnut Creek	Contra Costa	0.026%		0.0212132%
County	<i>Del Norte County</i>	Del Norte	0.114%	0.140%	0.1189608%
County	<i>El Dorado County</i>	El Dorado	0.768%	0.939%	0.7980034%
City	Placerville	El Dorado	0.015%		0.0127642%
City	South Lake Tahoe	El Dorado	0.081%		0.0665456%
County	<i>Fresno County</i>	Fresno	1.895%	2.318%	1.9693410%
City	Clovis	Fresno	0.065%		0.0536211%
City	Coalinga	Fresno	0.012%		0.0098554%
City	Fresno	Fresno	0.397%		0.3270605%
City	Kerman	Fresno	0.005%		0.0042534%
City	Kingsburg	Fresno	0.008%		0.0066167%
City	Mendota	Fresno	0.002%		0.0019387%
City	Orange Cove	Fresno	0.004%		0.0035607%
City	Parlier	Fresno	0.008%		0.0069755%
City	Reedley	Fresno	0.012%		0.0098804%
City	Sanger	Fresno	0.018%		0.0146135%
City	Selma	Fresno	0.015%		0.0127537%
County	<i>Glenn County</i>	Glenn	0.107%	0.131%	0.1116978%
County	<i>Humboldt County</i>	Humboldt	1.030%	1.260%	1.0703185%



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Arcata	Humboldt	0.054%		0.0447660%
City	Eureka	Humboldt	0.117%	0.143%	0.1216284%
City	Fortuna	Humboldt	0.032%		0.0266837%
County	<i>Imperial County</i>	Imperial	0.258%	0.315%	0.2679006%
City	Brawley	Imperial	0.011%		0.0087986%
City	Calexico	Imperial	0.019%		0.0152799%
City	El Centro	Imperial	0.158%		0.1302522%
City	Imperial	Imperial	0.006%		0.0048791%
County	<i>Inyo County</i>	Inyo	0.073%	0.089%	0.0754413%
County	<i>Kern County</i>	Kern	2.517%	3.079%	2.6159145%
City	Arvin	Kern	0.006%		0.0046425%
City	Bakersfield	Kern	0.212%		0.1747198%
City	California City	Kern	0.009%		0.0070820%
City	Delano	Kern	0.030%		0.0249316%
City	McFarland	Kern	0.003%		0.0025644%
City	Ridgecrest	Kern	0.015%		0.0120938%
City	Shafter	Kern	0.013%		0.0103417%
City	Tehachapi	Kern	0.009%		0.0073580%
City	Wasco	Kern	0.008%		0.0069861%
County	<i>Kings County</i>	Kings	0.293%		0.2413469%
City	Avenal	Kings	0.007%		0.0056335%
City	Corcoran	Kings	0.013%		0.0107032%
City	Hanford	Kings	0.027%		0.0226038%
City	Lemoore	Kings	0.016%		0.0131900%
County	<i>Lake County</i>	Lake	0.795%		0.6545389%
City	Clearlake	Lake	0.041%	0.050%	0.0426253%
City	Lakeport	Lake	0.021%	0.026%	0.0222964%
County	<i>Lassen County</i>	Lassen	0.319%	0.391%	0.3320610%
City	Susanville	Lassen	0.027%		0.0219295%
County	<i>Los Angeles County</i>	Los Angeles	13.896%	16.999%	14.4437559%



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Agoura Hills	Los Angeles	0.005%		0.0040024%
City	Alhambra	Los Angeles	0.042%		0.0343309%
City	Arcadia	Los Angeles	0.033%		0.0267718%
City	Artesia	Los Angeles	0.001%		0.0005100%
City	Azusa	Los Angeles	0.026%		0.0210857%
City	Baldwin Park	Los Angeles	0.027%		0.0218520%
City	Bell	Los Angeles	0.008%		0.0068783%
City	Bellflower	Los Angeles	0.002%		0.0014485%
City	Bell Gardens	Los Angeles	0.014%		0.0114301%
City	Beverly Hills	Los Angeles	0.065%		0.0534897%
City	Burbank	Los Angeles	0.100%		0.0823132%
City	Calabasas	Los Angeles	0.006%		0.0048948%
City	Carson	Los Angeles	0.019%		0.0159805%
City	Cerritos	Los Angeles	0.005%		0.0039682%
City	Claremont	Los Angeles	0.010%		0.0082584%
City	Commerce	Los Angeles	0.000%		0.0002971%
City	Compton	Los Angeles	0.044%		0.0361882%
City	Covina	Los Angeles	0.028%		0.0229127%
City	Cudahy	Los Angeles	0.001%		0.0006020%
City	Culver City	Los Angeles	0.055%		0.0449894%
City	Diamond Bar	Los Angeles	0.001%		0.0006993%
City	Downey	Los Angeles	0.052%		0.0429994%
City	Duarte	Los Angeles	0.003%		0.0027261%
City	El Monte	Los Angeles	0.031%	0.038%	0.0318985%
City	El Segundo	Los Angeles	0.033%		0.0268020%
City	Gardena	Los Angeles	0.034%		0.0278088%
City	Glendale	Los Angeles	0.166%		0.1366586%
City	Glendora	Los Angeles	0.016%		0.0134411%
City	Hawaiian Gardens	Los Angeles	0.005%		0.0040549%
City	Hawthorne	Los Angeles	0.050%		0.0407833%



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Hermosa Beach	Los Angeles	0.018%		0.0145307%
City	Huntington Park	Los Angeles	0.023%		0.0190667%
City	Inglewood	Los Angeles	0.059%		0.0489195%
City	La Cañada Flintridge	Los Angeles	0.003%		0.0025565%
City	Lakewood	Los Angeles	0.005%		0.0039971%
City	La Mirada	Los Angeles	0.010%		0.0081572%
City	Lancaster	Los Angeles	0.045%		0.0369689%
City	La Puente	Los Angeles	0.002%		0.0012999%
City	La Verne	Los Angeles	0.024%		0.0194190%
City	Lawndale	Los Angeles	0.002%		0.0017731%
City	Lomita	Los Angeles	0.004%		0.0031940%
City	Long Beach	Los Angeles	0.439%		0.3614151%
City	Los Angeles	Los Angeles	2.715%	3.321%	2.8218811%
City	Lynwood	Los Angeles	0.016%		0.0134345%
City	Malibu	Los Angeles	0.002%		0.0019269%
City	Manhattan Beach	Los Angeles	0.032%		0.0260686%
City	Maywood	Los Angeles	0.004%		0.0035528%
City	Monrovia	Los Angeles	0.031%		0.0254455%
City	Montebello	Los Angeles	0.030%		0.0250670%
City	Monterey Park	Los Angeles	0.031%		0.0256677%
City	Norwalk	Los Angeles	0.031%		0.0258228%
City	Palmdale	Los Angeles	0.046%		0.0375827%
City	Palos Verdes Estates	Los Angeles	0.006%		0.0053102%
City	Paramount	Los Angeles	0.011%		0.0091483%
City	Pasadena	Los Angeles	0.146%		0.1200524%
City	Pico Rivera	Los Angeles	0.022%		0.0183333%
City	Pomona	Los Angeles	0.111%		0.0911933%
City	Rancho Palos Verdes	Los Angeles	0.002%		0.0012645%
City	Redondo Beach	Los Angeles	0.062%		0.0506992%
City	Rosemead	Los Angeles	0.003%		0.0028260%



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	San Dimas	Los Angeles	0.003%		0.0022016%
City	San Fernando	Los Angeles	0.013%		0.0104837%
City	San Gabriel	Los Angeles	0.018%		0.0147726%
City	San Marino	Los Angeles	0.009%		0.0073791%
City	Santa Clarita	Los Angeles	0.022%		0.0178167%
City	Santa Fe Springs	Los Angeles	0.031%		0.0257531%
City	Santa Monica	Los Angeles	0.158%		0.1298513%
City	Sierra Madre	Los Angeles	0.006%		0.0048646%
City	Signal Hill	Los Angeles	0.010%		0.0084884%
City	South El Monte	Los Angeles	0.005%		0.0039603%
City	South Gate	Los Angeles	0.020%		0.0166272%
City	South Pasadena	Los Angeles	0.012%		0.0095334%
City	Temple City	Los Angeles	0.005%		0.0039498%
City	Torrance	Los Angeles	0.112%		0.0919820%
City	Walnut	Los Angeles	0.006%		0.0047305%
City	West Covina	Los Angeles	0.049%		0.0404521%
City	West Hollywood	Los Angeles	0.013%		0.0108517%
City	Whittier	Los Angeles	0.032%		0.0260581%
County	<b>Madera County</b>	Madera	0.349%	0.427%	0.3630669%
City	Chowchilla	Madera	0.012%		0.0097332%
City	Madera	Madera	0.039%		0.0318441%
County	<b>Marin County</b>	Marin	0.564%	0.690%	0.5861325%
City	Larkspur	Marin	0.015%		0.0124697%
City	Mill Valley	Marin	0.020%		0.0168401%
City	Novato	Marin	0.028%		0.0229824%
City	San Anselmo	Marin	0.009%		0.0078062%
City	San Rafael	Marin	0.089%		0.0729823%
County	<b>Mariposa County</b>	Mariposa	0.084%	0.103%	0.0876131%
County	<b>Mendocino County</b>	Mendocino	0.439%	0.536%	0.4558394%
City	Ukiah	Mendocino	0.039%		0.0317153%





## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
County	<b>Merced County</b>	Merced	0.551%	0.674%	<b>0.5724262%</b>
City	Atwater	Merced	0.024%		<b>0.0195846%</b>
City	Livingston	Merced	0.006%		<b>0.0045873%</b>
City	Los Banos	Merced	0.020%		<b>0.0165142%</b>
City	Merced	Merced	0.061%		<b>0.0500762%</b>
County	<b>Modoc County</b>	Modoc	0.065%	0.080%	<b>0.0678250%</b>
County	<b>Mono County</b>	Mono	0.023%	0.029%	<b>0.0242606%</b>
County	<b>Monterey County</b>	Monterey	0.908%	1.111%	<b>0.9437083%</b>
City	Greenfield	Monterey	0.006%		<b>0.0050552%</b>
City	King City	Monterey	0.005%		<b>0.0037355%</b>
City	Marina	Monterey	0.017%		<b>0.0144098%</b>
City	Monterey	Monterey	0.041%		<b>0.0336540%</b>
City	Pacific Grove	Monterey	0.009%		<b>0.0074842%</b>
City	Salinas	Monterey	0.094%		<b>0.0776576%</b>
City	Seaside	Monterey	0.023%		<b>0.0191772%</b>
City	Soledad	Monterey	0.007%		<b>0.0060870%</b>
County	<b>Napa County</b>	Napa	0.288%	0.352%	<b>0.2994325%</b>
City	American Canyon	Napa	0.017%		<b>0.0136869%</b>
City	Napa	Napa	0.078%		<b>0.0642783%</b>
County	<b>Nevada County</b>	Nevada	0.441%	0.539%	<b>0.4579827%</b>
City	Grass Valley	Nevada	0.024%		<b>0.0197805%</b>
City	Truckee	Nevada	0.003%		<b>0.0023843%</b>
County	<b>Orange County</b>	Orange	4.364%	5.339%	<b>4.5363576%</b>
City	Aliso Viejo	Orange	0.014%		<b>0.0113841%</b>
City	Anaheim	Orange	0.554%	0.678%	<b>0.5759282%</b>
City	Brea	Orange	0.086%		<b>0.0708897%</b>
City	Buena Park	Orange	0.087%		<b>0.0714352%</b>
City	Costa Mesa	Orange	0.124%	0.152%	<b>0.1288366%</b>
City	Cypress	Orange	0.033%		<b>0.0271937%</b>
City	Dana Point	Orange	0.001%		<b>0.0005560%</b>



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Fountain Valley	Orange	0.055%		0.0455980%
City	Fullerton	Orange	0.137%	0.168%	0.1425744%
City	Garden Grove	Orange	0.213%		0.1752482%
City	Huntington Beach	Orange	0.247%	0.302%	0.2568420%
City	Irvine	Orange	0.139%	0.170%	0.1442350%
City	Laguna Beach	Orange	0.047%	0.058%	0.0493043%
City	Laguna Hills	Orange	0.014%		0.0115457%
City	Laguna Niguel	Orange	0.001%		0.0007071%
City	Laguna Woods	Orange	0.001%		0.0006546%
City	La Habra	Orange	0.060%	0.073%	0.0621049%
City	Lake Forest	Orange	0.012%		0.0101249%
City	La Palma	Orange	0.012%		0.0095439%
City	Los Alamitos	Orange	0.008%		0.0069190%
City	Mission Viejo	Orange	0.014%		0.0117560%
City	Newport Beach	Orange	0.179%		0.1470134%
City	Orange	Orange	0.150%		0.1231320%
City	Placentia	Orange	0.029%	0.035%	0.0298912%
City	Rancho Santa Margarita	Orange	0.001%		0.0006296%
City	San Clemente	Orange	0.008%	0.010%	0.0086083%
City	San Juan Capistrano	Orange	0.008%		0.0065510%
City	Santa Ana	Orange	0.502%	0.614%	0.5213866%
City	Seal Beach	Orange	0.020%		0.0165891%
City	Stanton	Orange	0.035%		0.0291955%
City	Tustin	Orange	0.073%		0.0600341%
City	Westminster	Orange	0.104%	0.127%	0.1082721%
City	Yorba Linda	Orange	0.044%		0.0362223%
County	<b>Placer County</b>	Placer	1.045%	1.278%	1.0861002%
City	Auburn	Placer	0.017%		0.0141114%
City	Lincoln	Placer	0.031%		0.0255599%
City	Rocklin	Placer	0.076%		0.0625485%



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Roseville	Placer	0.196%		0.1616559%
County	<i>Plumas County</i>	Plumas	0.205%	0.251%	0.2128729%
County	<i>Riverside County</i>	Riverside	4.534%	5.547%	4.7128296%
City	Banning	Riverside	0.017%		0.0143848%
City	Beaumont	Riverside	0.021%		0.0171135%
City	Blythe	Riverside	0.012%		0.0096714%
City	Canyon Lake	Riverside	0.000%		0.0001761%
City	Cathedral City	Riverside	0.067%		0.0553614%
City	Coachella	Riverside	0.021%		0.0173054%
City	Corona	Riverside	0.147%		0.1207083%
City	Desert Hot Springs	Riverside	0.024%		0.0200433%
City	Eastvale	Riverside	0.000%		0.0002747%
City	Hemet	Riverside	0.051%		0.0421792%
City	Indio	Riverside	0.056%		0.0457794%
City	Jurupa Valley	Riverside	0.001%		0.0008991%
City	Lake Elsinore	Riverside	0.021%		0.0172949%
City	La Quinta	Riverside	0.063%		0.0516732%
City	Menifee	Riverside	0.032%		0.0260909%
City	Moreno Valley	Riverside	0.137%		0.1130348%
City	Murrieta	Riverside	0.048%	0.059%	0.0497423%
City	Norco	Riverside	0.016%		0.0134542%
City	Palm Desert	Riverside	0.083%		0.0682465%
City	Palm Springs	Riverside	0.076%		0.0629862%
City	Perris	Riverside	0.009%		0.0076774%
City	Rancho Mirage	Riverside	0.052%		0.0431098%
City	Riverside	Riverside	0.268%		0.2206279%
City	San Jacinto	Riverside	0.010%		0.0085936%
City	Temecula	Riverside	0.022%		0.0180086%
City	Wildomar	Riverside	0.008%		0.0062500%
County	<i>Sacramento County</i>	Sacramento	3.797%	4.645%	3.9465887%





## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Citrus Heights	Sacramento	0.057%		0.0465312%
City	Elk Grove	Sacramento	0.130%		0.1066994%
City	Folsom	Sacramento	0.108%		0.0890850%
City	Galt	Sacramento	0.017%		0.0143704%
City	Rancho Cordova	Sacramento	0.008%		0.0067679%
City	Sacramento	Sacramento	0.721%	0.882%	0.7496530%
County	<i>San Benito County</i>	San Benito	0.106%	0.130%	0.1101417%
City	Hollister	San Benito	0.027%		0.0225355%
County	<i>San Bernardino County</i>	San Bernardino	3.259%	3.987%	3.3878124%
City	Adelanto	San Bernardino	0.008%		0.0066640%
City	Apple Valley	San Bernardino	0.025%		0.0207360%
City	Barstow	San Bernardino	0.015%		0.0122056%
City	Chino	San Bernardino	0.064%		0.0525893%
City	Chino Hills	San Bernardino	0.001%		0.0006388%
City	Colton	San Bernardino	0.031%		0.0253443%
City	Fontana	San Bernardino	0.112%		0.0920543%
City	Grand Terrace	San Bernardino	0.006%		0.0051051%
City	Hesperia	San Bernardino	0.035%		0.0291522%
City	Highland	San Bernardino	0.004%		0.0029061%
City	Loma Linda	San Bernardino	0.009%		0.0071188%
City	Montclair	San Bernardino	0.039%		0.0322108%
City	Ontario	San Bernardino	0.179%		0.1472934%
City	Rancho Cucamonga	San Bernardino	0.084%		0.0689431%
City	Redlands	San Bernardino	0.057%		0.0469150%
City	Rialto	San Bernardino	0.073%		0.0603206%
City	San Bernardino	San Bernardino	0.178%		0.1461880%
City	Twentynine Palms	San Bernardino	0.002%		0.0012605%
City	Upland	San Bernardino	0.052%		0.0424460%
City	Victorville	San Bernardino	0.033%		0.0269400%
City	Yucaipa	San Bernardino	0.016%		0.0128772%



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Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Yucca Valley	San Bernardino	0.003%		0.0021228%
County	<b><i>San Diego County</i></b>	San Diego	5.706%	6.980%	5.9309748%
City	Carlsbad	San Diego	0.128%		0.1050485%
City	Chula Vista	San Diego	0.189%	0.231%	0.1961456%
City	Coronado	San Diego	0.044%		0.0359095%
City	El Cajon	San Diego	0.113%		0.0933582%
City	Encinitas	San Diego	0.061%	0.074%	0.0630289%
City	Escondido	San Diego	0.145%		0.1192204%
City	Imperial Beach	San Diego	0.014%		0.0118283%
City	La Mesa	San Diego	0.055%	0.068%	0.0575593%
City	Lemon Grove	San Diego	0.022%		0.0183911%
City	National City	San Diego	0.080%		0.0656808%
City	Oceanside	San Diego	0.213%		0.1753428%
City	Poway	San Diego	0.062%		0.0511040%
City	San Diego	San Diego	1.975%	2.416%	2.0531169%
City	San Marcos	San Diego	0.089%		0.0733897%
City	Santee	San Diego	0.033%		0.0268401%
City	Solana Beach	San Diego	0.017%		0.0138564%
City	Vista	San Diego	0.052%		0.0425144%
Consolidated	<b><i>San Francisco</i></b>	San Francisco	3.026%	3.702%	3.1457169%
County	<b><i>San Joaquin County</i></b>	San Joaquin	1.680%	2.055%	1.7460399%
City	Lathrop	San Joaquin	0.009%		0.0075394%
City	Lodi	San Joaquin	0.053%		0.0439484%
City	Manteca	San Joaquin	0.054%		0.0443454%
City	Ripon	San Joaquin	0.013%		0.0104219%
City	Stockton	San Joaquin	0.313%	0.383%	0.3256176%
City	Tracy	San Joaquin	0.084%		0.0692047%
County	<b><i>San Luis Obispo County</i></b>	San Luis Obispo	0.816%	0.999%	0.8484126%
City	Arroyo Grande	San Luis Obispo	0.024%		0.0199053%
City	Atascadero	San Luis Obispo	0.029%		0.0240680%



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	El Paso de Robles (Paso Robles)	San Luis Obispo	0.043%		0.0353456%
City	Grover Beach	San Luis Obispo	0.017%		0.0137881%
City	Morro Bay	San Luis Obispo	0.020%		0.0160922%
City	San Luis Obispo	San Luis Obispo	0.077%		0.0637841%
County	<i>San Mateo County</i>	San Mateo	1.074%	1.313%	1.1159599%
City	Belmont	San Mateo	0.021%		0.0169860%
City	Burlingame	San Mateo	0.019%		0.0152537%
City	Daly City	San Mateo	0.044%		0.0363880%
City	East Palo Alto	San Mateo	0.013%		0.0103982%
City	Foster City	San Mateo	0.020%		0.0166101%
City	Half Moon Bay	San Mateo	0.004%		0.0031638%
City	Hillsborough	San Mateo	0.013%		0.0110029%
City	Menlo Park	San Mateo	0.015%		0.0126209%
City	Millbrae	San Mateo	0.013%		0.0105836%
City	Pacifica	San Mateo	0.016%		0.0130625%
City	Redwood City	San Mateo	0.056%		0.0463511%
City	San Bruno	San Mateo	0.021%		0.0172161%
City	San Carlos	San Mateo	0.013%		0.0108885%
City	San Mateo	San Mateo	0.052%		0.0425841%
City	South San Francisco	San Mateo	0.043%		0.0353943%
County	<i>Santa Barbara County</i>	Santa Barbara	1.132%	1.385%	1.1768968%
City	Carpinteria	Santa Barbara	0.001%		0.0008938%
City	Goleta	Santa Barbara	0.004%		0.0028969%
City	Lompoc	Santa Barbara	0.047%		0.0389379%
City	Santa Barbara	Santa Barbara	0.122%		0.1004559%
City	Santa Maria	Santa Barbara	0.058%		0.0479179%
County	<i>Santa Clara County</i>	Santa Clara	2.404%	2.941%	2.4987553%
City	Campbell	Santa Clara	0.014%		0.0112566%
City	Cupertino	Santa Clara	0.008%		0.0066824%
City	Gilroy	Santa Clara	0.025%		0.0202891%



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Los Altos	Santa Clara	0.013%		0.0103338%
City	Los Gatos	Santa Clara	0.013%		0.0103220%
City	Milpitas	Santa Clara	0.036%		0.0298120%
City	Morgan Hill	Santa Clara	0.015%		0.0124619%
City	Mountain View	Santa Clara	0.041%		0.0334608%
City	Palo Alto	Santa Clara	0.039%		0.0323080%
City	San Jose	Santa Clara	0.294%	0.360%	0.3054960%
City	Santa Clara	Santa Clara	0.067%		0.0549723%
City	Saratoga	Santa Clara	0.004%		0.0034161%
City	Sunnyvale	Santa Clara	0.053%		0.0434069%
County	<b><i>Santa Cruz County</i></b>	Santa Cruz	0.783%	0.957%	0.8135396%
City	Capitola	Santa Cruz	0.020%		0.0168191%
City	Santa Cruz	Santa Cruz	0.143%		0.1180348%
City	Scotts Valley	Santa Cruz	0.015%		0.0126525%
City	Watsonville	Santa Cruz	0.063%		0.0520136%
County	<b><i>Shasta County</i></b>	Shasta	1.095%	1.339%	1.1380191%
City	Anderson	Shasta	0.024%		0.0198896%
City	Redding	Shasta	0.284%		0.2334841%
City	Shasta Lake	Shasta	0.004%		0.0031993%
County	<b><i>Siskiyou County</i></b>	Siskiyou	0.228%	0.279%	0.2373393%
County	<b><i>Solano County</i></b>	Solano	0.760%		0.6260795%
City	Benicia	Solano	0.031%		0.0253903%
City	Dixon	Solano	0.016%		0.0130849%
City	Fairfield	Solano	0.109%		0.0897317%
City	Suisun City	Solano	0.021%		0.0176183%
City	Vacaville	Solano	0.119%		0.0976497%
City	Vallejo	Solano	0.167%		0.1373644%
County	<b><i>Sonoma County</i></b>	Sonoma	1.218%	1.490%	1.2661290%
City	Healdsburg	Sonoma	0.032%		0.0266929%
City	Petaluma	Sonoma	0.081%		0.0667507%



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Rohnert Park	Sonoma	0.041%		0.0340759%
City	Santa Rosa	Sonoma	0.184%		0.1519070%
City	Sonoma	Sonoma	0.022%		0.0183438%
City	Windsor	Sonoma	0.016%		0.0129298%
County	<i>Stanislaus County</i>	Stanislaus	1.722%		1.4182273%
City	Ceres	Stanislaus	0.041%		0.0340260%
City	Modesto	Stanislaus	0.217%		0.1788759%
City	Newman	Stanislaus	0.006%		0.0046964%
City	Oakdale	Stanislaus	0.018%		0.0145531%
City	Patterson	Stanislaus	0.015%		0.0126590%
City	Riverbank	Stanislaus	0.010%		0.0085699%
City	Turlock	Stanislaus	0.065%		0.0531966%
County	<i>Sutter County</i>	Sutter	0.306%	0.374%	0.3179548%
City	Yuba City	Sutter	0.074%		0.0606242%
County	<i>Tehama County</i>	Tehama	0.213%	0.261%	0.2216654%
City	Red Bluff	Tehama	0.014%		0.0117771%
County	<i>Trinity County</i>	Trinity	0.082%	0.101%	0.0855476%
County	<i>Tulare County</i>	Tulare	0.809%	0.990%	0.8410949%
City	Dinuba	Tulare	0.014%		0.0116929%
City	Exeter	Tulare	0.004%		0.0032479%
City	Farmersville	Tulare	0.003%		0.0027879%
City	Lindsay	Tulare	0.007%		0.0057111%
City	Porterville	Tulare	0.021%		0.0171845%
City	Tulare	Tulare	0.037%		0.0302273%
City	Visalia	Tulare	0.066%		0.0545872%
County	<i>Tuolumne County</i>	Tuolumne	0.486%	0.594%	0.5047621%
County	<i>Ventura County</i>	Ventura	2.192%	2.681%	2.2781201%
City	Camarillo	Ventura	0.002%		0.0012815%
City	Fillmore	Ventura	0.002%		0.0020294%
City	Moorpark	Ventura	0.008%		0.0067337%





## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Oxnard	Ventura	0.156%	0.190%	0.1617338%
City	Port Hueneme	Ventura	0.021%		0.0174145%
City	San Buenaventura (Ventura)	Ventura	0.085%		0.0702181%
City	Santa Paula	Ventura	0.014%		0.0119072%
City	Simi Valley	Ventura	0.065%		0.0533043%
City	Thousand Oaks	Ventura	0.022%		0.0179902%
County	<i>Yolo County</i>	Yolo	0.357%	0.437%	0.3713319%
City	Davis	Yolo	0.055%		0.0451747%
City	West Sacramento	Yolo	0.066%		0.0544321%
City	Woodland	Yolo	0.058%		0.0477904%
County	<i>Yuba County</i>	Yuba	0.214%	0.262%	0.2225679%
City	Marysville	Yuba	0.014%		0.0112079%



## APPENDIX 2

### Cost Reimbursement Procedure

#### 1. Additional defined terms:

- a) *Costs* means the reasonable amounts paid for the attorney and other City Attorney and County Counsel staff time for individuals employed by a Plaintiff Subdivision at the contractual rate, inclusive of benefits and overhead, together with amounts paid for court reporters, experts, copying, electronic research, travel, vendors, and the like, which were not previously reimbursed and which were paid or incurred (i) prior to December 31, 2022 in litigation against any Opioid Defendant and/or (ii) in negotiating and drafting any CA Allocation Agreement(s) concerning a settlement with any Opioid Defendant(s). *Costs* does not include attorneys' fees, costs, or expenses incurred by private contingency fee counsel. No part of the CA Abatement Accounts Fund will be used to reimburse Costs.
- b) *First Claims Date* means October 1, 2023 or when all applications for reimbursement of Costs, in whole or in part, from funds available under Section XIV and Exhibit R of the Teva Settlement Agreement, Section XIII and Exhibit R of the Allergan Settlement Agreement, Section X and Exhibit R of the Distributor Settlement Agreement, Section XI and Exhibit R of the Janssen Settlement Agreement, Section X and Exhibit R of the CVS Settlement Agreement, Section IX and Exhibit R of the Walgreens Settlement Agreement, or Section IX and Exhibit R of the Walmart Settlement Agreement, have been finally determined under the provisions of those agreements, whichever comes first.
- c) *Special Master* means a retired judicial officer or former public lawyer, not presently employed or retained by a Plaintiff Subdivision, who will aggregate, review, and determine the reasonable Costs to be awarded to each Plaintiff Subdivision that submits a claim for reimbursement of Costs. The Special Master will be selected by a majority vote of the votes cast by Plaintiff Subdivisions, with each such subdivision having one vote.
- d) *Plaintiff Subdivision Committee* means the committee of Plaintiff Subdivisions that will review and approve the invoices submitted by the Special Master reflecting his or her reasonable time and expenses.

#### 2. Cost Reimbursement to Plaintiff Subdivision

- a) Purpose. Substantial resources have been expended to hold Opioid Defendants accountable for creating and profiting from the opioid crisis, and this effort has been a significant catalyst in creating National Opioid Settlements with various manufacturers, distributors, and chain pharmacies.
- b) Claims Procedure.



- i. If a Plaintiff Subdivision is eligible to seek reimbursement of Costs, in whole or in part, from funds available under Section XIV and Exhibit R of the Teva Settlement Agreement, Section XIII and Exhibit R of the Allergan Settlement Agreement, Section X and Exhibit R of the CVS Settlement Agreement, Section IX and Exhibit R of the Walgreens Settlement Agreement, Section IX and Exhibit R of the Walmart Settlement Agreement, Section X or Exhibit R of the Distributor Settlement Agreement, or Section XI or Exhibit R of the Janssen Settlement Agreement, it must first make a timely application for reimbursement from such funds. To allow sufficient time for determination of those applications, no claim for Costs to the CA Subdivision Fund under this Agreement may be made before the First Claims Date.
- ii. A Plaintiff Subdivision that wishes to be reimbursed from the CA Subdivision Fund must submit a claim to the Special Master no later than forty-five (45) days after the First Claims Date. The Special Master will then compile and redistribute the aggregated claim totals for each Plaintiff Subdivision via email to representatives of all the Plaintiff Subdivisions. A claim for attorney and staff time must list, for each attorney or staff member included in the claim, the following information: name, title, total hours claimed, hourly rate (including, if sought, benefits and share of overhead), and narrative summarizing the general nature of the work performed by the attorney or staff member. For reimbursement of “hard” costs, the subdivision may aggregate across a category (e.g., total for travel costs). It is the intention of the Plaintiff Subdivisions that submission of documents related to reimbursement of Costs does not waive any attorney-client privilege or exemptions to the California Public Records Act.
- iii. The Special Master may request, at his or her sole option, additional documents or details to assist in the final award of Costs.
- iv. The Special Master will review claims for reasonableness and will notify each Plaintiff Subdivision of the final determination of its claim, and will provide a list of all final awards to all Plaintiff Subdivisions by email or, upon request, via First Class U.S. Mail. Any Plaintiff Subdivision may ask the Special Master to reconsider any final award within twenty-one (21) days. The Special Master will make a final determination on any such reconsideration request within thirty (30) days of receipt.
- v. Any decision of the Special Master is final and binding, and will be considered under the California Arbitration Act, Code of Civil Procedure section 1280 et seq. as a final arbitration award. Nothing in this agreement is intended to expand the scope of judicial review of the final award for errors of fact or law, and the Parties agree that they may only seek to vacate the award if clear and convincing evidence demonstrates one of the factors set forth in Code of Civil Procedure, section 1286.2, subdivision (a). Plaintiff Subdivisions will have fourteen (14) days after all final awards are made, together with any final determination of a request for reconsideration, to seek review in the Superior Court of California, pursuant to Code of Civil Procedure, section 1285, where the State has filed its Consent Judgment.





- vi. The Special Master will prepare a report of Costs that includes his or her fees and expenses at least ninety (90) days before the Payment Date for each Annual Payment. The Special Master's preparation of a report of Costs does not discharge a Plaintiff Subdivision's reporting requirement under Section VIII.C of the Allergan Settlement Agreement.
- vii. A member of the Plaintiff Subdivision Committee, which is a CA Participating Subdivision, will submit to the Settlement Fund Administrator and Allergan a report of the fees and expenses incurred by the Special Master pursuant to Section VIII.C of the Allergan Settlement Agreement.

c) Claims Priority and Limitation.

- i. The Special Master will submit invoices for compensation of reasonable fees and expenses to the Plaintiff Subdivision Committee no later than ninety (90) days prior to the Payment Date for each Annual Payment. The Plaintiff Subdivision Committee will promptly review and, if reasonable, approve the Special Master's invoice for compensation. The Plaintiff Subdivision Committee will submit approved invoices to the Settlement Fund Administrator for payment. The Special Master's approved invoices have priority and will be paid first from the CA Subdivision Fund before any award of Costs, subject to the limitation in Section 2.c.v below.
- ii. Final Awards of Costs that do not exceed seventy-five thousand dollars (\$75,000.00) will be paid next in priority after the Special Master's approved invoices.
- iii. Final Awards of Costs in excess of seventy-five thousand dollars (\$75,000.00) will be paid proportionally from the funds remaining in that year's Annual Payment.
- iv. Any claim for Costs that is not paid in full will be allocated against the next year's distribution from the CA Subdivision Fund, until all approved claims for Costs are paid in full.
- v. In no event will more than 50% of the total CA Subdivision Fund received in any year be used to pay Costs or the Special Master's approved invoices.
- vi. In no event shall more than \$28 million of the total CA Subdivision Funds paid pursuant to the Teva Settlement Agreement, Allergan Settlement Agreement, Distributor Settlement Agreement, CVS Settlement Agreement, Janssen Settlement Agreement, Walgreens Settlement Agreement, and the Walmart Settlement Agreement be used to pay Costs.

d) Collateral Source Payments and Third-Party Settlement.

- i. In the event a Plaintiff Subdivision is awarded compensation, in whole or in part, by any source of funds created as a result of litigation against an Opioid Defendant for its reasonable Costs, it will reduce its claim for Costs from the CA Subdivision Fund by that amount. If a Plaintiff Subdivision has already received a final award of Costs from the CA Subdivision Fund, it will repay the fund up to the prior award



of Costs via a payment to the Settlement Fund Administrator or notify the Settlement Fund Administrator that its allocation from the next and subsequent Annual Payments should be reduced accordingly. If the Plaintiff Subdivision is repaying any prior award of Costs, that repayment will occur as soon as is feasible after the Plaintiff Subdivision's receipt of Cost funds from the collateral source, but no more than 90 days after its receipt from the collateral source. The Settlement Fund Administrator will add any repaid Costs to the CA Subdivision Fund. Any Plaintiff Subdivision that has submitted for reimbursement to any national fund and has not received a final determination by the First Claims Date may request that the settlement administrator withhold some or all of its payment from the CA Subdivision Fund in order to avoid repayment.

- ii. In the event a Plaintiff Subdivision reaches a monetary settlement or compromise against any Opioid Defendant outside of the National Opioid Settlement, the monetary portion of such settlement, net of fees paid to outside contingency fee counsel and of funds earmarked strictly for abatement, will be credited against its Costs and the subdivision will be ineligible to recover those credited Costs from the CA Subdivision Fund. Plaintiff Subdivisions negotiating monetary settlements or compromises against any Opioid Defendant outside of the National Opioid Settlement will negotiate for funds to repay any Costs it previously received from the CA Subdivision Fund or for Costs it otherwise might be eligible to claim from the CA Subdivision Fund. If such a settlement is paid after all final approved claims for Costs by all Plaintiff Subdivisions are satisfied in full, the settling subdivision will reimburse the CA Subdivision Fund in that amount by making payment to the Settlement Fund Administrator to add to the CA Subdivision Fund in a manner consistent with the repayments described in section 2.d.i above.



### APPENDIX 3

#### CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT

On August 6, 2021, Judge Polster of the US District Court for the Northern District of Ohio issued an Order (the Order), docket number 3814, in In Re National Prescription Opiate Litigation, MDL 2804, addressing contingent attorney fee contracts between political subdivisions eligible to participate in the Allergan Settlement and their counsel.

In light of the Order, and at the request of [SUBDIVISION], the [SUBDIVISION], its counsel [COUNSEL], and the California Attorney General, on behalf of the State of California, are entering into this California-Subdivision Backstop Agreement (Backstop Agreement).

[SUBDIVISION] and [COUNSEL] intend this Backstop Agreement to constitute a State Back-Stop Agreement as that term is used in the Order and in Exhibit R (Agreement on Attorneys' Fees, Costs, and Expenses) of the Allergan Settlement Agreement.

Pursuant to this Backstop Agreement, [SUBDIVISION] may, subject to the limitations of the Allergan Settlement Agreement and CA Allergan Allocation Agreement, as well as any other limitations imposed by law, use funds that it receives from the Allergan Settlement CA Subdivision Fund to pay a contingent fee to [COUNSEL]. Any such payment from [SUBDIVISION] to [COUNSEL], together with any contingency fees that [COUNSEL] may receive from the national Attorney Fee Fund, will not exceed a total contingency fee of [PERCENTAGE NOT TO EXCEED 15%] of the total gross recovery of [SUBDIVISION] from the Allergan Settlement.

[COUNSEL] certify that they first sought fees and costs from the Attorney Fee Fund created under the Allergan Settlement Agreement before seeking or accepting payment under this backstop agreement. [COUNSEL] further certify that they are not seeking and will not accept payment under this backstop agreement of any litigation fees or costs that have been reimbursed through prior settlements or judgments.

The Attorney General is executing this agreement solely because the definition of "State Back-Stop Agreement" in Exhibit R of the Allergan Settlement Agreement requires such agreements to be between "a Settling State" and private counsel for a participating subdivision. Neither the California Attorney General nor the State of California have any obligations under this Backstop Agreement, and this Backstop Agreement does not require the payment of any state funds to [SUBDIVISION], [COUNSEL], or any other party.

[DATE]

[SUBDIVISION SIGNATURE BLOCK]

[DATE]

[COUNSEL SIGNATURE BLOCK]

[DATE]

[ATTORNEY GENERAL SIGNATURE BLOCK]



**Proposed California State-Subdivision Agreement  
Regarding Distribution and Use of  
Settlement Funds – Teva Settlement**

**1. Introduction**

Pursuant to the Teva Settlement Agreement, dated as of November 22, 2022, and any revision thereto (the “Teva Settlement Agreement”), including Section VIII and Exhibit O, the State of California proposes this agreement (the “CA Teva Allocation Agreement”) to govern the allocation, distribution, and use of Settlement Fund payments made to California pursuant to Sections VI, VII, and VIII of the Teva Settlement Agreement. For the avoidance of doubt, this agreement does not apply to payments made pursuant to Sections IX, XIII, or XIV of the Teva Settlement Agreement.

Pursuant to Exhibit O, Paragraph 4, of the Teva Settlement Agreement, acceptance of this CA Teva Allocation Agreement is a requirement to be an Initial Participating Subdivision.<sup>1</sup>

Further, pursuant to Sections X.B and X.C of the Teva Settlement Agreement and Sections IX.B and IX.C of the Allergan Settlement Agreement, eligible Subdivisions must participate in both the Teva Settlement Agreement and Allergan Settlement Agreement, or neither.

**2. Definitions**

- a) *CA Participating Subdivision* means a Participating Subdivision that is also (a) a Plaintiff Subdivision and/or (b) a Subdivision with a population equal to or greater than 10,000. For the avoidance of doubt, eligible CA Participating Subdivisions are those California subdivisions listed in Exhibit C (excluding Litigating Special Districts) and/or Exhibit I to the Teva Settlement Agreement.
- b) *Allergan Settlement Agreement* means the Allergan Settlement Agreement dated November 22, 2022, and any revision thereto.
- c) *CVS Settlement Agreement* means the CVS Settlement Agreement dated December 9, 2022, and any revision thereto as well as any modification thereto entered into by the State of California and CVS.
- d) *Distributor Settlement Agreement* means the Distributor Settlement Agreement dated July 21, 2021, and any revision thereto.
- e) *Janssen Settlement Agreement* means the Janssen Settlement Agreement dated July 21, 2021, and any revision thereto.
- f) *Walgreens Settlement Agreement* means the Walgreens Settlement Agreement dated December 9, 2022, and any revision thereto.

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<sup>1</sup> A parallel but separate agreement (the “CA Allergan Allocation Agreement”) will govern the allocation, distribution, and use of settlement fund payments under the Allergan Settlement Agreement.



- g) *Walmart Settlement Agreement* means the Walmart Settlement Agreement dated November 14, 2022, and any revision thereto.
- h) *CA Litigating Special District* means a Litigating Special District located in California. CA Litigating Special Districts include Downey Unified School District, Elk Grove Unified School District, Kern High School District, Montezuma Fire Protection District (located in Stockton, California), Santa Barbara San Luis Obispo Regional Health Authority, Inland Empire Health Plan, Health Plan of San Joaquin, San Leandro Unified School District, Pleasant Valley School District Board, and LA Care Health Plan.
- i) *Plaintiff Subdivision* means a Subdivision located in California, other than a CA Litigating Special District, that filed a lawsuit, on behalf of the Subdivision and/or through an official of the Subdivision on behalf of the People of the State of California, against one or more Opioid Defendants prior to October 1, 2020.
- j) *Opioid Defendant* means any defendant (including but not limited to Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Allergan Limited, CVS Health Corporation, CVS Pharmacy, Inc., Walgreen Co., Walmart Inc., Johnson & Johnson, Janssen Pharmaceuticals, Inc., Purdue Pharma L.P., Cardinal Health, Inc., AmerisourceBergen Corporation, and McKesson Corporation) named in a lawsuit seeking damages, abatement, or other remedies related to or caused by the opioid public health crisis in any lawsuit brought by any state or local government on or before October 1, 2020.

### 3. General Terms

This agreement is subject to the requirements of the Teva Settlement Agreement, as well as applicable law, and the Teva Settlement Agreement governs over any inconsistent provision of this CA Teva Allocation Agreement. Terms used in this CA Teva Allocation Agreement have the same meaning as in the Teva Settlement Agreement unless otherwise defined herein.

Pursuant to Section VIII(E)(1) of the Teva Settlement Agreement, (a) all Settlement Fund payments will be used for Opioid Remediation, except as allowed by Section VIII(C) of the Teva Settlement Agreement; and (b) at least seventy percent (70%) of Settlement Fund payment amounts will be used solely for future Opioid Remediation.

### 4. State Allocation

The Settlement Fund payments to California,<sup>2</sup> pursuant to the Teva Settlement Agreement, shall be allocated as follows: 15% to the State Fund; 70% to the Abatement Accounts Fund; and 15% to the Subdivision Fund. For the avoidance of doubt, all funds allocated to California from the

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<sup>2</sup> For purposes of clarity, use of the term “California” refers to the geographic territory of California and the state and its local governments therein. The term “State” or “State of California” refers to the State of California as a governmental unit.



Settlement Fund shall be combined pursuant to this CA Teva Allocation Agreement, and 15% of that total shall be allocated to the State of California (the “State of California Allocation”), 70% to the California Abatement Accounts Fund (“CA Abatement Accounts Fund”), and 15% to the California Subdivision Fund (“CA Subdivision Fund”).

**A. State of California Allocation**

Fifteen percent of the total Settlement Fund payments will be allocated to the State and used by the State for future Opioid Remediation.

**B. CA Abatement Accounts Fund**

**i. Allocation of CA Abatement Accounts Funds**

- a) Seventy percent of the total Settlement Fund payments will be allocated to the CA Abatement Accounts Fund. The funds in the CA Abatement Accounts Fund will be allocated based on the allocation model developed in connection with the proposed negotiating class in the National Prescription Opiate Litigation (MDL No. 2804), as adjusted to reflect only those cities and counties that are eligible, based on population or litigation status, to become a CA Participating Subdivision. The percentage from the CA Abatement Accounts Fund allocated to each CA Participating Subdivision is set forth in Appendix 1 in the column entitled abatement percentage (the “Local Allocation”). For the avoidance of doubt, CA Litigating Special Districts and California towns, cities, and counties with a population less than 10,000 are not eligible to receive an allocation of CA Abatement Accounts Funds.
- b) A CA Participating Subdivision that is a county, or a city and county, will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision, and will receive payments as provided in the Teva Settlement Agreement.
- c) A CA Participating Subdivision that is a city will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision. The Local Allocation share for a city that is a CA Participating Subdivision will be paid to the county in which the city is located, rather than to the city, so long as: (a) the county is a CA Participating Subdivision, and (b) the city has not advised the Settlement Fund Administrator that it requests direct payment at least 60 days prior to a Payment Date. A Local Allocation share allocated to a city but paid to a county is not required to be spent exclusively for abatement activities in that city, but will become part of the county’s share of the CA Abatement Accounts Funds, which will be used in accordance with Section 4.B.ii (Use of CA Abatement Accounts Funds) and reported on in accordance with Section 4.B.iii (CA Abatement Accounts Fund Oversight).
- d) A city within a county that is a CA Participating Subdivision may opt in or out of direct payment at any time, and it may also elect direct payment of only a portion of its share, with the remainder going to the county, by providing notice to the Settlement Fund Administrator at least 60 days prior to a Payment Date. For purposes of this CA Teva



Allocation Agreement, the Cities of Los Angeles, Oakland, San Diego, San Jose and Eureka will be deemed to have elected direct payment if they become Participating Subdivisions.

- e) The State will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision.
- f) Funds received by a CA Participating Subdivision, and not expended or encumbered within five years of receipt and in accordance with the Teva Settlement Agreement and this CA Teva Allocation Agreement shall be transferred to the State; provided however, that CA Participating Subdivisions have seven years to expend or encumber CA Abatement Accounts Funds designated to support capital outlay projects before they must be transferred to the State. This provision shall not apply to the Cost Reimbursement Funds, which shall be controlled by Appendix 2.

## **ii. Use of CA Abatement Accounts Funds**

- a) The CA Abatement Accounts Funds will be used for future Opioid Remediation in one or more of the areas described in the List of Opioid Remediation Uses, which is Exhibit E to the Teva Settlement Agreement.
- b) In addition to this requirement, no less than 50% of the funds received by a CA Participating Subdivision from the Abatement Accounts Fund in each calendar year will be used for one or more of the following High Impact Abatement Activities:
  - (1) the provision of matching funds or operating costs for substance use disorder facilities within the Behavioral Health Continuum Infrastructure Program;
  - (2) creating new or expanded Substance Use Disorder (“SUD”) treatment infrastructure;
  - (3) addressing the needs of communities of color and vulnerable populations (including sheltered and unsheltered homeless populations) that are disproportionately impacted by SUD;
  - (4) diversion of people with SUD from the justice system into treatment, including by providing training and resources to first and early responders (sworn and non-sworn) and implementing best practices for outreach, diversion and deflection, employability, restorative justice, and harm reduction; and/or
  - (5) interventions to prevent drug addiction in vulnerable youth.
- c) The California Department of Health Care Services (“DHCS”) may add to this list (but not delete from it) by designating additional High Impact Abatement Activities. DHCS will make reasonable efforts to consult with stakeholders, including the CA Participating Subdivisions, before adding additional High Impact Abatement Activities to this list.



- d) For the avoidance of doubt, and subject to the requirements of the Teva Settlement Agreement and applicable law, CA Participating Subdivisions may form agreements or ventures, or otherwise work in collaboration with, federal, state, local, tribal or private sector entities in pursuing Opioid Remediation activities funded from the CA Abatement Accounts Fund. Further, provided that all CA Abatement Accounts Funds are used for Opioid Remediation consistent with the Teva Settlement Agreement and this CA Teva Allocation Agreement, a county and any cities or towns within the county may agree to reallocate their respective shares of the CA Abatement Accounts Funds among themselves, provided that any direct distribution may only be to a CA Participating Subdivision and any CA Participating Subdivision must agree to their share being reallocated.

### **iii. CA Abatement Accounts Fund Oversight**

- a) Pursuant to Section 5 below, CA Participating Subdivisions receiving settlement funds must prepare and file reports annually regarding the use of those funds. DHCS may regularly review the reports prepared by CA Participating Subdivisions about the use of CA Abatement Accounts Funds for compliance with the Teva Settlement Agreement and this CA Teva Allocation Agreement.
- b) If DHCS determines that a CA Participating Subdivision's use of CA Abatement Accounts Funds is inconsistent with the Teva Settlement Agreement or this CA Teva Allocation Agreement, whether through review of reports or information from any other sources, DHCS shall send a request to meet and confer with the CA Participating Subdivision. The parties shall meet and confer in an effort to resolve the concern.
- c) If the parties are unable to reach a resolution, DHCS may conduct an audit of the Subdivision's use of the CA Abatement Accounts Funds within one year of the request to meet and confer, unless the parties mutually agree in writing to extend the meet and confer time frame.
- d) If the concern still cannot be resolved, the State may bring a motion or action in the court where the State has filed its Consent Judgment to resolve the concern or otherwise enforce the requirements of the Teva Settlement Agreement or this CA Teva Allocation Agreement. However, in no case shall any audit be conducted, or motion be brought, as to a specific expenditure of funds, more than five years after the date on which the expenditure of the funds was reported to DHCS, in accordance with this agreement.
- e) Notwithstanding the foregoing, this Agreement does not limit the statutory or constitutional authority of any state or local agency or official to conduct audits, 6 investigations, or other oversight activities, or to pursue administrative, civil, or criminal enforcement actions.





### **C. CA Subdivision Fund**

- i. Fifteen percent of the total Settlement Fund payments will be allocated to the CA Subdivision Fund. All funds in the CA Subdivision Fund will be allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. The funds will be used, subject to any limits imposed by the Teva Settlement Agreement and this CA Teva Allocation Agreement, to fund future Opioid Remediation and reimburse past opioid-related expenses, which may include fees and expenses related to litigation, and to pay the reasonable fees and expenses of the Special Master as set forth in Appendix 2.

The CA Subdivision Funds will be allocated as follows:

- a) First, funds in the CA Subdivision Fund shall be used to pay the Special Master's reasonable fees and expenses in accordance with the procedures and limitations set forth in Appendix 2 to this document;
- b) Second, funds will be allocated to Plaintiff Subdivisions that are Initial Participating Subdivisions that have been awarded Costs, as defined by and in accordance with the procedures and limitations set forth in Appendix 2 to this document.
- c) Funds remaining in the CA Subdivision Fund, which shall consist of no less than 50% of the total CA Subdivision Fund received in any year pursuant to Appendix 2, Section 2.c.v, will be distributed to Plaintiff Subdivisions that are Initial Participating Subdivisions, in relative proportion to the Local Allocation. These funds shall be used to fund future opioid-related projects and to reimburse past opioid-related expenses, which may include fees and expenses related to litigation against any Opioid Defendant.

### **D. Provision for State Back-Stop Agreement**

On August 6, 2021, Judge Dan Polster of the U.S. District Court, Northern District of Ohio, Eastern Division, issued an order (ECF Docket Number 3814) ("MDL Fees Order") in the National Prescription Opiate Litigation (MDL No. 2804) "cap[ping] all applicable contingent fee agreements at 15%." Private counsel representing Plaintiff Subdivisions should seek its contingency fees and costs from the Attorney Fee Fund or Cost Funds under the Teva Settlement Agreement and Allergan Settlement Agreement, and, if applicable, the CVS Settlement Agreement, Distributor Settlement Agreement, Janssen Settlement Agreement, Walgreens Settlement Agreement, and Walmart Settlement Agreement.

A Plaintiff Subdivision may separately agree to use its share of the CA Subdivision Fund to pay for fees or costs incurred by its contingency-fee counsel ("State Back-Stop Agreement"), pursuant to Exhibit R, section I(X), of the Teva Settlement Agreement and the MDL Fees Order,



so long as such contingency fees do not exceed a total contingency fee of 15% of the total gross recovery of the Plaintiff Subdivision pursuant to the Teva Settlement, inclusive of contingency fees from the national Attorney Fee Fund and this State Back-Stop Agreement. Before seeking fees or litigation costs and expenses from a State Back-Stop Agreement, private counsel representing Plaintiff Subdivisions must first seek contingency fees and costs from the Attorney Fee Fund or Cost Funds created under the Teva Settlement Agreement. Further, private counsel may only seek reimbursement for litigation fees and costs that have not previously been reimbursed through prior settlements or judgments.

To effectuate a State Back-Stop Agreement pursuant to this section, an agreement in the form of Appendix 3 may be entered into by a Plaintiff Subdivision, private counsel, and the California Office of the Attorney General. The California Office of the Attorney General shall, upon the request of a Plaintiff Subdivision, execute any agreement executed by a Plaintiff Subdivision and its private counsel if it is in the form of Appendix 3. The California Office of the Attorney General will also consider requests from Plaintiff Subdivisions to execute and enter into agreements presented in other forms.

For the avoidance of doubt, this agreement does not require a Plaintiff Subdivision to request or enter into a State Back-Stop Agreement, and no State Back-Stop Agreement shall impose any duty or obligation on the State of California or any of its agencies or officers, including without limitation the Attorney General.

## **5. State and Subdivision Reporting**

- a) DHCS will prepare an annual written report regarding the State's use of funds from the settlement until those funds are fully expended and for one year thereafter. These reports will be made publicly available on the DHCS web site.
- b) Each CA Participating Subdivision that receives payments of funds from the settlement will prepare written reports at least annually regarding the use of those funds, until those funds are fully expended and for one year thereafter. These reports will also include a certification that all funds that the CA Participating Subdivision has received through the settlement have been used in compliance with the Teva Settlement Agreement and this CA Teva Allocation Agreement. The report will be in a form reasonably determined by DHCS. Prior to specifying the form of the report DHCS will confer with representatives of the Plaintiff Subdivisions.
- c) The State and all CA Participating Subdivisions receiving CA Abatement Accounts Funds will track all deposits and expenditures. Each such subdivision is responsible solely for the CA Abatement Accounts Funds it receives. A county is not responsible for oversight, reporting, or monitoring of CA Abatement Accounts Funds received by a city within that county that receives direct payment. Unless otherwise exempt, Subdivisions' expenditures and uses of CA Abatement Accounts Funds and other Settlement Funds will be subject to the normal budgetary and expenditure process of the Subdivision.



- d) Each Plaintiff Subdivision receiving CA Subdivision Funds will track all deposits and expenditures, as required by the Teva Settlement Agreement and this CA Teva Allocation Agreement. Among other things, Plaintiff Subdivisions using monies from the CA Subdivision Fund for purposes that do not qualify as Opioid Remediation must identify and include in their annual report, the amount and how such funds were used, including if used to pay attorneys' fees, investigation costs, or litigation costs. Pursuant to Section VIII(C) of the Teva Settlement Agreement, such information must also be reported to the Settlement Fund Administrator and Teva.
- e) In each year in which DHCS prepares an annual report DHCS will also host a meeting to discuss the annual report and the Opioid Remediation activities being carried out by the State and Participating Subdivisions.

## **6. Miscellaneous**

- a) The State or any CA Participating Subdivision may bring a motion or action in the court where the State has filed its Consent Judgment to enforce the requirements of this CA Teva Allocation Agreement. Before filing such a motion or action the State will meet and confer with any CA Participating Subdivision that is the subject of the anticipated motion or action, and vice versa.
- b) Except as provided in the Teva Settlement Agreement, this CA Teva Allocation Agreement is not enforceable by any party other than the State and the CA Participating Subdivisions. It does not confer any rights or remedies upon, and shall not be enforceable by, any third party.
- c) Except as provided in the CA Teva Allocation Agreement, if any provision of this agreement or the application thereof to any person, entity, or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement, or the application of such provision to persons, entities, or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby, and each other provision of this agreement will be valid and enforceable to the fullest extent permitted by law.
- a) Except as provided in the Teva Settlement Agreement, this agreement shall be governed by and interpreted in accordance with the laws of California.



The undersigned, Stanton city, ACKNOWLEDGES acceptance of this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Teva Settlement is a requirement to be an Initial Participating Subdivision in the Teva Settlement and ACCEPTS this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Teva Settlement. EXECUTED on .

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**DISCLAIMER:** The allocation percentages herein are estimates only and should not be relied on for decisions regarding legal rights, releases, waivers, or other decisions affecting current or potential legal claims. Percentages shown in the Plaintiff Subdivision Percentage column may change pursuant to Section 4.C. of the California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds—Teva Settlement, whereas the percentages shown in the Abatement Percentage column should not change. Participating Subdivisions, underlying calculations, and the calculated allocation percentages are subject to change. Regarding the column herein entitled “Abatement Percentage,” pursuant to Section 4.B.e., the State of California will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” payments allocated to a Plaintiff Subdivision, which is not an Initial Participating Subdivision, will be re-allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. Regarding the column herein entitled “Abatement Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Abatement Account Funds received, pursuant to Section 4.B. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Subdivision Funds received, pursuant to Section 4.C. Regarding the column herein entitled “Weighted Allocation Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the combined and weighted allocation of the Abatement Percentage and the Plaintiff Subdivision Percentage.



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			100.000%	100.000%	100.000%
Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
County	<i>Alameda County</i>	Alameda	2.332%	2.853%	2.4237952%
City	Alameda	Alameda	0.069%		0.0570162%
City	Albany	Alameda	0.013%		0.0107768%
City	Berkeley	Alameda	0.152%		0.1249656%
City	Dublin	Alameda	0.033%	0.040%	0.0338810%
City	Emeryville	Alameda	0.023%		0.0185765%
City	Fremont	Alameda	0.108%		0.0888576%
City	Hayward	Alameda	0.117%		0.0966218%
City	Livermore	Alameda	0.054%		0.0446740%
City	Newark	Alameda	0.026%		0.0217626%
City	Oakland	Alameda	0.486%	0.595%	0.5055601%
City	Piedmont	Alameda	0.014%		0.0114064%
City	Pleasanton	Alameda	0.067%		0.0554547%
City	San Leandro	Alameda	0.039%		0.0321267%
City	Union City	Alameda	0.043%		0.0352484%
County	<i>Amador County</i>	Amador	0.226%	0.277%	0.2349885%
County	<i>Butte County</i>	Butte	1.615%	1.975%	1.6783178%
City	Chico	Butte	0.216%	0.264%	0.2246499%
City	Oroville	Butte	0.079%		0.0646595%
County	<i>Calaveras County</i>	Calaveras	0.226%	0.277%	0.2351644%
County	<i>Colusa County</i>	Colusa	0.059%		0.0489221%
County	<i>Contra Costa County</i>	Contra Costa	2.102%	2.571%	2.1844585%
City	Antioch	Contra Costa	0.037%		0.0301879%
City	Brentwood	Contra Costa	0.026%		0.0215339%
City	Clayton	Contra Costa	0.002%		0.0018060%
City	Concord	Contra Costa	0.055%		0.0456676%
City	Danville	Contra Costa	0.010%		0.0082255%
City	El Cerrito	Contra Costa	0.023%		0.0189024%
City	Hercules	Contra Costa	0.010%		0.0078273%



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Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Lafayette	Contra Costa	0.006%		0.0046030%
City	Martinez	Contra Costa	0.012%		0.0098593%
City	Moraga	Contra Costa	0.004%		0.0031007%
City	Oakley	Contra Costa	0.010%		0.0079416%
City	Orinda	Contra Costa	0.005%		0.0038157%
City	Pinole	Contra Costa	0.013%		0.0110909%
City	Pittsburg	Contra Costa	0.053%		0.0436369%
City	Pleasant Hill	Contra Costa	0.013%		0.0106309%
City	Richmond	Contra Costa	0.146%		0.1201444%
City	San Pablo	Contra Costa	0.018%		0.0148843%
City	San Ramon	Contra Costa	0.021%		0.0176459%
City	Walnut Creek	Contra Costa	0.026%		0.0212132%
County	<i>Del Norte County</i>	Del Norte	0.114%	0.140%	0.1189608%
County	<i>El Dorado County</i>	El Dorado	0.768%	0.939%	0.7980034%
City	Placerville	El Dorado	0.015%		0.0127642%
City	South Lake Tahoe	El Dorado	0.081%		0.0665456%
County	<i>Fresno County</i>	Fresno	1.895%	2.318%	1.9693410%
City	Clovis	Fresno	0.065%		0.0536211%
City	Coalinga	Fresno	0.012%		0.0098554%
City	Fresno	Fresno	0.397%		0.3270605%
City	Kerman	Fresno	0.005%		0.0042534%
City	Kingsburg	Fresno	0.008%		0.0066167%
City	Mendota	Fresno	0.002%		0.0019387%
City	Orange Cove	Fresno	0.004%		0.0035607%
City	Parlier	Fresno	0.008%		0.0069755%
City	Reedley	Fresno	0.012%		0.0098804%
City	Sanger	Fresno	0.018%		0.0146135%
City	Selma	Fresno	0.015%		0.0127537%
County	<i>Glenn County</i>	Glenn	0.107%	0.131%	0.1116978%
County	<i>Humboldt County</i>	Humboldt	1.030%	1.260%	1.0703185%



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Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Arcata	Humboldt	0.054%		0.0447660%
City	Eureka	Humboldt	0.117%	0.143%	0.1216284%
City	Fortuna	Humboldt	0.032%		0.0266837%
County	<i>Imperial County</i>	Imperial	0.258%	0.315%	0.2679006%
City	Brawley	Imperial	0.011%		0.0087986%
City	Calexico	Imperial	0.019%		0.0152799%
City	El Centro	Imperial	0.158%		0.1302522%
City	Imperial	Imperial	0.006%		0.0048791%
County	<i>Inyo County</i>	Inyo	0.073%	0.089%	0.0754413%
County	<i>Kern County</i>	Kern	2.517%	3.079%	2.6159145%
City	Arvin	Kern	0.006%		0.0046425%
City	Bakersfield	Kern	0.212%		0.1747198%
City	California City	Kern	0.009%		0.0070820%
City	Delano	Kern	0.030%		0.0249316%
City	McFarland	Kern	0.003%		0.0025644%
City	Ridgecrest	Kern	0.015%		0.0120938%
City	Shafter	Kern	0.013%		0.0103417%
City	Tehachapi	Kern	0.009%		0.0073580%
City	Wasco	Kern	0.008%		0.0069861%
County	<i>Kings County</i>	Kings	0.293%		0.2413469%
City	Avenal	Kings	0.007%		0.0056335%
City	Corcoran	Kings	0.013%		0.0107032%
City	Hanford	Kings	0.027%		0.0226038%
City	Lemoore	Kings	0.016%		0.0131900%
County	<i>Lake County</i>	Lake	0.795%		0.6545389%
City	Clearlake	Lake	0.041%	0.050%	0.0426253%
City	Lakeport	Lake	0.021%	0.026%	0.0222964%
County	<i>Lassen County</i>	Lassen	0.319%	0.391%	0.3320610%
City	Susanville	Lassen	0.027%		0.0219295%
County	<i>Los Angeles County</i>	Los Angeles	13.896%	16.999%	14.4437559%





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Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Agoura Hills	Los Angeles	0.005%		0.0040024%
City	Alhambra	Los Angeles	0.042%		0.0343309%
City	Arcadia	Los Angeles	0.033%		0.0267718%
City	Artesia	Los Angeles	0.001%		0.0005100%
City	Azusa	Los Angeles	0.026%		0.0210857%
City	Baldwin Park	Los Angeles	0.027%		0.0218520%
City	Bell	Los Angeles	0.008%		0.0068783%
City	Bellflower	Los Angeles	0.002%		0.0014485%
City	Bell Gardens	Los Angeles	0.014%		0.0114301%
City	Beverly Hills	Los Angeles	0.065%		0.0534897%
City	Burbank	Los Angeles	0.100%		0.0823132%
City	Calabasas	Los Angeles	0.006%		0.0048948%
City	Carson	Los Angeles	0.019%		0.0159805%
City	Cerritos	Los Angeles	0.005%		0.0039682%
City	Claremont	Los Angeles	0.010%		0.0082584%
City	Commerce	Los Angeles	0.000%		0.0002971%
City	Compton	Los Angeles	0.044%		0.0361882%
City	Covina	Los Angeles	0.028%		0.0229127%
City	Cudahy	Los Angeles	0.001%		0.0006020%
City	Culver City	Los Angeles	0.055%		0.0449894%
City	Diamond Bar	Los Angeles	0.001%		0.0006993%
City	Downey	Los Angeles	0.052%		0.0429994%
City	Duarte	Los Angeles	0.003%		0.0027261%
City	El Monte	Los Angeles	0.031%	0.038%	0.0318985%
City	El Segundo	Los Angeles	0.033%		0.0268020%
City	Gardena	Los Angeles	0.034%		0.0278088%
City	Glendale	Los Angeles	0.166%		0.1366586%
City	Glendora	Los Angeles	0.016%		0.0134411%
City	Hawaiian Gardens	Los Angeles	0.005%		0.0040549%
City	Hawthorne	Los Angeles	0.050%		0.0407833%



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Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Hermosa Beach	Los Angeles	0.018%		0.0145307%
City	Huntington Park	Los Angeles	0.023%		0.0190667%
City	Inglewood	Los Angeles	0.059%		0.0489195%
City	La Cañada Flintridge	Los Angeles	0.003%		0.0025565%
City	Lakewood	Los Angeles	0.005%		0.0039971%
City	La Mirada	Los Angeles	0.010%		0.0081572%
City	Lancaster	Los Angeles	0.045%		0.0369689%
City	La Puente	Los Angeles	0.002%		0.0012999%
City	La Verne	Los Angeles	0.024%		0.0194190%
City	Lawndale	Los Angeles	0.002%		0.0017731%
City	Lomita	Los Angeles	0.004%		0.0031940%
City	Long Beach	Los Angeles	0.439%		0.3614151%
City	Los Angeles	Los Angeles	2.715%	3.321%	2.8218811%
City	Lynwood	Los Angeles	0.016%		0.0134345%
City	Malibu	Los Angeles	0.002%		0.0019269%
City	Manhattan Beach	Los Angeles	0.032%		0.0260686%
City	Maywood	Los Angeles	0.004%		0.0035528%
City	Monrovia	Los Angeles	0.031%		0.0254455%
City	Montebello	Los Angeles	0.030%		0.0250670%
City	Monterey Park	Los Angeles	0.031%		0.0256677%
City	Norwalk	Los Angeles	0.031%		0.0258228%
City	Palmdale	Los Angeles	0.046%		0.0375827%
City	Palos Verdes Estates	Los Angeles	0.006%		0.0053102%
City	Paramount	Los Angeles	0.011%		0.0091483%
City	Pasadena	Los Angeles	0.146%		0.1200524%
City	Pico Rivera	Los Angeles	0.022%		0.0183333%
City	Pomona	Los Angeles	0.111%		0.0911933%
City	Rancho Palos Verdes	Los Angeles	0.002%		0.0012645%
City	Redondo Beach	Los Angeles	0.062%		0.0506992%
City	Rosemead	Los Angeles	0.003%		0.0028260%



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Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	San Dimas	Los Angeles	0.003%		0.0022016%
City	San Fernando	Los Angeles	0.013%		0.0104837%
City	San Gabriel	Los Angeles	0.018%		0.0147726%
City	San Marino	Los Angeles	0.009%		0.0073791%
City	Santa Clarita	Los Angeles	0.022%		0.0178167%
City	Santa Fe Springs	Los Angeles	0.031%		0.0257531%
City	Santa Monica	Los Angeles	0.158%		0.1298513%
City	Sierra Madre	Los Angeles	0.006%		0.0048646%
City	Signal Hill	Los Angeles	0.010%		0.0084884%
City	South El Monte	Los Angeles	0.005%		0.0039603%
City	South Gate	Los Angeles	0.020%		0.0166272%
City	South Pasadena	Los Angeles	0.012%		0.0095334%
City	Temple City	Los Angeles	0.005%		0.0039498%
City	Torrance	Los Angeles	0.112%		0.0919820%
City	Walnut	Los Angeles	0.006%		0.0047305%
City	West Covina	Los Angeles	0.049%		0.0404521%
City	West Hollywood	Los Angeles	0.013%		0.0108517%
City	Whittier	Los Angeles	0.032%		0.0260581%
County	<b>Madera County</b>	Madera	0.349%	0.427%	0.3630669%
City	Chowchilla	Madera	0.012%		0.0097332%
City	Madera	Madera	0.039%		0.0318441%
County	<b>Marin County</b>	Marin	0.564%	0.690%	0.5861325%
City	Larkspur	Marin	0.015%		0.0124697%
City	Mill Valley	Marin	0.020%		0.0168401%
City	Novato	Marin	0.028%		0.0229824%
City	San Anselmo	Marin	0.009%		0.0078062%
City	San Rafael	Marin	0.089%		0.0729823%
County	<b>Mariposa County</b>	Mariposa	0.084%	0.103%	0.0876131%
County	<b>Mendocino County</b>	Mendocino	0.439%	0.536%	0.4558394%
City	Ukiah	Mendocino	0.039%		0.0317153%



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Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
County	<b>Merced County</b>	Merced	0.551%	0.674%	<b>0.5724262%</b>
City	Atwater	Merced	0.024%		<b>0.0195846%</b>
City	Livingston	Merced	0.006%		<b>0.0045873%</b>
City	Los Banos	Merced	0.020%		<b>0.0165142%</b>
City	Merced	Merced	0.061%		<b>0.0500762%</b>
County	<b>Modoc County</b>	Modoc	0.065%	0.080%	<b>0.0678250%</b>
County	<b>Mono County</b>	Mono	0.023%	0.029%	<b>0.0242606%</b>
County	<b>Monterey County</b>	Monterey	0.908%	1.111%	<b>0.9437083%</b>
City	Greenfield	Monterey	0.006%		<b>0.0050552%</b>
City	King City	Monterey	0.005%		<b>0.0037355%</b>
City	Marina	Monterey	0.017%		<b>0.0144098%</b>
City	Monterey	Monterey	0.041%		<b>0.0336540%</b>
City	Pacific Grove	Monterey	0.009%		<b>0.0074842%</b>
City	Salinas	Monterey	0.094%		<b>0.0776576%</b>
City	Seaside	Monterey	0.023%		<b>0.0191772%</b>
City	Soledad	Monterey	0.007%		<b>0.0060870%</b>
County	<b>Napa County</b>	Napa	0.288%	0.352%	<b>0.2994325%</b>
City	American Canyon	Napa	0.017%		<b>0.0136869%</b>
City	Napa	Napa	0.078%		<b>0.0642783%</b>
County	<b>Nevada County</b>	Nevada	0.441%	0.539%	<b>0.4579827%</b>
City	Grass Valley	Nevada	0.024%		<b>0.0197805%</b>
City	Truckee	Nevada	0.003%		<b>0.0023843%</b>
County	<b>Orange County</b>	Orange	4.364%	5.339%	<b>4.5363576%</b>
City	Aliso Viejo	Orange	0.014%		<b>0.0113841%</b>
City	Anaheim	Orange	0.554%	0.678%	<b>0.5759282%</b>
City	Brea	Orange	0.086%		<b>0.0708897%</b>
City	Buena Park	Orange	0.087%		<b>0.0714352%</b>
City	Costa Mesa	Orange	0.124%	0.152%	<b>0.1288366%</b>
City	Cypress	Orange	0.033%		<b>0.0271937%</b>
City	Dana Point	Orange	0.001%		<b>0.0005560%</b>



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Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Fountain Valley	Orange	0.055%		0.0455980%
City	Fullerton	Orange	0.137%	0.168%	0.1425744%
City	Garden Grove	Orange	0.213%		0.1752482%
City	Huntington Beach	Orange	0.247%	0.302%	0.2568420%
City	Irvine	Orange	0.139%	0.170%	0.1442350%
City	Laguna Beach	Orange	0.047%	0.058%	0.0493043%
City	Laguna Hills	Orange	0.014%		0.0115457%
City	Laguna Niguel	Orange	0.001%		0.0007071%
City	Laguna Woods	Orange	0.001%		0.0006546%
City	La Habra	Orange	0.060%	0.073%	0.0621049%
City	Lake Forest	Orange	0.012%		0.0101249%
City	La Palma	Orange	0.012%		0.0095439%
City	Los Alamitos	Orange	0.008%		0.0069190%
City	Mission Viejo	Orange	0.014%		0.0117560%
City	Newport Beach	Orange	0.179%		0.1470134%
City	Orange	Orange	0.150%		0.1231320%
City	Placentia	Orange	0.029%	0.035%	0.0298912%
City	Rancho Santa Margarita	Orange	0.001%		0.0006296%
City	San Clemente	Orange	0.008%	0.010%	0.0086083%
City	San Juan Capistrano	Orange	0.008%		0.0065510%
City	Santa Ana	Orange	0.502%	0.614%	0.5213866%
City	Seal Beach	Orange	0.020%		0.0165891%
City	Stanton	Orange	0.035%		0.0291955%
City	Tustin	Orange	0.073%		0.0600341%
City	Westminster	Orange	0.104%	0.127%	0.1082721%
City	Yorba Linda	Orange	0.044%		0.0362223%
County	<b>Placer County</b>	Placer	1.045%	1.278%	1.0861002%
City	Auburn	Placer	0.017%		0.0141114%
City	Lincoln	Placer	0.031%		0.0255599%
City	Rocklin	Placer	0.076%		0.0625485%





## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Roseville	Placer	0.196%		0.1616559%
County	<i>Plumas County</i>	Plumas	0.205%	0.251%	0.2128729%
County	<i>Riverside County</i>	Riverside	4.534%	5.547%	4.7128296%
City	Banning	Riverside	0.017%		0.0143848%
City	Beaumont	Riverside	0.021%		0.0171135%
City	Blythe	Riverside	0.012%		0.0096714%
City	Canyon Lake	Riverside	0.000%		0.0001761%
City	Cathedral City	Riverside	0.067%		0.0553614%
City	Coachella	Riverside	0.021%		0.0173054%
City	Corona	Riverside	0.147%		0.1207083%
City	Desert Hot Springs	Riverside	0.024%		0.0200433%
City	Eastvale	Riverside	0.000%		0.0002747%
City	Hemet	Riverside	0.051%		0.0421792%
City	Indio	Riverside	0.056%		0.0457794%
City	Jurupa Valley	Riverside	0.001%		0.0008991%
City	Lake Elsinore	Riverside	0.021%		0.0172949%
City	La Quinta	Riverside	0.063%		0.0516732%
City	Menifee	Riverside	0.032%		0.0260909%
City	Moreno Valley	Riverside	0.137%		0.1130348%
City	Murrieta	Riverside	0.048%	0.059%	0.0497423%
City	Norco	Riverside	0.016%		0.0134542%
City	Palm Desert	Riverside	0.083%		0.0682465%
City	Palm Springs	Riverside	0.076%		0.0629862%
City	Perris	Riverside	0.009%		0.0076774%
City	Rancho Mirage	Riverside	0.052%		0.0431098%
City	Riverside	Riverside	0.268%		0.2206279%
City	San Jacinto	Riverside	0.010%		0.0085936%
City	Temecula	Riverside	0.022%		0.0180086%
City	Wildomar	Riverside	0.008%		0.0062500%
County	<i>Sacramento County</i>	Sacramento	3.797%	4.645%	3.9465887%



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Citrus Heights	Sacramento	0.057%		0.0465312%
City	Elk Grove	Sacramento	0.130%		0.1066994%
City	Folsom	Sacramento	0.108%		0.0890850%
City	Galt	Sacramento	0.017%		0.0143704%
City	Rancho Cordova	Sacramento	0.008%		0.0067679%
City	Sacramento	Sacramento	0.721%	0.882%	0.7496530%
County	<i>San Benito County</i>	San Benito	0.106%	0.130%	0.1101417%
City	Hollister	San Benito	0.027%		0.0225355%
County	<i>San Bernardino County</i>	San Bernardino	3.259%	3.987%	3.3878124%
City	Adelanto	San Bernardino	0.008%		0.0066640%
City	Apple Valley	San Bernardino	0.025%		0.0207360%
City	Barstow	San Bernardino	0.015%		0.0122056%
City	Chino	San Bernardino	0.064%		0.0525893%
City	Chino Hills	San Bernardino	0.001%		0.0006388%
City	Colton	San Bernardino	0.031%		0.0253443%
City	Fontana	San Bernardino	0.112%		0.0920543%
City	Grand Terrace	San Bernardino	0.006%		0.0051051%
City	Hesperia	San Bernardino	0.035%		0.0291522%
City	Highland	San Bernardino	0.004%		0.0029061%
City	Loma Linda	San Bernardino	0.009%		0.0071188%
City	Montclair	San Bernardino	0.039%		0.0322108%
City	Ontario	San Bernardino	0.179%		0.1472934%
City	Rancho Cucamonga	San Bernardino	0.084%		0.0689431%
City	Redlands	San Bernardino	0.057%		0.0469150%
City	Rialto	San Bernardino	0.073%		0.0603206%
City	San Bernardino	San Bernardino	0.178%		0.1461880%
City	Twentynine Palms	San Bernardino	0.002%		0.0012605%
City	Upland	San Bernardino	0.052%		0.0424460%
City	Victorville	San Bernardino	0.033%		0.0269400%
City	Yucaipa	San Bernardino	0.016%		0.0128772%



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Yucca Valley	San Bernardino	0.003%		0.0021228%
County	<b>San Diego County</b>	San Diego	5.706%	6.980%	5.9309748%
City	Carlsbad	San Diego	0.128%		0.1050485%
City	Chula Vista	San Diego	0.189%	0.231%	0.1961456%
City	Coronado	San Diego	0.044%		0.0359095%
City	El Cajon	San Diego	0.113%		0.0933582%
City	Encinitas	San Diego	0.061%	0.074%	0.0630289%
City	Escondido	San Diego	0.145%		0.1192204%
City	Imperial Beach	San Diego	0.014%		0.0118283%
City	La Mesa	San Diego	0.055%	0.068%	0.0575593%
City	Lemon Grove	San Diego	0.022%		0.0183911%
City	National City	San Diego	0.080%		0.0656808%
City	Oceanside	San Diego	0.213%		0.1753428%
City	Poway	San Diego	0.062%		0.0511040%
City	San Diego	San Diego	1.975%	2.416%	2.0531169%
City	San Marcos	San Diego	0.089%		0.0733897%
City	Santee	San Diego	0.033%		0.0268401%
City	Solana Beach	San Diego	0.017%		0.0138564%
City	Vista	San Diego	0.052%		0.0425144%
Consolidated	<b>San Francisco</b>	San Francisco	3.026%	3.702%	3.1457169%
County	<b>San Joaquin County</b>	San Joaquin	1.680%	2.055%	1.7460399%
City	Lathrop	San Joaquin	0.009%		0.0075394%
City	Lodi	San Joaquin	0.053%		0.0439484%
City	Manteca	San Joaquin	0.054%		0.0443454%
City	Ripon	San Joaquin	0.013%		0.0104219%
City	Stockton	San Joaquin	0.313%	0.383%	0.3256176%
City	Tracy	San Joaquin	0.084%		0.0692047%
County	<b>San Luis Obispo County</b>	San Luis Obispo	0.816%	0.999%	0.8484126%
City	Arroyo Grande	San Luis Obispo	0.024%		0.0199053%
City	Atascadero	San Luis Obispo	0.029%		0.0240680%





## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	El Paso de Robles (Paso Robles)	San Luis Obispo	0.043%		0.0353456%
City	Grover Beach	San Luis Obispo	0.017%		0.0137881%
City	Morro Bay	San Luis Obispo	0.020%		0.0160922%
City	San Luis Obispo	San Luis Obispo	0.077%		0.0637841%
County	<i>San Mateo County</i>	San Mateo	1.074%	1.313%	1.1159599%
City	Belmont	San Mateo	0.021%		0.0169860%
City	Burlingame	San Mateo	0.019%		0.0152537%
City	Daly City	San Mateo	0.044%		0.0363880%
City	East Palo Alto	San Mateo	0.013%		0.0103982%
City	Foster City	San Mateo	0.020%		0.0166101%
City	Half Moon Bay	San Mateo	0.004%		0.0031638%
City	Hillsborough	San Mateo	0.013%		0.0110029%
City	Menlo Park	San Mateo	0.015%		0.0126209%
City	Millbrae	San Mateo	0.013%		0.0105836%
City	Pacifica	San Mateo	0.016%		0.0130625%
City	Redwood City	San Mateo	0.056%		0.0463511%
City	San Bruno	San Mateo	0.021%		0.0172161%
City	San Carlos	San Mateo	0.013%		0.0108885%
City	San Mateo	San Mateo	0.052%		0.0425841%
City	South San Francisco	San Mateo	0.043%		0.0353943%
County	<i>Santa Barbara County</i>	Santa Barbara	1.132%	1.385%	1.1768968%
City	Carpinteria	Santa Barbara	0.001%		0.0008938%
City	Goleta	Santa Barbara	0.004%		0.0028969%
City	Lompoc	Santa Barbara	0.047%		0.0389379%
City	Santa Barbara	Santa Barbara	0.122%		0.1004559%
City	Santa Maria	Santa Barbara	0.058%		0.0479179%
County	<i>Santa Clara County</i>	Santa Clara	2.404%	2.941%	2.4987553%
City	Campbell	Santa Clara	0.014%		0.0112566%
City	Cupertino	Santa Clara	0.008%		0.0066824%
City	Gilroy	Santa Clara	0.025%		0.0202891%



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Los Altos	Santa Clara	0.013%		0.0103338%
City	Los Gatos	Santa Clara	0.013%		0.0103220%
City	Milpitas	Santa Clara	0.036%		0.0298120%
City	Morgan Hill	Santa Clara	0.015%		0.0124619%
City	Mountain View	Santa Clara	0.041%		0.0334608%
City	Palo Alto	Santa Clara	0.039%		0.0323080%
City	San Jose	Santa Clara	0.294%	0.360%	0.3054960%
City	Santa Clara	Santa Clara	0.067%		0.0549723%
City	Saratoga	Santa Clara	0.004%		0.0034161%
City	Sunnyvale	Santa Clara	0.053%		0.0434069%
County	<i>Santa Cruz County</i>	Santa Cruz	0.783%	0.957%	0.8135396%
City	Capitola	Santa Cruz	0.020%		0.0168191%
City	Santa Cruz	Santa Cruz	0.143%		0.1180348%
City	Scotts Valley	Santa Cruz	0.015%		0.0126525%
City	Watsonville	Santa Cruz	0.063%		0.0520136%
County	<i>Shasta County</i>	Shasta	1.095%	1.339%	1.1380191%
City	Anderson	Shasta	0.024%		0.0198896%
City	Redding	Shasta	0.284%		0.2334841%
City	Shasta Lake	Shasta	0.004%		0.0031993%
County	<i>Siskiyou County</i>	Siskiyou	0.228%	0.279%	0.2373393%
County	<i>Solano County</i>	Solano	0.760%		0.6260795%
City	Benicia	Solano	0.031%		0.0253903%
City	Dixon	Solano	0.016%		0.0130849%
City	Fairfield	Solano	0.109%		0.0897317%
City	Suisun City	Solano	0.021%		0.0176183%
City	Vacaville	Solano	0.119%		0.0976497%
City	Vallejo	Solano	0.167%		0.1373644%
County	<i>Sonoma County</i>	Sonoma	1.218%	1.490%	1.2661290%
City	Healdsburg	Sonoma	0.032%		0.0266929%
City	Petaluma	Sonoma	0.081%		0.0667507%



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Rohnert Park	Sonoma	0.041%		0.0340759%
City	Santa Rosa	Sonoma	0.184%		0.1519070%
City	Sonoma	Sonoma	0.022%		0.0183438%
City	Windsor	Sonoma	0.016%		0.0129298%
County	<i>Stanislaus County</i>	Stanislaus	1.722%		1.4182273%
City	Ceres	Stanislaus	0.041%		0.0340260%
City	Modesto	Stanislaus	0.217%		0.1788759%
City	Newman	Stanislaus	0.006%		0.0046964%
City	Oakdale	Stanislaus	0.018%		0.0145531%
City	Patterson	Stanislaus	0.015%		0.0126590%
City	Riverbank	Stanislaus	0.010%		0.0085699%
City	Turlock	Stanislaus	0.065%		0.0531966%
County	<i>Sutter County</i>	Sutter	0.306%	0.374%	0.3179548%
City	Yuba City	Sutter	0.074%		0.0606242%
County	<i>Tehama County</i>	Tehama	0.213%	0.261%	0.2216654%
City	Red Bluff	Tehama	0.014%		0.0117771%
County	<i>Trinity County</i>	Trinity	0.082%	0.101%	0.0855476%
County	<i>Tulare County</i>	Tulare	0.809%	0.990%	0.8410949%
City	Dinuba	Tulare	0.014%		0.0116929%
City	Exeter	Tulare	0.004%		0.0032479%
City	Farmersville	Tulare	0.003%		0.0027879%
City	Lindsay	Tulare	0.007%		0.0057111%
City	Porterville	Tulare	0.021%		0.0171845%
City	Tulare	Tulare	0.037%		0.0302273%
City	Visalia	Tulare	0.066%		0.0545872%
County	<i>Tuolumne County</i>	Tuolumne	0.486%	0.594%	0.5047621%
County	<i>Ventura County</i>	Ventura	2.192%	2.681%	2.2781201%
City	Camarillo	Ventura	0.002%		0.0012815%
City	Fillmore	Ventura	0.002%		0.0020294%
City	Moorpark	Ventura	0.008%		0.0067337%



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Oxnard	Ventura	0.156%	0.190%	0.1617338%
City	Port Hueneme	Ventura	0.021%		0.0174145%
City	San Buenaventura (Ventura)	Ventura	0.085%		0.0702181%
City	Santa Paula	Ventura	0.014%		0.0119072%
City	Simi Valley	Ventura	0.065%		0.0533043%
City	Thousand Oaks	Ventura	0.022%		0.0179902%
County	<i>Yolo County</i>	Yolo	0.357%	0.437%	0.3713319%
City	Davis	Yolo	0.055%		0.0451747%
City	West Sacramento	Yolo	0.066%		0.0544321%
City	Woodland	Yolo	0.058%		0.0477904%
County	<i>Yuba County</i>	Yuba	0.214%	0.262%	0.2225679%
City	Marysville	Yuba	0.014%		0.0112079%



## APPENDIX 2

### Cost Reimbursement Procedure

#### 1. Additional defined terms:

- a) *Costs* means the reasonable amounts paid for the attorney and other City Attorney and County Counsel staff time for individuals employed by a Plaintiff Subdivision at the contractual rate, inclusive of benefits and overhead, together with amounts paid for court reporters, experts, copying, electronic research, travel, vendors, and the like, which were not previously reimbursed and which were paid or incurred (i) prior to December 31, 2022 in litigation against any Opioid Defendant and/or (ii) in negotiating and drafting any CA Allocation Agreement(s) concerning a settlement with any Opioid Defendant(s). *Costs* does not include attorneys' fees, costs, or expenses incurred by private contingency fee counsel. No part of the CA Abatement Accounts Fund will be used to reimburse Costs.
- b) *First Claims Date* means October 1, 2023 or when all applications for reimbursement of Costs, in whole or in part, from funds available under Section XIV and Exhibit R of the Teva Settlement Agreement, Section XIII and Exhibit R of the Allergan Settlement Agreement, Section X and Exhibit R of the Distributor Settlement Agreement, Section XI and Exhibit R of the Janssen Settlement Agreement, Section X and Exhibit R of the CVS Settlement Agreement, Section IX and Exhibit R of the Walgreens Settlement Agreement, or Section IX and Exhibit R of the Walmart Settlement Agreement, have been finally determined under the provisions of those agreements, whichever comes first.
- c) *Special Master* means a retired judicial officer or former public lawyer, not presently employed or retained by a Plaintiff Subdivision, who will aggregate, review, and determine the reasonable Costs to be awarded to each Plaintiff Subdivision that submits a claim for reimbursement of Costs. The Special Master will be selected by a majority vote of the votes cast by Plaintiff Subdivisions, with each such subdivision having one vote.
- d) *Plaintiff Subdivision Committee* means the committee of Plaintiff Subdivisions that will review and approve the invoices submitted by the Special Master reflecting his or her reasonable time and expenses.

#### 2. Cost Reimbursement to Plaintiff Subdivision

- a) Purpose. Substantial resources have been expended to hold Opioid Defendants accountable for creating and profiting from the opioid crisis, and this effort has been a significant catalyst in creating National Opioid Settlements with various manufacturers, distributors, and chain pharmacies.
- b) Claims Procedure.



- i. If a Plaintiff Subdivision is eligible to seek reimbursement of Costs, in whole or in part, from funds available under Section XIV and Exhibit R of the Teva Settlement Agreement, Section XIII and Exhibit R of the Allergan Settlement Agreement, Section X and Exhibit R of the CVS Settlement Agreement, Section IX and Exhibit R of the Walgreens Settlement Agreement, Section IX and Exhibit R of the Walmart Settlement Agreement, Section X or Exhibit R of the Distributor Settlement Agreement, or Section XI or Exhibit R of the Janssen Settlement Agreement, it must first make a timely application for reimbursement from such funds. To allow sufficient time for determination of those applications, no claim for Costs to the CA Subdivision Fund under this Agreement may be made before the First Claims Date.
- ii. A Plaintiff Subdivision that wishes to be reimbursed from the CA Subdivision Fund must submit a claim to the Special Master no later than forty-five (45) days after the First Claims Date. The Special Master will then compile and redistribute the aggregated claim totals for each Plaintiff Subdivision via email to representatives of all the Plaintiff Subdivisions. A claim for attorney and staff time must list, for each attorney or staff member included in the claim, the following information: name, title, total hours claimed, hourly rate (including, if sought, benefits and share of overhead), and narrative summarizing the general nature of the work performed by the attorney or staff member. For reimbursement of “hard” costs, the subdivision may aggregate across a category (e.g., total for travel costs). It is the intention of the Plaintiff Subdivisions that submission of documents related to reimbursement of Costs does not waive any attorney-client privilege or exemptions to the California Public Records Act.
- iii. The Special Master may request, at his or her sole option, additional documents or details to assist in the final award of Costs.
- iv. The Special Master will review claims for reasonableness and will notify each Plaintiff Subdivision of the final determination of its claim, and will provide a list of all final awards to all Plaintiff Subdivisions by email or, upon request, via First Class U.S. Mail. Any Plaintiff Subdivision may ask the Special Master to reconsider any final award within twenty-one (21) days. The Special Master will make a final determination on any such reconsideration request within thirty (30) days of receipt.
- v. Any decision of the Special Master is final and binding, and will be considered under the California Arbitration Act, Code of Civil Procedure section 1280 et seq. as a final arbitration award. Nothing in this agreement is intended to expand the scope of judicial review of the final award for errors of fact or law, and the Parties agree that they may only seek to vacate the award if clear and convincing evidence demonstrates one of the factors set forth in Code of Civil Procedure, section 1286.2, subdivision (a). Plaintiff Subdivisions will have fourteen (14) days after all final awards are made, together with any final determination of a request for reconsideration, to seek review in the Superior Court of California, pursuant to Code of Civil Procedure, section 1285, where the State has filed its Consent Judgment.



- vi. The Special Master will prepare a report of Costs that includes his or her fees and expenses at least ninety (90) days before the Payment Date for each Annual Payment. The Special Master's preparation of a report of Costs does not discharge a Plaintiff Subdivision's reporting requirement under Section VIII.C of the Teva Settlement Agreement.
- vii. A member of the Plaintiff Subdivision Committee, which is a CA Participating Subdivision, will submit to the Settlement Fund Administrator and Teva a report of the fees and expenses incurred by the Special Master pursuant to Section VIII.C of the Teva Settlement Agreement.

c) Claims Priority and Limitation.

- i. The Special Master will submit invoices for compensation of reasonable fees and expenses to the Plaintiff Subdivision Committee no later than ninety (90) days prior to the Payment Date for each Annual Payment. The Plaintiff Subdivision Committee will promptly review and, if reasonable, approve the Special Master's invoice for compensation. The Plaintiff Subdivision Committee will submit approved invoices to the Settlement Fund Administrator for payment. The Special Master's approved invoices have priority and will be paid first from the CA Subdivision Fund before any award of Costs, subject to the limitation in Section 2.c.v below.
- ii. Final Awards of Costs that do not exceed seventy-five thousand dollars (\$75,000.00) will be paid next in priority after the Special Master's approved invoices.
- iii. Final Awards of Costs in excess of seventy-five thousand dollars (\$75,000.00) will be paid proportionally from the funds remaining in that year's Annual Payment.
- iv. Any claim for Costs that is not paid in full will be allocated against the next year's distribution from the CA Subdivision Fund, until all approved claims for Costs are paid in full.
- v. In no event will more than 50% of the total CA Subdivision Fund received in any year be used to pay Costs or the Special Master's approved invoices.
- vi. In no event shall more than \$28 million of the total CA Subdivision Funds paid pursuant to the Teva Settlement Agreement, Allergan Settlement Agreement, Distributor Settlement Agreement, CVS Settlement Agreement, Janssen Settlement Agreement, Walgreens Settlement Agreement, and the Walmart Settlement Agreement be used to pay Costs.

d) Collateral Source Payments and Third-Party Settlement.

- i. In the event a Plaintiff Subdivision is awarded compensation, in whole or in part, by any source of funds created as a result of litigation against an Opioid Defendant for 4 its reasonable Costs, it will reduce its claim for Costs from the CA Subdivision Fund by that amount. If a Plaintiff Subdivision has already received a



final award of Costs from the CA Subdivision Fund, it will repay the fund up to the prior award of Costs via a payment to the Settlement Fund Administrator or notify the Settlement Fund Administrator that its allocation from the next and subsequent Annual Payments should be reduced accordingly. If the Plaintiff Subdivision is repaying any prior award of Costs, that repayment will occur as soon as is feasible after the Plaintiff Subdivision's receipt of Cost funds from the collateral source, but no more than 90 days after its receipt from the collateral source. The Settlement Fund Administrator will add any repaid Costs to the CA Subdivision Fund. Any Plaintiff Subdivision that has submitted for reimbursement to any national fund and has not received a final determination by the First Claims Date may request that the settlement administrator withhold some or all of its payment from the CA Subdivision Fund in order to avoid repayment.

- ii. In the event a Plaintiff Subdivision reaches a monetary settlement or compromise against any Opioid Defendant outside of the National Opioid Settlement, the monetary portion of such settlement, net of fees paid to outside contingency fee counsel and of funds earmarked strictly for abatement, will be credited against its Costs and the subdivision will be ineligible to recover those credited Costs from the CA Subdivision Fund. Plaintiff Subdivisions negotiating monetary settlements or compromises against any Opioid Defendant outside of the National Opioid Settlement will negotiate for funds to repay any Costs it previously received from the CA Subdivision Fund or for Costs it otherwise might be eligible to claim from the CA Subdivision Fund. If such a settlement is paid after all final approved claims for Costs by all Plaintiff Subdivisions are satisfied in full, the settling subdivision will reimburse the CA Subdivision Fund in that amount by making payment to the Settlement Fund Administrator to add to the CA Subdivision Fund in a manner consistent with the repayments described in section 2.d.i above.





### APPENDIX 3

#### CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT

On August 6, 2021, Judge Polster of the US District Court for the Northern District of Ohio issued an Order (the Order), docket number 3814, in In Re National Prescription Opiate Litigation, MDL 2804, addressing contingent attorney fee contracts between political subdivisions eligible to participate in the Teva Settlement and their counsel.

In light of the Order, and at the request of [SUBDIVISION], the [SUBDIVISION], its counsel [COUNSEL], and the California Attorney General, on behalf of the State of California, are entering into this California-Subdivision Backstop Agreement (Backstop Agreement).

[SUBDIVISION] and [COUNSEL] intend this Backstop Agreement to constitute a State Back-Stop Agreement as that term is used in the Order and in Exhibit R (Agreement on Attorneys' Fees, Costs, and Expenses) of the Teva Settlement Agreement.

Pursuant to this Backstop Agreement, [SUBDIVISION] may, subject to the limitations of the Teva Settlement Agreement and CA Teva Allocation Agreement, as well as any other limitations imposed by law, use funds that it receives from the Teva Settlement CA Subdivision Fund to pay a contingent fee to [COUNSEL]. Any such payment from [SUBDIVISION] to [COUNSEL], together with any contingency fees that [COUNSEL] may receive from the national Attorney Fee Fund, will not exceed a total contingency fee of [PERCENTAGE NOT TO EXCEED 15%] of the total gross recovery of [SUBDIVISION] from the Teva Settlement.

[COUNSEL] certify that they first sought fees and costs from the Attorney Fee Fund created under the Teva Settlement Agreement before seeking or accepting payment under this backstop agreement. [COUNSEL] further certify that they are not seeking and will not accept payment under this backstop agreement of any litigation fees or costs that have been reimbursed through prior settlements or judgments.

The Attorney General is executing this agreement solely because the definition of "State Back-Stop Agreement" in Exhibit R of the Teva Settlement Agreement requires such agreements to be between "a Settling State" and private counsel for a participating subdivision. Neither the California Attorney General nor the State of California have any obligations under this Backstop Agreement, and this Backstop Agreement does not require the payment of any state funds to [SUBDIVISION], [COUNSEL], or any other party.

[DATE]

[SUBDIVISION SIGNATURE BLOCK]

[DATE]

[COUNSEL SIGNATURE BLOCK]

[DATE]

[ATTORNEY GENERAL SIGNATURE BLOCK]



**Proposed California State-Subdivision Agreement  
Regarding Distribution and Use of  
Settlement Funds – Walgreens Settlement**

**1. Introduction**

Pursuant to the Walgreens Settlement Agreement, dated as of December 9, 2022, and any revision thereto (the “Walgreens Settlement Agreement”), including Section V and Exhibit O, the State of California proposes this agreement (the “CA Walgreens Allocation Agreement”) to govern the allocation, distribution, and use of Settlement Fund payments made to California pursuant to Sections IV and V of the Walgreens Settlement Agreement. For the avoidance of doubt, this agreement does not apply to payments made pursuant to Section IX of the Walgreens Settlement Agreement.

Pursuant to Exhibit O, Paragraph 4, of the Walgreens Settlement Agreement, acceptance of this CA Walgreens Allocation Agreement is a requirement to be an Initial Participating Subdivision.

**2. Definitions**

- a) *CA Participating Subdivision* means a Participating Subdivision that is also (a) a Plaintiff Subdivision and/or (b) a Primary Subdivision with a population equal to or greater than 10,000. For the avoidance of doubt, eligible CA Participating Subdivisions are those California subdivisions listed in Exhibit C (excluding Litigating Special Districts) and/or Exhibit I to the Walgreens Settlement Agreement.
- b) *Allergan Settlement Agreement* means the Allergan Settlement Agreement dated November 22, 2022, and any revision thereto.
- c) *CVS Settlement Agreement* means the CVS Settlement Agreement dated December 9, 2022, and any revision thereto as well as any modification thereto entered into by the State of California and CVS.
- d) *Distributor Settlement Agreement* means the Distributor Settlement Agreement dated July 21, 2021, and any revision thereto.
- e) *Janssen Settlement Agreement* means the Janssen Settlement Agreement dated July 21, 2021, and any revision thereto.
- f) *Teva Settlement Agreement* means the Teva Settlement Agreement dated November 22, 2022, and any revision thereto.
- g) *Walmart Settlement Agreement* means the Walmart Settlement Agreement dated November 14, 2022, and any revision thereto.
- h) *CA Litigating Special District* means a Litigating Special District located in California. CA Litigating Special Districts include Downey Unified School District, Elk Grove Unified School District, Kern High School District, Montezuma Fire Protection District (located in Stockton, California), Santa Barbara San Luis Obispo Regional Health Authority, Inland Empire Health Plan, Health Plan of San Joaquin, San Leandro Unified School District,



Pleasant Valley School District Board, and LA Care Health Plan.

- i) *Plaintiff Subdivision* means a Subdivision located in California, other than a CA Litigating Special District, that filed a lawsuit, on behalf of the Subdivision and/or through an official of the Subdivision on behalf of the People of the State of California, against one or more Opioid Defendants prior to October 1, 2020.
- j) *Opioid Defendant* means any defendant (including but not limited to Walgreen Co., Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Allergan Limited, CVS Health Corporation, CVS Pharmacy, Inc., Walmart Inc., Johnson & Johnson, Janssen Pharmaceuticals, Inc., Purdue Pharma L.P., Cardinal Health, Inc., AmerisourceBergen Corporation, and McKesson Corporation) named in a lawsuit seeking damages, abatement, or other remedies related to or caused by the opioid public health crisis in any lawsuit brought by any state or local government on or before October 1, 2020.

### **3. General Terms**

This agreement is subject to the requirements of the Walgreens Settlement Agreement, as well as applicable law, and the Walgreens Settlement Agreement governs over any inconsistent provision of this CA Walgreens Allocation Agreement. Terms used in this CA Walgreens Allocation Agreement have the same meaning as in the Walgreens Settlement Agreement unless otherwise defined herein.

Pursuant to Section V(D)(1) of the Walgreens Settlement Agreement, (a) all Settlement Fund payments will be used for Opioid Remediation, except as allowed by Section V(B)(2) of the Walgreens Settlement Agreement; and (b) at least seventy percent (70%) of Settlement Fund payment amounts will be used solely for future Opioid Remediation.

### **4. State Allocation**

The Settlement Fund payments to California,<sup>1</sup> pursuant to the Walgreens Settlement Agreement, shall be allocated as follows: 15% to the State Fund; 70% to the Abatement Accounts Fund; and 15% to the Subdivision Fund. For the avoidance of doubt, all funds allocated to California from the Settlement Fund shall be combined pursuant to this CA Walgreens Allocation Agreement, and 15% of that total shall be allocated to the State of California (the “State of California Allocation”), 70% to the California Abatement Accounts Fund (“CA Abatement Accounts Fund”), and 15% to the California Subdivision Fund (“CA Subdivision Fund”).

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<sup>1</sup> For purposes of clarity, use of the term “California” refers to the geographic territory of California and the state and its local governments therein. The term “State” or “State of California” refers to the State of California as a governmental unit.



**A. State of California Allocation**

Fifteen percent of the total Settlement Fund payments will be allocated to the State and used by the State for future Opioid Remediation.

**B. CA Abatement Accounts Fund**

**i. Allocation of CA Abatement Accounts Funds**

- a) Seventy percent of the total Settlement Fund payments will be allocated to the CA Abatement Accounts Fund. The funds in the CA Abatement Accounts Fund will be allocated based on the allocation model developed in connection with the proposed negotiating class in the National Prescription Opiate Litigation (MDL No. 2804), as adjusted to reflect only those cities and counties that are eligible, based on population or litigation status, to become a CA Participating Subdivision. The percentage from the CA Abatement Accounts Fund allocated to each CA Participating Subdivision is set forth in Appendix 1 in the column entitled abatement percentage (the “Local Allocation”). For the avoidance of doubt, CA Litigating Special Districts and California towns, cities, and counties with a population less than 10,000 are not eligible to receive an allocation of CA Abatement Accounts Funds.
- b) A CA Participating Subdivision that is a county, or a city and county, will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision, and will receive payments as provided in the Walgreens Settlement Agreement.
- c) A CA Participating Subdivision that is a city will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision. The Local Allocation share for a city that is a CA Participating Subdivision will be paid to the county in which the city is located, rather than to the city, so long as: (a) the county is a CA Participating Subdivision, and (b) the city has not advised the Settlement Fund Administrator that it requests direct payment at least 60 days prior to a Payment Date. A Local Allocation share allocated to a city but paid to a county is not required to be spent exclusively for abatement activities in that city, but will become part of the county’s share of the CA Abatement Accounts Funds, which will be used in accordance with Section 4.B.ii (Use of CA Abatement Accounts Funds) and reported on in accordance with Section 4.B.iii (CA Abatement Accounts Fund Oversight).
- d) A city within a county that is a CA Participating Subdivision may opt in or out of direct payment at any time, and it may also elect direct payment of only a portion of its share, with the remainder going to the county, by providing notice to the Settlement Fund Administrator at least 60 days prior to a Payment Date. For purposes of this CA Walgreens Allocation Agreement, the Cities of Los Angeles, Oakland, San Diego, San Jose and Eureka will be deemed to have elected direct payment if they become Participating Subdivisions.



- e) The State will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision.
- f) Funds received by a CA Participating Subdivision, and not expended or encumbered within five years of receipt and in accordance with the Walgreens Settlement Agreement and this CA Walgreens Allocation Agreement shall be transferred to the State; provided however, that CA Participating Subdivisions have seven years to expend or encumber CA Abatement Accounts Funds designated to support capital outlay projects before they must be transferred to the State. This provision shall not apply to the Cost Reimbursement Funds, which shall be controlled by Appendix 2.

**ii. Use of CA Abatement Accounts Funds**

- a) The CA Abatement Accounts Funds will be used for future Opioid Remediation in one or more of the areas described in the List of Opioid Remediation Uses, which is Exhibit E to the Walgreens Settlement Agreement.
- b) In addition to this requirement, no less than 50% of the funds received by a CA Participating Subdivision from the Abatement Accounts Fund in each calendar year will be used for one or more of the following High Impact Abatement Activities:
  - (1) the provision of matching funds or operating costs for substance use disorder facilities within the Behavioral Health Continuum Infrastructure Program;
  - (2) creating new or expanded Substance Use Disorder (“SUD”) treatment infrastructure;
  - (3) addressing the needs of communities of color and vulnerable populations (including sheltered and unsheltered homeless populations) that are disproportionately impacted by SUD;
  - (4) diversion of people with SUD from the justice system into treatment, including by providing training and resources to first and early responders (sworn and non-sworn) and implementing best practices for outreach, diversion and deflection, employability, restorative justice, and harm reduction; and/or
  - (5) interventions to prevent drug addiction in vulnerable youth.
- c) The California Department of Health Care Services (“DHCS”) may add to this list (but not delete from it) by designating additional High Impact Abatement Activities. DHCS will make reasonable efforts to consult with stakeholders, including the CA Participating Subdivisions, before adding additional High Impact Abatement Activities to this list.
- d) For the avoidance of doubt, and subject to the requirements of the Walgreens Settlement Agreement and applicable law, CA Participating Subdivisions may form agreements or



ventures, or otherwise work in collaboration with, federal, state, local, tribal or private sector entities in pursuing Opioid Remediation activities funded from the CA Abatement Accounts Fund. Further, provided that all CA Abatement Accounts Funds are used for Opioid Remediation consistent with the Walgreens Settlement Agreement and this CA Walgreens Allocation Agreement, a county and any cities or towns within the county may agree to reallocate their respective shares of the CA Abatement Accounts Funds among themselves, provided that any direct distribution may only be to a CA Participating Subdivision and any CA Participating Subdivision must agree to their share being reallocated.

### **iii. CA Abatement Accounts Fund Oversight**

- a) Pursuant to Section 5 below, CA Participating Subdivisions receiving settlement funds must prepare and file reports annually regarding the use of those funds. DHCS may regularly review the reports prepared by CA Participating Subdivisions about the use of CA Abatement Accounts Funds for compliance with the Walgreens Settlement Agreement and this CA Walgreens Allocation Agreement.
- b) If DHCS determines that a CA Participating Subdivision's use of CA Abatement Accounts Funds is inconsistent with the Walgreens Settlement Agreement or this CA Walgreens Allocation Agreement, whether through review of reports or information from any other sources, DHCS shall send a request to meet and confer with the CA Participating Subdivision. The parties shall meet and confer in an effort to resolve the concern.
- c) If the parties are unable to reach a resolution, DHCS may conduct an audit of the Subdivision's use of the CA Abatement Accounts Funds within one year of the request to meet and confer, unless the parties mutually agree in writing to extend the meet and confer time frame.
- d) If the concern still cannot be resolved, the State may bring a motion or action in the court where the State has filed its Consent Judgment to resolve the concern or otherwise enforce the requirements of the Walgreens Settlement Agreement or this CA Walgreens Allocation Agreement. However, in no case shall any audit be conducted, or motion be brought, as to a specific expenditure of funds, more than five years after the date on which the expenditure of the funds was reported to DHCS, in accordance with this agreement.
- e) Notwithstanding the foregoing, this Agreement does not limit the statutory or constitutional authority of any state or local agency or official to conduct audits, investigations, or other oversight activities, or to pursue administrative, civil, or criminal enforcement actions.



### **C. CA Subdivision Fund**

- i. Fifteen percent of the total Settlement Fund payments will be allocated to the CA Subdivision Fund. All funds in the CA Subdivision Fund will be allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. The funds will be used, subject to any limits imposed by the Walgreens Settlement Agreement and this CA Walgreens Allocation Agreement, to fund future Opioid Remediation and reimburse past opioid-related expenses, which may include fees and expenses related to litigation, and to pay the reasonable fees and expenses of the Special Master as set forth in Appendix 2.

The CA Subdivision Funds will be allocated as follows:

- a) First, funds in the CA Subdivision Fund shall be used to pay the Special Master's reasonable fees and expenses in accordance with the procedures and limitations set forth in Appendix 2 to this document;
- b) Second, funds will be allocated to Plaintiff Subdivisions that are Initial Participating Subdivisions that have been awarded Costs, as defined by and in accordance with the procedures and limitations set forth in Appendix 2 to this document.
- c) Funds remaining in the CA Subdivision Fund, which shall consist of no less than 50% of the total CA Subdivision Fund received in any year pursuant to Appendix 2, Section 2.c.v, will be distributed to Plaintiff Subdivisions that are Initial Participating Subdivisions, in relative proportion to the Local Allocation. These funds shall be used to fund future opioid-related projects and to reimburse past opioid-related expenses, which may include fees and expenses related to litigation against any Opioid Defendant.

### **D. Provision for State Back-Stop Agreement**

On August 6, 2021, Judge Dan Polster of the U.S. District Court, Northern District of Ohio, Eastern Division, issued an order (ECF Docket Number 3814) ("MDL Fees Order") in the National Prescription Opiate Litigation (MDL No. 2804) "cap[ping] all applicable contingent fee agreements at 15%." Private counsel representing Plaintiff Subdivisions should seek its contingency fees and costs from the Attorney Fee Fund or Cost Funds under the Walgreens Settlement Agreement, and, if applicable, the Teva Settlement Agreement, Allergan Settlement Agreement, CVS Settlement Agreement, Distributor Settlement Agreement, Janssen Settlement Agreement, and Walmart Settlement Agreement.

A Plaintiff Subdivision may separately agree to use its share of the CA Subdivision Fund to pay for fees or costs incurred by its contingency-fee counsel ("State Back-Stop Agreement"), pursuant to Exhibit R, section I(Y), of the Walgreens Settlement Agreement and the MDL Fees Order, so long as such contingency fees do not exceed a total contingency fee of 15% of the total gross recovery of the Plaintiff Subdivision pursuant to the Walgreens Settlement, inclusive of contingency fees from the national Attorney Fee Fund and this State Back-Stop Agreement. Before seeking fees or litigation costs and expenses from a State Back-Stop Agreement, private counsel representing Plaintiff Subdivisions must first seek contingency fees and costs from the Attorney Fee Fund or Cost Funds created under the Walgreens Settlement Agreement. Further,



private counsel may only seek reimbursement for litigation fees and costs that have not previously been reimbursed through prior settlements or judgments.

To effectuate a State Back-Stop Agreement pursuant to this section, an agreement in the form of Appendix 3 may be entered into by a Plaintiff Subdivision, private counsel, and the California Office of the Attorney General. The California Office of the Attorney General shall, upon the request of a Plaintiff Subdivision, execute any agreement executed by a Plaintiff Subdivision and its private counsel if it is in the form of Appendix 3. The California Office of the Attorney General will also consider requests from Plaintiff Subdivisions to execute and enter into agreements presented in other forms.

For the avoidance of doubt, this agreement does not require a Plaintiff Subdivision to request or enter into a State Back-Stop Agreement, and no State Back-Stop Agreement shall impose any duty or obligation on the State of California or any of its agencies or officers, including without limitation the Attorney General.

## **5. State and Subdivision Reporting**

- a) DHCS will prepare an annual written report regarding the State's use of funds from the settlement until those funds are fully expended and for one year thereafter. These reports will be made publicly available on the DHCS web site.
- b) Each CA Participating Subdivision that receives payments of funds from the settlement will prepare written reports at least annually regarding the use of those funds, until those funds are fully expended and for one year thereafter. These reports will also include a certification that all funds that the CA Participating Subdivision has received through the settlement have been used in compliance with the Walgreens Settlement Agreement and this CA Walgreens Allocation Agreement. The report will be in a form reasonably determined by DHCS. Prior to specifying the form of the report DHCS will confer with representatives of the Plaintiff Subdivisions.
- c) The State and all CA Participating Subdivisions receiving CA Abatement Accounts Funds will track all deposits and expenditures. Each such subdivision is responsible solely for the CA Abatement Accounts Funds it receives. A county is not responsible for oversight, reporting, or monitoring of CA Abatement Accounts Funds received by a city within that county that receives direct payment. Unless otherwise exempt, Subdivisions' expenditures and uses of CA Abatement Accounts Funds and other Settlement Funds will be subject to the normal budgetary and expenditure process of the Subdivision.
- d) Each Plaintiff Subdivision receiving CA Subdivision Funds will track all deposits and expenditures, as required by the Walgreens Settlement Agreement and this CA Walgreens Allocation Agreement. Among other things, Plaintiff Subdivisions using monies from the CA Subdivision Fund for purposes that do not qualify as Opioid Remediation must identify and include in their annual report, the amount and how such funds were used, including if used to pay attorneys' fees, investigation costs, or litigation costs. Pursuant to Section V(B)(2) of the Walgreens Settlement Agreement, such information must also be reported to the Settlement Fund Administrator and Walgreens.





- e) In each year in which DHCS prepares an annual report DHCS will also host a meeting to discuss the annual report and the Opioid Remediation activities being carried out by the State and Participating Subdivisions.

**6. Miscellaneous**

- a) The State or any CA Participating Subdivision may bring a motion or action in the court where the State has filed its Consent Judgment to enforce the requirements of this CA Walgreens Allocation Agreement. Before filing such a motion or action the State will meet and confer with any CA Participating Subdivision that is the subject of the anticipated motion or action, and vice versa.
- b) Except as provided in the Walgreens Settlement Agreement, this CA Walgreens Allocation Agreement is not enforceable by any party other than the State and the CA Participating Subdivisions. It does not confer any rights or remedies upon, and shall not be enforceable by, any third party.
- c) Except as provided in the CA Walgreens Allocation Agreement, if any provision of this agreement or the application thereof to any person, entity, or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement, or the application of such provision to persons, entities, or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby, and each other provision of this agreement will be valid and enforceable to the fullest extent permitted by law.
- d) Except as provided in the Walgreens Settlement Agreement, this agreement shall be governed by and interpreted in accordance with the laws of California.



The undersigned, Stanton city, ACKNOWLEDGES acceptance of this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Walgreens Settlement is a requirement to be an Initial Participating Subdivision in the Walgreens Settlement and ACCEPTS this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Walgreens Settlement. EXECUTED on \_\_\_\_\_.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



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**DISCLAIMER:** The allocation percentages herein are estimates only and should not be relied on for decisions regarding legal rights, releases, waivers, or other decisions affecting current or potential legal claims. Percentages shown in the Plaintiff Subdivision Percentage column may change pursuant to Section 4.C. of the California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds—Walgreens Settlement, whereas the percentages shown in the Abatement Percentage column should not change. Participating Subdivisions, underlying calculations, and the calculated allocation percentages are subject to change. Regarding the column herein entitled “Abatement Percentage,” pursuant to Section 4.B.e., the State of California will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” payments allocated to a Plaintiff Subdivision, which is not an Initial Participating Subdivision, will be re-allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. Regarding the column herein entitled “Abatement Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Abatement Account Funds received, pursuant to Section 4.B. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Subdivision Funds received, pursuant to Section 4.C. Regarding the column herein entitled “Weighted Allocation Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the combined and weighted allocation of the Abatement Percentage and the Plaintiff Subdivision Percentage.



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			100.000%	100.000%	100.000%
Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
County	<b><i>Alameda County</i></b>	Alameda	2.332%	2.853%	<b>2.4237952%</b>
City	Alameda	Alameda	0.069%		<b>0.0570162%</b>
City	Albany	Alameda	0.013%		<b>0.0107768%</b>
City	Berkeley	Alameda	0.152%		<b>0.1249656%</b>
City	Dublin	Alameda	0.033%	0.040%	<b>0.0338810%</b>
City	Emeryville	Alameda	0.023%		<b>0.0185765%</b>
City	Fremont	Alameda	0.108%		<b>0.0888576%</b>
City	Hayward	Alameda	0.117%		<b>0.0966218%</b>
City	Livermore	Alameda	0.054%		<b>0.0446740%</b>
City	Newark	Alameda	0.026%		<b>0.0217626%</b>
City	Oakland	Alameda	0.486%	0.595%	<b>0.5055601%</b>
City	Piedmont	Alameda	0.014%		<b>0.0114064%</b>
City	Pleasanton	Alameda	0.067%		<b>0.0554547%</b>
City	San Leandro	Alameda	0.039%		<b>0.0321267%</b>
City	Union City	Alameda	0.043%		<b>0.0352484%</b>
County	<b><i>Amador County</i></b>	Amador	0.226%	0.277%	<b>0.2349885%</b>
County	<b><i>Butte County</i></b>	Butte	1.615%	1.975%	<b>1.6783178%</b>
City	Chico	Butte	0.216%	0.264%	<b>0.2246499%</b>
City	Oroville	Butte	0.079%		<b>0.0646595%</b>
County	<b><i>Calaveras County</i></b>	Calaveras	0.226%	0.277%	<b>0.2351644%</b>
County	<b><i>Colusa County</i></b>	Colusa	0.059%		<b>0.0489221%</b>
County	<b><i>Contra Costa County</i></b>	Contra Costa	2.102%	2.571%	<b>2.1844585%</b>
City	Antioch	Contra Costa	0.037%		<b>0.0301879%</b>
City	Brentwood	Contra Costa	0.026%		<b>0.0215339%</b>
City	Clayton	Contra Costa	0.002%		<b>0.0018060%</b>
City	Concord	Contra Costa	0.055%		<b>0.0456676%</b>
City	Danville	Contra Costa	0.010%		<b>0.0082255%</b>
City	El Cerrito	Contra Costa	0.023%		<b>0.0189024%</b>
City	Hercules	Contra Costa	0.010%		<b>0.0078273%</b>



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Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Lafayette	Contra Costa	0.006%		0.0046030%
City	Martinez	Contra Costa	0.012%		0.0098593%
City	Moraga	Contra Costa	0.004%		0.0031007%
City	Oakley	Contra Costa	0.010%		0.0079416%
City	Orinda	Contra Costa	0.005%		0.0038157%
City	Pinole	Contra Costa	0.013%		0.0110909%
City	Pittsburg	Contra Costa	0.053%		0.0436369%
City	Pleasant Hill	Contra Costa	0.013%		0.0106309%
City	Richmond	Contra Costa	0.146%		0.1201444%
City	San Pablo	Contra Costa	0.018%		0.0148843%
City	San Ramon	Contra Costa	0.021%		0.0176459%
City	Walnut Creek	Contra Costa	0.026%		0.0212132%
County	<i>Del Norte County</i>	Del Norte	0.114%	0.140%	0.1189608%
County	<i>El Dorado County</i>	El Dorado	0.768%	0.939%	0.7980034%
City	Placerville	El Dorado	0.015%		0.0127642%
City	South Lake Tahoe	El Dorado	0.081%		0.0665456%
County	<i>Fresno County</i>	Fresno	1.895%	2.318%	1.9693410%
City	Clovis	Fresno	0.065%		0.0536211%
City	Coalinga	Fresno	0.012%		0.0098554%
City	Fresno	Fresno	0.397%		0.3270605%
City	Kerman	Fresno	0.005%		0.0042534%
City	Kingsburg	Fresno	0.008%		0.0066167%
City	Mendota	Fresno	0.002%		0.0019387%
City	Orange Cove	Fresno	0.004%		0.0035607%
City	Parlier	Fresno	0.008%		0.0069755%
City	Reedley	Fresno	0.012%		0.0098804%
City	Sanger	Fresno	0.018%		0.0146135%
City	Selma	Fresno	0.015%		0.0127537%
County	<i>Glenn County</i>	Glenn	0.107%	0.131%	0.1116978%
County	<i>Humboldt County</i>	Humboldt	1.030%	1.260%	1.0703185%



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Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Arcata	Humboldt	0.054%		<b>0.0447660%</b>
City	Eureka	Humboldt	0.117%	0.143%	<b>0.1216284%</b>
City	Fortuna	Humboldt	0.032%		<b>0.0266837%</b>
County	<b><i>Imperial County</i></b>	Imperial	0.258%	0.315%	<b>0.2679006%</b>
City	Brawley	Imperial	0.011%		<b>0.0087986%</b>
City	Calexico	Imperial	0.019%		<b>0.0152799%</b>
City	El Centro	Imperial	0.158%		<b>0.1302522%</b>
City	Imperial	Imperial	0.006%		<b>0.0048791%</b>
County	<b><i>Inyo County</i></b>	Inyo	0.073%	0.089%	<b>0.0754413%</b>
County	<b><i>Kern County</i></b>	Kern	2.517%	3.079%	<b>2.6159145%</b>
City	Arvin	Kern	0.006%		<b>0.0046425%</b>
City	Bakersfield	Kern	0.212%		<b>0.1747198%</b>
City	California City	Kern	0.009%		<b>0.0070820%</b>
City	Delano	Kern	0.030%		<b>0.0249316%</b>
City	McFarland	Kern	0.003%		<b>0.0025644%</b>
City	Ridgecrest	Kern	0.015%		<b>0.0120938%</b>
City	Shafter	Kern	0.013%		<b>0.0103417%</b>
City	Tehachapi	Kern	0.009%		<b>0.0073580%</b>
City	Wasco	Kern	0.008%		<b>0.0069861%</b>
County	<b><i>Kings County</i></b>	Kings	0.293%		<b>0.2413469%</b>
City	Avenal	Kings	0.007%		<b>0.0056335%</b>
City	Corcoran	Kings	0.013%		<b>0.0107032%</b>
City	Hanford	Kings	0.027%		<b>0.0226038%</b>
City	Lemoore	Kings	0.016%		<b>0.0131900%</b>
County	<b><i>Lake County</i></b>	Lake	0.795%		<b>0.6545389%</b>
City	Clearlake	Lake	0.041%	0.050%	<b>0.0426253%</b>
City	Lakeport	Lake	0.021%	0.026%	<b>0.0222964%</b>
County	<b><i>Lassen County</i></b>	Lassen	0.319%	0.391%	<b>0.3320610%</b>
City	Susanville	Lassen	0.027%		<b>0.0219295%</b>
County	<b><i>Los Angeles County</i></b>	Los Angeles	13.896%	16.999%	<b>14.4437559%</b>



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Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Agoura Hills	Los Angeles	0.005%		0.0040024%
City	Alhambra	Los Angeles	0.042%		0.0343309%
City	Arcadia	Los Angeles	0.033%		0.0267718%
City	Artesia	Los Angeles	0.001%		0.0005100%
City	Azusa	Los Angeles	0.026%		0.0210857%
City	Baldwin Park	Los Angeles	0.027%		0.0218520%
City	Bell	Los Angeles	0.008%		0.0068783%
City	Bellflower	Los Angeles	0.002%		0.0014485%
City	Bell Gardens	Los Angeles	0.014%		0.0114301%
City	Beverly Hills	Los Angeles	0.065%		0.0534897%
City	Burbank	Los Angeles	0.100%		0.0823132%
City	Calabasas	Los Angeles	0.006%		0.0048948%
City	Carson	Los Angeles	0.019%		0.0159805%
City	Cerritos	Los Angeles	0.005%		0.0039682%
City	Claremont	Los Angeles	0.010%		0.0082584%
City	Commerce	Los Angeles	0.000%		0.0002971%
City	Compton	Los Angeles	0.044%		0.0361882%
City	Covina	Los Angeles	0.028%		0.0229127%
City	Cudahy	Los Angeles	0.001%		0.0006020%
City	Culver City	Los Angeles	0.055%		0.0449894%
City	Diamond Bar	Los Angeles	0.001%		0.0006993%
City	Downey	Los Angeles	0.052%		0.0429994%
City	Duarte	Los Angeles	0.003%		0.0027261%
City	El Monte	Los Angeles	0.031%	0.038%	0.0318985%
City	El Segundo	Los Angeles	0.033%		0.0268020%
City	Gardena	Los Angeles	0.034%		0.0278088%
City	Glendale	Los Angeles	0.166%		0.1366586%
City	Glendora	Los Angeles	0.016%		0.0134411%
City	Hawaiian Gardens	Los Angeles	0.005%		0.0040549%
City	Hawthorne	Los Angeles	0.050%		0.0407833%





## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Hermosa Beach	Los Angeles	0.018%		0.0145307%
City	Huntington Park	Los Angeles	0.023%		0.0190667%
City	Inglewood	Los Angeles	0.059%		0.0489195%
City	La Cañada Flintridge	Los Angeles	0.003%		0.0025565%
City	Lakewood	Los Angeles	0.005%		0.0039971%
City	La Mirada	Los Angeles	0.010%		0.0081572%
City	Lancaster	Los Angeles	0.045%		0.0369689%
City	La Puente	Los Angeles	0.002%		0.0012999%
City	La Verne	Los Angeles	0.024%		0.0194190%
City	Lawndale	Los Angeles	0.002%		0.0017731%
City	Lomita	Los Angeles	0.004%		0.0031940%
City	Long Beach	Los Angeles	0.439%		0.3614151%
City	Los Angeles	Los Angeles	2.715%	3.321%	2.8218811%
City	Lynwood	Los Angeles	0.016%		0.0134345%
City	Malibu	Los Angeles	0.002%		0.0019269%
City	Manhattan Beach	Los Angeles	0.032%		0.0260686%
City	Maywood	Los Angeles	0.004%		0.0035528%
City	Monrovia	Los Angeles	0.031%		0.0254455%
City	Montebello	Los Angeles	0.030%		0.0250670%
City	Monterey Park	Los Angeles	0.031%		0.0256677%
City	Norwalk	Los Angeles	0.031%		0.0258228%
City	Palmdale	Los Angeles	0.046%		0.0375827%
City	Palos Verdes Estates	Los Angeles	0.006%		0.0053102%
City	Paramount	Los Angeles	0.011%		0.0091483%
City	Pasadena	Los Angeles	0.146%		0.1200524%
City	Pico Rivera	Los Angeles	0.022%		0.0183333%
City	Pomona	Los Angeles	0.111%		0.0911933%
City	Rancho Palos Verdes	Los Angeles	0.002%		0.0012645%
City	Redondo Beach	Los Angeles	0.062%		0.0506992%
City	Rosemead	Los Angeles	0.003%		0.0028260%





## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	San Dimas	Los Angeles	0.003%		0.0022016%
City	San Fernando	Los Angeles	0.013%		0.0104837%
City	San Gabriel	Los Angeles	0.018%		0.0147726%
City	San Marino	Los Angeles	0.009%		0.0073791%
City	Santa Clarita	Los Angeles	0.022%		0.0178167%
City	Santa Fe Springs	Los Angeles	0.031%		0.0257531%
City	Santa Monica	Los Angeles	0.158%		0.1298513%
City	Sierra Madre	Los Angeles	0.006%		0.0048646%
City	Signal Hill	Los Angeles	0.010%		0.0084884%
City	South El Monte	Los Angeles	0.005%		0.0039603%
City	South Gate	Los Angeles	0.020%		0.0166272%
City	South Pasadena	Los Angeles	0.012%		0.0095334%
City	Temple City	Los Angeles	0.005%		0.0039498%
City	Torrance	Los Angeles	0.112%		0.0919820%
City	Walnut	Los Angeles	0.006%		0.0047305%
City	West Covina	Los Angeles	0.049%		0.0404521%
City	West Hollywood	Los Angeles	0.013%		0.0108517%
City	Whittier	Los Angeles	0.032%		0.0260581%
County	<b>Madera County</b>	Madera	0.349%	0.427%	0.3630669%
City	Chowchilla	Madera	0.012%		0.0097332%
City	Madera	Madera	0.039%		0.0318441%
County	<b>Marin County</b>	Marin	0.564%	0.690%	0.5861325%
City	Larkspur	Marin	0.015%		0.0124697%
City	Mill Valley	Marin	0.020%		0.0168401%
City	Novato	Marin	0.028%		0.0229824%
City	San Anselmo	Marin	0.009%		0.0078062%
City	San Rafael	Marin	0.089%		0.0729823%
County	<b>Mariposa County</b>	Mariposa	0.084%	0.103%	0.0876131%
County	<b>Mendocino County</b>	Mendocino	0.439%	0.536%	0.4558394%
City	Ukiah	Mendocino	0.039%		0.0317153%



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
County	<b><i>Merced County</i></b>	Merced	0.551%	0.674%	<b>0.5724262%</b>
City	Atwater	Merced	0.024%		<b>0.0195846%</b>
City	Livingston	Merced	0.006%		<b>0.0045873%</b>
City	Los Banos	Merced	0.020%		<b>0.0165142%</b>
City	Merced	Merced	0.061%		<b>0.0500762%</b>
County	<b><i>Modoc County</i></b>	Modoc	0.065%	0.080%	<b>0.0678250%</b>
County	<b><i>Mono County</i></b>	Mono	0.023%	0.029%	<b>0.0242606%</b>
County	<b><i>Monterey County</i></b>	Monterey	0.908%	1.111%	<b>0.9437083%</b>
City	Greenfield	Monterey	0.006%		<b>0.0050552%</b>
City	King City	Monterey	0.005%		<b>0.0037355%</b>
City	Marina	Monterey	0.017%		<b>0.0144098%</b>
City	Monterey	Monterey	0.041%		<b>0.0336540%</b>
City	Pacific Grove	Monterey	0.009%		<b>0.0074842%</b>
City	Salinas	Monterey	0.094%		<b>0.0776576%</b>
City	Seaside	Monterey	0.023%		<b>0.0191772%</b>
City	Soledad	Monterey	0.007%		<b>0.0060870%</b>
County	<b><i>Napa County</i></b>	Napa	0.288%	0.352%	<b>0.2994325%</b>
City	American Canyon	Napa	0.017%		<b>0.0136869%</b>
City	Napa	Napa	0.078%		<b>0.0642783%</b>
County	<b><i>Nevada County</i></b>	Nevada	0.441%	0.539%	<b>0.4579827%</b>
City	Grass Valley	Nevada	0.024%		<b>0.0197805%</b>
City	Truckee	Nevada	0.003%		<b>0.0023843%</b>
County	<b><i>Orange County</i></b>	Orange	4.364%	5.339%	<b>4.5363576%</b>
City	Aliso Viejo	Orange	0.014%		<b>0.0113841%</b>
City	Anaheim	Orange	0.554%	0.678%	<b>0.5759282%</b>
City	Brea	Orange	0.086%		<b>0.0708897%</b>
City	Buena Park	Orange	0.087%		<b>0.0714352%</b>
City	Costa Mesa	Orange	0.124%	0.152%	<b>0.1288366%</b>
City	Cypress	Orange	0.033%		<b>0.0271937%</b>
City	Dana Point	Orange	0.001%		<b>0.0005560%</b>



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Fountain Valley	Orange	0.055%		0.0455980%
City	Fullerton	Orange	0.137%	0.168%	0.1425744%
City	Garden Grove	Orange	0.213%		0.1752482%
City	Huntington Beach	Orange	0.247%	0.302%	0.2568420%
City	Irvine	Orange	0.139%	0.170%	0.1442350%
City	Laguna Beach	Orange	0.047%	0.058%	0.0493043%
City	Laguna Hills	Orange	0.014%		0.0115457%
City	Laguna Niguel	Orange	0.001%		0.0007071%
City	Laguna Woods	Orange	0.001%		0.0006546%
City	La Habra	Orange	0.060%	0.073%	0.0621049%
City	Lake Forest	Orange	0.012%		0.0101249%
City	La Palma	Orange	0.012%		0.0095439%
City	Los Alamitos	Orange	0.008%		0.0069190%
City	Mission Viejo	Orange	0.014%		0.0117560%
City	Newport Beach	Orange	0.179%		0.1470134%
City	Orange	Orange	0.150%		0.1231320%
City	Placentia	Orange	0.029%	0.035%	0.0298912%
City	Rancho Santa Margarita	Orange	0.001%		0.0006296%
City	San Clemente	Orange	0.008%	0.010%	0.0086083%
City	San Juan Capistrano	Orange	0.008%		0.0065510%
City	Santa Ana	Orange	0.502%	0.614%	0.5213866%
City	Seal Beach	Orange	0.020%		0.0165891%
City	Stanton	Orange	0.035%		0.0291955%
City	Tustin	Orange	0.073%		0.0600341%
City	Westminster	Orange	0.104%	0.127%	0.1082721%
City	Yorba Linda	Orange	0.044%		0.0362223%
County	<b>Placer County</b>	Placer	1.045%	1.278%	1.0861002%
City	Auburn	Placer	0.017%		0.0141114%
City	Lincoln	Placer	0.031%		0.0255599%
City	Rocklin	Placer	0.076%		0.0625485%



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Roseville	Placer	0.196%		<b>0.1616559%</b>
County	<b>Plumas County</b>	Plumas	0.205%	0.251%	<b>0.2128729%</b>
County	<b>Riverside County</b>	Riverside	4.534%	5.547%	<b>4.7128296%</b>
City	Banning	Riverside	0.017%		<b>0.0143848%</b>
City	Beaumont	Riverside	0.021%		<b>0.0171135%</b>
City	Blythe	Riverside	0.012%		<b>0.0096714%</b>
City	Canyon Lake	Riverside	0.000%		<b>0.0001761%</b>
City	Cathedral City	Riverside	0.067%		<b>0.0553614%</b>
City	Coachella	Riverside	0.021%		<b>0.0173054%</b>
City	Corona	Riverside	0.147%		<b>0.1207083%</b>
City	Desert Hot Springs	Riverside	0.024%		<b>0.0200433%</b>
City	Eastvale	Riverside	0.000%		<b>0.0002747%</b>
City	Hemet	Riverside	0.051%		<b>0.0421792%</b>
City	Indio	Riverside	0.056%		<b>0.0457794%</b>
City	Jurupa Valley	Riverside	0.001%		<b>0.0008991%</b>
City	Lake Elsinore	Riverside	0.021%		<b>0.0172949%</b>
City	La Quinta	Riverside	0.063%		<b>0.0516732%</b>
City	Menifee	Riverside	0.032%		<b>0.0260909%</b>
City	Moreno Valley	Riverside	0.137%		<b>0.1130348%</b>
City	Murrieta	Riverside	0.048%	0.059%	<b>0.0497423%</b>
City	Norco	Riverside	0.016%		<b>0.0134542%</b>
City	Palm Desert	Riverside	0.083%		<b>0.0682465%</b>
City	Palm Springs	Riverside	0.076%		<b>0.0629862%</b>
City	Perris	Riverside	0.009%		<b>0.0076774%</b>
City	Rancho Mirage	Riverside	0.052%		<b>0.0431098%</b>
City	Riverside	Riverside	0.268%		<b>0.2206279%</b>
City	San Jacinto	Riverside	0.010%		<b>0.0085936%</b>
City	Temecula	Riverside	0.022%		<b>0.0180086%</b>
City	Wildomar	Riverside	0.008%		<b>0.0062500%</b>
County	<b>Sacramento County</b>	Sacramento	3.797%	4.645%	<b>3.9465887%</b>



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Citrus Heights	Sacramento	0.057%		<b>0.0465312%</b>
City	Elk Grove	Sacramento	0.130%		<b>0.1066994%</b>
City	Folsom	Sacramento	0.108%		<b>0.0890850%</b>
City	Galt	Sacramento	0.017%		<b>0.0143704%</b>
City	Rancho Cordova	Sacramento	0.008%		<b>0.0067679%</b>
City	Sacramento	Sacramento	0.721%	0.882%	<b>0.7496530%</b>
County	<b><i>San Benito County</i></b>	San Benito	0.106%	0.130%	<b>0.1101417%</b>
City	Hollister	San Benito	0.027%		<b>0.0225355%</b>
County	<b><i>San Bernardino County</i></b>	San Bernardino	3.259%	3.987%	<b>3.3878124%</b>
City	Adelanto	San Bernardino	0.008%		<b>0.0066640%</b>
City	Apple Valley	San Bernardino	0.025%		<b>0.0207360%</b>
City	Barstow	San Bernardino	0.015%		<b>0.0122056%</b>
City	Chino	San Bernardino	0.064%		<b>0.0525893%</b>
City	Chino Hills	San Bernardino	0.001%		<b>0.0006388%</b>
City	Colton	San Bernardino	0.031%		<b>0.0253443%</b>
City	Fontana	San Bernardino	0.112%		<b>0.0920543%</b>
City	Grand Terrace	San Bernardino	0.006%		<b>0.0051051%</b>
City	Hesperia	San Bernardino	0.035%		<b>0.0291522%</b>
City	Highland	San Bernardino	0.004%		<b>0.0029061%</b>
City	Loma Linda	San Bernardino	0.009%		<b>0.0071188%</b>
City	Montclair	San Bernardino	0.039%		<b>0.0322108%</b>
City	Ontario	San Bernardino	0.179%		<b>0.1472934%</b>
City	Rancho Cucamonga	San Bernardino	0.084%		<b>0.0689431%</b>
City	Redlands	San Bernardino	0.057%		<b>0.0469150%</b>
City	Rialto	San Bernardino	0.073%		<b>0.0603206%</b>
City	San Bernardino	San Bernardino	0.178%		<b>0.1461880%</b>
City	Twentynine Palms	San Bernardino	0.002%		<b>0.0012605%</b>
City	Upland	San Bernardino	0.052%		<b>0.0424460%</b>
City	Victorville	San Bernardino	0.033%		<b>0.0269400%</b>
City	Yucaipa	San Bernardino	0.016%		<b>0.0128772%</b>





## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Yucca Valley	San Bernardino	0.003%		<b>0.0021228%</b>
County	<b><i>San Diego County</i></b>	San Diego	5.706%	6.980%	<b>5.9309748%</b>
City	Carlsbad	San Diego	0.128%		<b>0.1050485%</b>
City	Chula Vista	San Diego	0.189%	0.231%	<b>0.1961456%</b>
City	Coronado	San Diego	0.044%		<b>0.0359095%</b>
City	El Cajon	San Diego	0.113%		<b>0.0933582%</b>
City	Encinitas	San Diego	0.061%	0.074%	<b>0.0630289%</b>
City	Escondido	San Diego	0.145%		<b>0.1192204%</b>
City	Imperial Beach	San Diego	0.014%		<b>0.0118283%</b>
City	La Mesa	San Diego	0.055%	0.068%	<b>0.0575593%</b>
City	Lemon Grove	San Diego	0.022%		<b>0.0183911%</b>
City	National City	San Diego	0.080%		<b>0.0656808%</b>
City	Oceanside	San Diego	0.213%		<b>0.1753428%</b>
City	Poway	San Diego	0.062%		<b>0.0511040%</b>
City	San Diego	San Diego	1.975%	2.416%	<b>2.0531169%</b>
City	San Marcos	San Diego	0.089%		<b>0.0733897%</b>
City	Santee	San Diego	0.033%		<b>0.0268401%</b>
City	Solana Beach	San Diego	0.017%		<b>0.0138564%</b>
City	Vista	San Diego	0.052%		<b>0.0425144%</b>
Consolidated	<b><i>San Francisco</i></b>	San Francisco	3.026%	3.702%	<b>3.1457169%</b>
County	<b><i>San Joaquin County</i></b>	San Joaquin	1.680%	2.055%	<b>1.7460399%</b>
City	Lathrop	San Joaquin	0.009%		<b>0.0075394%</b>
City	Lodi	San Joaquin	0.053%		<b>0.0439484%</b>
City	Manteca	San Joaquin	0.054%		<b>0.0443454%</b>
City	Ripon	San Joaquin	0.013%		<b>0.0104219%</b>
City	Stockton	San Joaquin	0.313%	0.383%	<b>0.3256176%</b>
City	Tracy	San Joaquin	0.084%		<b>0.0692047%</b>
County	<b><i>San Luis Obispo County</i></b>	San Luis Obispo	0.816%	0.999%	<b>0.8484126%</b>
City	Arroyo Grande	San Luis Obispo	0.024%		<b>0.0199053%</b>
City	Atascadero	San Luis Obispo	0.029%		<b>0.0240680%</b>



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Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	El Paso de Robles (Paso Robles)	San Luis Obispo	0.043%		0.0353456%
City	Grover Beach	San Luis Obispo	0.017%		0.0137881%
City	Morro Bay	San Luis Obispo	0.020%		0.0160922%
City	San Luis Obispo	San Luis Obispo	0.077%		0.0637841%
County	<i>San Mateo County</i>	San Mateo	1.074%	1.313%	1.1159599%
City	Belmont	San Mateo	0.021%		0.0169860%
City	Burlingame	San Mateo	0.019%		0.0152537%
City	Daly City	San Mateo	0.044%		0.0363880%
City	East Palo Alto	San Mateo	0.013%		0.0103982%
City	Foster City	San Mateo	0.020%		0.0166101%
City	Half Moon Bay	San Mateo	0.004%		0.0031638%
City	Hillsborough	San Mateo	0.013%		0.0110029%
City	Menlo Park	San Mateo	0.015%		0.0126209%
City	Millbrae	San Mateo	0.013%		0.0105836%
City	Pacifica	San Mateo	0.016%		0.0130625%
City	Redwood City	San Mateo	0.056%		0.0463511%
City	San Bruno	San Mateo	0.021%		0.0172161%
City	San Carlos	San Mateo	0.013%		0.0108885%
City	San Mateo	San Mateo	0.052%		0.0425841%
City	South San Francisco	San Mateo	0.043%		0.0353943%
County	<i>Santa Barbara County</i>	Santa Barbara	1.132%	1.385%	1.1768968%
City	Carpinteria	Santa Barbara	0.001%		0.0008938%
City	Goleta	Santa Barbara	0.004%		0.0028969%
City	Lompoc	Santa Barbara	0.047%		0.0389379%
City	Santa Barbara	Santa Barbara	0.122%		0.1004559%
City	Santa Maria	Santa Barbara	0.058%		0.0479179%
County	<i>Santa Clara County</i>	Santa Clara	2.404%	2.941%	2.4987553%
City	Campbell	Santa Clara	0.014%		0.0112566%
City	Cupertino	Santa Clara	0.008%		0.0066824%
City	Gilroy	Santa Clara	0.025%		0.0202891%



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Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Los Altos	Santa Clara	0.013%		0.0103338%
City	Los Gatos	Santa Clara	0.013%		0.0103220%
City	Milpitas	Santa Clara	0.036%		0.0298120%
City	Morgan Hill	Santa Clara	0.015%		0.0124619%
City	Mountain View	Santa Clara	0.041%		0.0334608%
City	Palo Alto	Santa Clara	0.039%		0.0323080%
City	San Jose	Santa Clara	0.294%	0.360%	0.3054960%
City	Santa Clara	Santa Clara	0.067%		0.0549723%
City	Saratoga	Santa Clara	0.004%		0.0034161%
City	Sunnyvale	Santa Clara	0.053%		0.0434069%
County	<b><i>Santa Cruz County</i></b>	Santa Cruz	0.783%	0.957%	0.8135396%
City	Capitola	Santa Cruz	0.020%		0.0168191%
City	Santa Cruz	Santa Cruz	0.143%		0.1180348%
City	Scotts Valley	Santa Cruz	0.015%		0.0126525%
City	Watsonville	Santa Cruz	0.063%		0.0520136%
County	<b><i>Shasta County</i></b>	Shasta	1.095%	1.339%	1.1380191%
City	Anderson	Shasta	0.024%		0.0198896%
City	Redding	Shasta	0.284%		0.2334841%
City	Shasta Lake	Shasta	0.004%		0.0031993%
County	<b><i>Siskiyou County</i></b>	Siskiyou	0.228%	0.279%	0.2373393%
County	<b><i>Solano County</i></b>	Solano	0.760%		0.6260795%
City	Benicia	Solano	0.031%		0.0253903%
City	Dixon	Solano	0.016%		0.0130849%
City	Fairfield	Solano	0.109%		0.0897317%
City	Suisun City	Solano	0.021%		0.0176183%
City	Vacaville	Solano	0.119%		0.0976497%
City	Vallejo	Solano	0.167%		0.1373644%
County	<b><i>Sonoma County</i></b>	Sonoma	1.218%	1.490%	1.2661290%
City	Healdsburg	Sonoma	0.032%		0.0266929%
City	Petaluma	Sonoma	0.081%		0.0667507%





## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Rohnert Park	Sonoma	0.041%		0.0340759%
City	Santa Rosa	Sonoma	0.184%		0.1519070%
City	Sonoma	Sonoma	0.022%		0.0183438%
City	Windsor	Sonoma	0.016%		0.0129298%
County	<i>Stanislaus County</i>	Stanislaus	1.722%		1.4182273%
City	Ceres	Stanislaus	0.041%		0.0340260%
City	Modesto	Stanislaus	0.217%		0.1788759%
City	Newman	Stanislaus	0.006%		0.0046964%
City	Oakdale	Stanislaus	0.018%		0.0145531%
City	Patterson	Stanislaus	0.015%		0.0126590%
City	Riverbank	Stanislaus	0.010%		0.0085699%
City	Turlock	Stanislaus	0.065%		0.0531966%
County	<i>Sutter County</i>	Sutter	0.306%	0.374%	0.3179548%
City	Yuba City	Sutter	0.074%		0.0606242%
County	<i>Tehama County</i>	Tehama	0.213%	0.261%	0.2216654%
City	Red Bluff	Tehama	0.014%		0.0117771%
County	<i>Trinity County</i>	Trinity	0.082%	0.101%	0.0855476%
County	<i>Tulare County</i>	Tulare	0.809%	0.990%	0.8410949%
City	Dinuba	Tulare	0.014%		0.0116929%
City	Exeter	Tulare	0.004%		0.0032479%
City	Farmersville	Tulare	0.003%		0.0027879%
City	Lindsay	Tulare	0.007%		0.0057111%
City	Porterville	Tulare	0.021%		0.0171845%
City	Tulare	Tulare	0.037%		0.0302273%
City	Visalia	Tulare	0.066%		0.0545872%
County	<i>Tuolumne County</i>	Tuolumne	0.486%	0.594%	0.5047621%
County	<i>Ventura County</i>	Ventura	2.192%	2.681%	2.2781201%
City	Camarillo	Ventura	0.002%		0.0012815%
City	Fillmore	Ventura	0.002%		0.0020294%
City	Moorpark	Ventura	0.008%		0.0067337%



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Oxnard	Ventura	0.156%	0.190%	<b>0.1617338%</b>
City	Port Hueneme	Ventura	0.021%		<b>0.0174145%</b>
City	San Buenaventura (Ventura)	Ventura	0.085%		<b>0.0702181%</b>
City	Santa Paula	Ventura	0.014%		<b>0.0119072%</b>
City	Simi Valley	Ventura	0.065%		<b>0.0533043%</b>
City	Thousand Oaks	Ventura	0.022%		<b>0.0179902%</b>
County	<b><i>Yolo County</i></b>	Yolo	0.357%	0.437%	<b>0.3713319%</b>
City	Davis	Yolo	0.055%		<b>0.0451747%</b>
City	West Sacramento	Yolo	0.066%		<b>0.0544321%</b>
City	Woodland	Yolo	0.058%		<b>0.0477904%</b>
County	<b><i>Yuba County</i></b>	Yuba	0.214%	0.262%	<b>0.2225679%</b>
City	Marysville	Yuba	0.014%		<b>0.0112079%</b>



## APPENDIX 2

### Cost Reimbursement Procedure

#### 1. Additional defined terms:

- a) *Costs* means the reasonable amounts paid for the attorney and other City Attorney and County Counsel staff time for individuals employed by a Plaintiff Subdivision at the contractual rate, inclusive of benefits and overhead, together with amounts paid for court reporters, experts, copying, electronic research, travel, vendors, and the like, which were not previously reimbursed and which were paid or incurred (i) prior to December 31, 2022 in litigation against any Opioid Defendant and/or (ii) in negotiating and drafting any CA Allocation Agreement(s) concerning a settlement with any Opioid Defendant(s). *Costs* does not include attorneys' fees, costs, or expenses incurred by private contingency fee counsel. No part of the CA Abatement Accounts Fund will be used to reimburse Costs.
- b) *First Claims Date* means October 1, 2023 or when all applications for reimbursement of Costs, in whole or in part, from funds available under Section IX and Exhibit R of the Walgreens Settlement Agreement, Section XIV and Exhibit R of the Teva Settlement Agreement, Section XIII and Exhibit R of the Allergan Settlement Agreement, Section X and Exhibit R of the Distributor Settlement Agreement, Section XI and Exhibit R of the Janssen Settlement Agreement, Section X and Exhibit R of the CVS Settlement Agreement, or Section IX and Exhibit R of the Walmart Settlement Agreement, have been finally determined under the provisions of those agreements, whichever comes first.
- c) *Special Master* means a retired judicial officer or former public lawyer, not presently employed or retained by a Plaintiff Subdivision, who will aggregate, review, and determine the reasonable Costs to be awarded to each Plaintiff Subdivision that submits a claim for reimbursement of Costs. The Special Master will be selected by a majority vote of the votes cast by Plaintiff Subdivisions, with each such subdivision having one vote.
- d) *Plaintiff Subdivision Committee* means the committee of Plaintiff Subdivisions that will review and approve the invoices submitted by the Special Master reflecting his or her reasonable time and expenses.

#### 2. Cost Reimbursement to Plaintiff Subdivision

- a) Purpose. Substantial resources have been expended to hold Opioid Defendants accountable for creating and profiting from the opioid crisis, and this effort has been a significant catalyst in creating National Opioid Settlements with various manufacturers, distributors, and chain pharmacies.
- b) Claims Procedure.
  - i. If a Plaintiff Subdivision is eligible to seek reimbursement of Costs, in whole or in part, from funds available under Section IX and Exhibit R of the Walgreens



Settlement Agreement, Section XIV and Exhibit R of the Teva Settlement Agreement, Section XIII and Exhibit R of the Allergan Settlement Agreement, Section X and Exhibit R of the CVS Settlement Agreement, Section IX and Exhibit R of the Walmart Settlement Agreement, Section X or Exhibit R of the Distributor Settlement Agreement, or Section XI or Exhibit R of the Janssen Settlement Agreement, it must first make a timely application for reimbursement from such funds. To allow sufficient time for determination of those applications, no claim for Costs to the CA Subdivision Fund under this Agreement may be made before the First Claims Date.

- ii. A Plaintiff Subdivision that wishes to be reimbursed from the CA Subdivision Fund must submit a claim to the Special Master no later than forty-five (45) days after the First Claims Date. The Special Master will then compile and redistribute the aggregated claim totals for each Plaintiff Subdivision via email to representatives of all the Plaintiff Subdivisions. A claim for attorney and staff time must list, for each attorney or staff member included in the claim, the following information: name, title, total hours claimed, hourly rate (including, if sought, benefits and share of overhead), and narrative summarizing the general nature of the work performed by the attorney or staff member. For reimbursement of “hard” costs, the subdivision may aggregate across a category (e.g., total for travel costs). It is the intention of the Plaintiff Subdivisions that submission of documents related to reimbursement of Costs does not waive any attorney-client privilege or exemptions to the California Public Records Act.
- iii. The Special Master may request, at his or her sole option, additional documents or details to assist in the final award of Costs.
- iv. The Special Master will review claims for reasonableness and will notify each Plaintiff Subdivision of the final determination of its claim, and will provide a list of all final awards to all Plaintiff Subdivisions by email or, upon request, via First Class U.S. Mail. Any Plaintiff Subdivision may ask the Special Master to reconsider any final award within twenty-one (21) days. The Special Master will make a final determination on any such reconsideration request within thirty (30) days of receipt.
- v. Any decision of the Special Master is final and binding, and will be considered under the California Arbitration Act, Code of Civil Procedure section 1280 et seq. as a final arbitration award. Nothing in this agreement is intended to expand the scope of judicial review of the final award for errors of fact or law, and the Parties agree that they may only seek to vacate the award if clear and convincing evidence demonstrates one of the factors set forth in Code of Civil Procedure, section 1286.2, subdivision (a). Plaintiff Subdivisions will have fourteen (14) days after all final awards are made, together with any final determination of a request for



reconsideration, to seek review in the Superior Court of California, pursuant to Code of Civil Procedure, section 1285, where the State has filed its Consent Judgment.

- vi. The Special Master will prepare a report of Costs that includes his or her fees and expenses at least ninety (90) days before the Payment Date for each Annual Payment. The Special Master's preparation of a report of Costs does not discharge a Plaintiff Subdivision's reporting requirement under Section V(B)(2) of the Walgreens Settlement Agreement.
- vii. A member of the Plaintiff Subdivision Committee, which is a CA Participating Subdivision, will submit to the Settlement Fund Administrator and Walgreens a report of the fees and expenses incurred by the Special Master pursuant to Section V(B)(2) of the Walgreens Settlement Agreement.

c) Claims Priority and Limitation.

- i. The Special Master will submit invoices for compensation of reasonable fees and expenses to the Plaintiff Subdivision Committee no later than ninety (90) days prior to the Payment Date for each Annual Payment. The Plaintiff Subdivision Committee will promptly review and, if reasonable, approve the Special Master's invoice for compensation. The Plaintiff Subdivision Committee will submit approved invoices to the Settlement Fund Administrator for payment. The Special Master's approved invoices have priority and will be paid first from the CA Subdivision Fund before any award of Costs, subject to the limitation in Section 2.c.v below.
- ii. Final Awards of Costs that do not exceed seventy-five thousand dollars (\$75,000.00) will be paid next in priority after the Special Master's approved invoices.
- iii. Final Awards of Costs in excess of seventy-five thousand dollars (\$75,000.00) will be paid proportionally from the funds remaining in that year's Annual Payment.
- iv. Any claim for Costs that is not paid in full will be allocated against the next year's distribution from the CA Subdivision Fund, until all approved claims for Costs are paid in full.
- v. In no event will more than 50% of the total CA Subdivision Fund received in any year be used to pay Costs or the Special Master's approved invoices.
- vi. In no event shall more than \$28 million of the total CA Subdivision Funds paid pursuant to the Walgreens Settlement Agreement, Teva Settlement Agreement, Allergan Settlement Agreement, Distributor Settlement Agreement, CVS Settlement Agreement, Janssen Settlement Agreement, and the Walmart Settlement Agreement be used to pay Costs.



d) Collateral Source Payments and Third-Party Settlement.

- i. In the event a Plaintiff Subdivision is awarded compensation, in whole or in part, by any source of funds created as a result of litigation against an Opioid Defendant for its reasonable Costs, it will reduce its claim for Costs from the CA Subdivision Fund by that amount. If a Plaintiff Subdivision has already received a final award of Costs from the CA Subdivision Fund, it will repay the fund up to the prior award of Costs via a payment to the Settlement Fund Administrator or notify the Settlement Fund Administrator that its allocation from the next and subsequent Annual Payments should be reduced accordingly. If the Plaintiff Subdivision is repaying any prior award of Costs, that repayment will occur as soon as is feasible after the Plaintiff Subdivision's receipt of Cost funds from the collateral source, but no more than 90 days after its receipt from the collateral source. The Settlement Fund Administrator will add any repaid Costs to the CA Subdivision Fund. Any Plaintiff Subdivision that has submitted for reimbursement to any national fund and has not received a final determination by the First Claims Date may request that the settlement administrator withhold some or all of its payment from the CA Subdivision Fund in order to avoid repayment.
- ii. In the event a Plaintiff Subdivision reaches a monetary settlement or compromise against any Opioid Defendant outside of the National Opioid Settlement, the monetary portion of such settlement, net of fees paid to outside contingency fee counsel and of funds earmarked strictly for abatement, will be credited against its Costs and the subdivision will be ineligible to recover those credited Costs from the CA Subdivision Fund. Plaintiff Subdivisions negotiating monetary settlements or compromises against any Opioid Defendant outside of the National Opioid Settlement will negotiate for funds to repay any Costs it previously received from the CA Subdivision Fund or for Costs it otherwise might be eligible to claim from the CA Subdivision Fund. If such a settlement is paid after all final approved claims for Costs by all Plaintiff Subdivisions are satisfied in full, the settling subdivision will reimburse the CA Subdivision Fund in that amount by making payment to the Settlement Fund Administrator to add to the CA Subdivision Fund in a manner consistent with the repayments described in section 2.d.i above.



### APPENDIX 3

#### CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT

On August 6, 2021, Judge Polster of the US District Court for the Northern District of Ohio issued an Order (the Order), docket number 3814, in In Re National Prescription Opiate Litigation, MDL 2804, addressing contingent attorney fee contracts between political subdivisions eligible to participate in the Walgreens Settlement and their counsel.

In light of the Order, and at the request of [SUBDIVISION], the [SUBDIVISION], its counsel [COUNSEL], and the California Attorney General, on behalf of the State of California, are entering into this California-Subdivision Backstop Agreement (Backstop Agreement).

[SUBDIVISION] and [COUNSEL] intend this Backstop Agreement to constitute a State Back-Stop Agreement as that term is used in the Order and in Exhibit R (Agreement on Attorneys' Fees, Costs, and Expenses) of the Walgreens Settlement Agreement.

Pursuant to this Backstop Agreement, [SUBDIVISION] may, subject to the limitations of the Walgreens Settlement Agreement and CA Walgreens Allocation Agreement, as well as any other limitations imposed by law, use funds that it receives from the Walgreens Settlement CA Subdivision Fund to pay a contingent fee to [COUNSEL]. Any such payment from [SUBDIVISION] to [COUNSEL], together with any contingency fees that [COUNSEL] may receive from the national Attorney Fee Fund, will not exceed a total contingency fee of [PERCENTAGE NOT TO EXCEED 15%] of the total gross recovery of [SUBDIVISION] from the Walgreens Settlement.

[COUNSEL] certify that they first sought fees and costs from the Attorney Fee Fund created under the Walgreens Settlement Agreement before seeking or accepting payment under this backstop agreement. [COUNSEL] further certify that they are not seeking and will not accept payment under this backstop agreement of any litigation fees or costs that have been reimbursed through prior settlements or judgments.

The Attorney General is executing this agreement solely because the definition of "State Back-Stop Agreement" in Exhibit R of the Walgreens Settlement Agreement requires such agreements to be between "a Settling State" and private counsel for a participating subdivision. Neither the California Attorney General nor the State of California have any obligations under this Backstop Agreement, and this Backstop Agreement does not require the payment of any state funds to [SUBDIVISION], [COUNSEL], or any other party.

[DATE]

[SUBDIVISION SIGNATURE BLOCK]

[DATE]

[COUNSEL SIGNATURE BLOCK]

[DATE]

[ATTORNEY GENERAL SIGNATURE BLOCK]



**Proposed California State-Subdivision Agreement  
Regarding Distribution and Use of  
Settlement Funds – Walmart Settlement**

**1. Introduction**

Pursuant to the Walmart Settlement Agreement, dated as of November 14, 2022, and any revision thereto (the “Walmart Settlement Agreement”), including Section V and Exhibit O, the State of California proposes this agreement (the “CA Walmart Allocation Agreement”) to govern the allocation, distribution, and use of Settlement Fund payments made to California pursuant to Sections IV and V of the Walmart Settlement Agreement. For the avoidance of doubt, this agreement does not apply to payments made pursuant to Sections VIII or IX of the Walmart Settlement Agreement.

Pursuant to Exhibit O, Paragraph 4, of the Walmart Settlement Agreement, acceptance of this CA Walmart Allocation Agreement is a requirement to be a Participating Subdivision.

**2. Definitions**

- a) *CA Participating Subdivision* means a Participating Subdivision that is also (a) a Plaintiff Subdivision and/or (b) a Primary Subdivision with a population equal to or greater than 10,000. For the avoidance of doubt, eligible CA Participating Subdivisions are those California subdivisions listed in Exhibit C (excluding Litigating Special Districts) and/or Exhibit I to the Walmart Settlement Agreement.
- b) *Allergan Settlement Agreement* means the Allergan Settlement Agreement dated November 22, 2022, and any revision thereto.
- c) *CVS Settlement Agreement* means the CVS Settlement Agreement dated December 9, 2022, and any revision thereto as well as any modification thereto entered into by the State of California and CVS.
- d) *Distributor Settlement Agreement* means the Distributor Settlement Agreement dated July 21, 2021, and any revision thereto.
- e) *Janssen Settlement Agreement* means the Janssen Settlement Agreement dated July 21, 2021, and any revision thereto.
- f) *Teva Settlement Agreement* means the Teva Settlement Agreement dated November 22, 2022, and any revision thereto.
- g) *Walgreens Settlement Agreement* means the Walgreens Settlement Agreement dated December 9, 2022, and any revision thereto.
- h) *CA Litigating Special District* means a Litigating Special District located in California. CA Litigating Special Districts include Downey Unified School District, Elk Grove Unified School District, Kern High School District, Montezuma Fire Protection District (located in Stockton, California), Santa Barbara San Luis Obispo Regional Health Authority, Inland Empire Health Plan, Health Plan of San Joaquin, San Leandro Unified School District, Pleasant Valley School District Board, and LA Care Health Plan.





- i) *Plaintiff Subdivision* means a Subdivision located in California, other than a CA Litigating Special District, that filed a lawsuit, on behalf of the Subdivision and/or through an official of the Subdivision on behalf of the People of the State of California, against one or more Opioid Defendants prior to October 1, 2020.
- j) *Opioid Defendant* means any defendant (including but not limited to Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Allergan Limited, CVS Health Corporation, CVS Pharmacy, Inc., Walgreen Co., Walmart Inc., Johnson & Johnson, Janssen Pharmaceuticals, Inc., Purdue Pharma L.P., Cardinal Health, Inc., AmerisourceBergen Corporation, and McKesson Corporation) named in a lawsuit seeking damages, abatement, or other remedies related to or caused by the opioid public health crisis in any lawsuit brought by any state or local government on or before October 1, 2020.

### **3. General Terms**

This agreement is subject to the requirements of the Walmart Settlement Agreement, as well as applicable law, and the Walmart Settlement Agreement governs over any inconsistent provision of this CA Walmart Allocation Agreement. Terms used in this CA Walmart Allocation Agreement have the same meaning as in the Walmart Settlement Agreement unless otherwise defined herein.

Pursuant to Section V(D)(1) of the Walmart Settlement Agreement, (a) all Settlement Fund payments will be used for Opioid Remediation, except as allowed by Section V(B)(2) of the Walmart Settlement Agreement; and (b) at least seventy percent (70%) of Settlement Fund payment amounts will be used solely for future Opioid Remediation.

### **4. State Allocation**

The Settlement Fund payments to California,<sup>1</sup> pursuant to the Walmart Settlement Agreement, shall be allocated as follows: 15% to the State Fund; 70% to the Abatement Accounts Fund; and 15% to the Subdivision Fund. For the avoidance of doubt, all funds allocated to California from the Settlement Fund shall be combined pursuant to this CA Walmart Allocation Agreement, and 15% of that total shall be allocated to the State of California (the “State of California Allocation”), 70% to the California Abatement Accounts Fund (“CA Abatement Accounts Fund”), and 15% to the California Subdivision Fund (“CA Subdivision Fund”).

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<sup>1</sup> For purposes of clarity, use of the term “California” refers to the geographic territory of California and the state and its local governments therein. The term “State” or “State of California” refers to the State of California as a governmental unit.



**A. State of California Allocation**

Fifteen percent of the total Settlement Fund payments will be allocated to the State and used by the State for future Opioid Remediation.

**B. CA Abatement Accounts Fund**

**i. Allocation of CA Abatement Accounts Funds**

- a) Seventy percent of the total Settlement Fund payments will be allocated to the CA Abatement Accounts Fund. The funds in the CA Abatement Accounts Fund will be allocated based on the allocation model developed in connection with the proposed negotiating class in the National Prescription Opiate Litigation (MDL No. 2804), as adjusted to reflect only those cities and counties that are eligible, based on population or litigation status, to become a CA Participating Subdivision. The percentage from the CA Abatement Accounts Fund allocated to each CA Participating Subdivision is set forth in Appendix 1 in the column entitled abatement percentage (the “Local Allocation”). For the avoidance of doubt, CA Litigating Special Districts and California towns, cities, and counties with a population less than 10,000 are not eligible to receive an allocation of CA Abatement Accounts Funds.
- b) A CA Participating Subdivision that is a county, or a city and county, will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision, and will receive payments as provided in the Walmart Settlement Agreement.
- c) A CA Participating Subdivision that is a city will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision. The Local Allocation share for a city that is a CA Participating Subdivision will be paid to the county in which the city is located, rather than to the city, so long as: (a) the county is a CA Participating Subdivision, and (b) the city has not advised the Settlement Fund Administrator that it requests direct payment at least 60 days prior to a Payment Date. A Local Allocation share allocated to a city but paid to a county is not required to be spent exclusively for abatement activities in that city, but will become part of the county’s share of the CA Abatement Accounts Funds, which will be used in accordance with Section 4.B.ii (Use of CA Abatement Accounts Funds) and reported on in accordance with Section 4.B.iii (CA Abatement Accounts Fund Oversight).
- d) A city within a county that is a CA Participating Subdivision may opt in or out of direct payment at any time, and it may also elect direct payment of only a portion of its share, with the remainder going to the county, by providing notice to the Settlement Fund Administrator at least 60 days prior to a Payment Date. For purposes of this CA Walmart Allocation Agreement, the Cities of Los Angeles, Oakland, San Diego, San Jose and Eureka will be deemed to have elected direct payment if they become Participating Subdivisions.



- e) The State will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision.
- f) Funds received by a CA Participating Subdivision, and not expended or encumbered within five years of receipt and in accordance with the Walmart Settlement Agreement and this CA Walmart Allocation Agreement shall be transferred to the State; provided however, that CA Participating Subdivisions have seven years to expend or encumber CA Abatement Accounts Funds designated to support capital outlay projects before they must be transferred to the State. This provision shall not apply to the Cost Reimbursement Funds, which shall be controlled by Appendix 2.

## **ii. Use of CA Abatement Accounts Funds**

- a) The CA Abatement Accounts Funds will be used for future Opioid Remediation in one or more of the areas described in the List of Opioid Remediation Uses, which is Exhibit E to the Walmart Settlement Agreement.
- b) In addition to this requirement, no less than 50% of the funds received by a CA Participating Subdivision from the Abatement Accounts Fund in each calendar year will be used for one or more of the following High Impact Abatement Activities:
  - (1) the provision of matching funds or operating costs for substance use disorder facilities within the Behavioral Health Continuum Infrastructure Program;
  - (2) creating new or expanded Substance Use Disorder (“SUD”) treatment infrastructure;
  - (3) addressing the needs of communities of color and vulnerable populations (including sheltered and unsheltered homeless populations) that are disproportionately impacted by SUD;
  - (4) diversion of people with SUD from the justice system into treatment, including by providing training and resources to first and early responders (sworn and non-sworn) and implementing best practices for outreach, diversion and deflection, employability, restorative justice, and harm reduction; and/or
  - (5) interventions to prevent drug addiction in vulnerable youth.
- c) The California Department of Health Care Services (“DHCS”) may add to this list (but not delete from it) by designating additional High Impact Abatement Activities. DHCS will make reasonable efforts to consult with stakeholders, including the CA Participating Subdivisions, before adding additional High Impact Abatement Activities to this list.
- d) For the avoidance of doubt, and subject to the requirements of the Walmart Settlement Agreement and applicable law, CA Participating Subdivisions may form agreements or ventures, or otherwise work in collaboration with, federal, state, local, tribal or private sector entities in pursuing Opioid Remediation activities funded from the CA Abatemen



Accounts Fund. Further, provided that all CA Abatement Accounts Funds are used for Opioid Remediation consistent with the Walmart Settlement Agreement and this CA Walmart Allocation Agreement, a county and any cities or towns within the county may agree to reallocate their respective shares of the CA Abatement Accounts Funds among themselves, provided that any direct distribution may only be to a CA Participating Subdivision and any CA Participating Subdivision must agree to their share being reallocated.

### **iii. CA Abatement Accounts Fund Oversight**

- a) Pursuant to Section 5 below, CA Participating Subdivisions receiving settlement funds must prepare and file reports annually regarding the use of those funds. DHCS may regularly review the reports prepared by CA Participating Subdivisions about the use of CA Abatement Accounts Funds for compliance with the Walmart Settlement Agreement and this CA Walmart Allocation Agreement.
- b) If DHCS determines that a CA Participating Subdivision's use of CA Abatement Accounts Funds is inconsistent with the Walmart Settlement Agreement or this CA Walmart Allocation Agreement, whether through review of reports or information from any other sources, DHCS shall send a request to meet and confer with the CA Participating Subdivision. The parties shall meet and confer in an effort to resolve the concern.
- c) If the parties are unable to reach a resolution, DHCS may conduct an audit of the Subdivision's use of the CA Abatement Accounts Funds within one year of the request to meet and confer, unless the parties mutually agree in writing to extend the meet and confer time frame.
- d) If the concern still cannot be resolved, the State may bring a motion or action in the court where the State has filed its Consent Judgment to resolve the concern or otherwise enforce the requirements of the Walmart Settlement Agreement or this CA Walmart Allocation Agreement. However, in no case shall any audit be conducted, or motion be brought, as to a specific expenditure of funds, more than five years after the date on which the expenditure of the funds was reported to DHCS, in accordance with this agreement.
- e) Notwithstanding the foregoing, this Agreement does not limit the statutory or constitutional authority of any state or local agency or official to conduct audits, investigations, or other oversight activities, or to pursue administrative, civil, or criminal enforcement actions.



### **C. CA Subdivision Fund**

- i. Fifteen percent of the total Settlement Fund payments will be allocated to the CA Subdivision Fund. All funds in the CA Subdivision Fund will be allocated among the Plaintiff Subdivisions that are Participating Subdivisions. The funds will be used, subject to any limits imposed by the Walmart Settlement Agreement and this CA Walmart Allocation Agreement, to fund future Opioid Remediation and reimburse past opioid-related expenses, which may include fees and expenses related to litigation, and to pay the reasonable fees and expenses of the Special Master as set forth in Appendix 2.

The CA Subdivision Funds will be allocated as follows:

- a) First, funds in the CA Subdivision Fund shall be used to pay the Special Master's reasonable fees and expenses in accordance with the procedures and limitations set forth in Appendix 2 to this document;
- b) Second, funds will be allocated to Plaintiff Subdivisions that are Participating Subdivisions that have been awarded Costs, as defined by and in accordance with the procedures and limitations set forth in Appendix 2 to this document.
- c) Funds remaining in the CA Subdivision Fund, which shall consist of no less than 50% of the total CA Subdivision Fund received in any year pursuant to Appendix 2, Section 2.c.v, will be distributed to Plaintiff Subdivisions that are Participating Subdivisions, in relative proportion to the Local Allocation. These funds shall be used to fund future opioid-related projects and to reimburse past opioid-related expenses, which may include fees and expenses related to litigation against any Opioid Defendant.

### **D. Provision for State Back-Stop Agreement**

On August 6, 2021, Judge Dan Polster of the U.S. District Court, Northern District of Ohio, Eastern Division, issued an order (ECF Docket Number 3814) ("MDL Fees Order") in the National Prescription Opiate Litigation (MDL No. 2804) "cap[ping] all applicable contingent fee agreements at 15%." Private counsel representing Plaintiff Subdivisions should seek its contingency fees and costs from the Attorney Fee Fund or Cost Funds under the Walmart Settlement Agreement, and, if applicable, the Allergan Settlement Agreement, CVS Settlement Agreement, Distributor Settlement Agreement, Janssen Settlement Agreement, Teva Settlement Agreement, and Walgreens Settlement Agreement.

A Plaintiff Subdivision may separately agree to use its share of the CA Subdivision Fund to pay for fees or costs incurred by its contingency-fee counsel ("State Back-Stop Agreement"), pursuant to Exhibit R, section I(W), of the Walmart Settlement Agreement and the MDL Fees Order, so long as such contingency fees do not exceed a total contingency fee of 15% of the total gross recovery of the Plaintiff Subdivision pursuant to the Walmart Settlement, inclusive of contingency fees from the national Attorney Fee Fund and this State Back-Stop Agreement. Before seeking fees or litigation costs and expenses from a State Back-Stop Agreement, private



counsel representing Plaintiff Subdivisions must first seek contingency fees and costs from the Attorney Fee Fund or Cost Funds created under the Walmart Settlement Agreement. Further, private counsel may only seek reimbursement for litigation fees and costs that have not previously been reimbursed through prior settlements or judgments.

To effectuate a State Back-Stop Agreement pursuant to this section, an agreement in the form of Appendix 3 may be entered into by a Plaintiff Subdivision, private counsel, and the California Office of the Attorney General. The California Office of the Attorney General shall, upon the request of a Plaintiff Subdivision, execute any agreement executed by a Plaintiff Subdivision and its private counsel if it is in the form of Appendix 3. The California Office of the Attorney General will also consider requests from Plaintiff Subdivisions to execute and enter into agreements presented in other forms.

For the avoidance of doubt, this agreement does not require a Plaintiff Subdivision to request or enter into a State Back-Stop Agreement, and no State Back-Stop Agreement shall impose any duty or obligation on the State of California or any of its agencies or officers, including without limitation the Attorney General.

## **5. State and Subdivision Reporting**

- a) DHCS will prepare an annual written report regarding the State's use of funds from the settlement until those funds are fully expended and for one year thereafter. These reports will be made publicly available on the DHCS web site.
- b) Each CA Participating Subdivision that receives payments of funds from the settlement will prepare written reports at least annually regarding the use of those funds, until those funds are fully expended and for one year thereafter. These reports will also include a certification that all funds that the CA Participating Subdivision has received through the settlement have been used in compliance with the Walmart Settlement Agreement and this CA Walmart Allocation Agreement. The report will be in a form reasonably determined by DHCS. Prior to specifying the form of the report DHCS will confer with representatives of the Plaintiff Subdivisions.
- c) The State and all CA Participating Subdivisions receiving CA Abatement Accounts Funds will track all deposits and expenditures. Each such subdivision is responsible solely for the CA Abatement Accounts Funds it receives. A county is not responsible for oversight, reporting, or monitoring of CA Abatement Accounts Funds received by a city within that county that receives direct payment. Unless otherwise exempt, Subdivisions' expenditures and uses of CA Abatement Accounts Funds and other Settlement Funds will be subject to the normal budgetary and expenditure process of the Subdivision.
- d) Each Plaintiff Subdivision receiving CA Subdivision Funds will track all deposits and expenditures, as required by the Walmart Settlement Agreement and this CA Walmart Allocation Agreement. Among other things, Plaintiff Subdivisions using monies from the CA Subdivision Fund for purposes that do not qualify as Opioid Remediation must identify and include in their annual report, the amount and how such funds were used, including if used to pay attorneys' fees, investigation costs, or litigation costs. Pursuant to Section V(B)(2) of the Walmart Settlement Agreement, such information must also be reported to the Settlement Fund Administrator and Walmart.



- e) In each year in which DHCS prepares an annual report DHCS will also host a meeting to discuss the annual report and the Opioid Remediation activities being carried out by the State and Participating Subdivisions.

## **6. Miscellaneous**

- a) The State or any CA Participating Subdivision may bring a motion or action in the court where the State has filed its Consent Judgment to enforce the requirements of this CA Walmart Allocation Agreement. Before filing such a motion or action the State will meet and confer with any CA Participating Subdivision that is the subject of the anticipated motion or action, and vice versa.
- b) Except as provided in the Walmart Settlement Agreement, this CA Walmart Allocation Agreement is not enforceable by any party other than the State and the CA Participating Subdivisions. It does not confer any rights or remedies upon, and shall not be enforceable by, any third party.
- c) Except as provided in the CA Walmart Allocation Agreement, if any provision of this agreement or the application thereof to any person, entity, or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement, or the application of such provision to persons, entities, or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby, and each other provision of this agreement will be valid and enforceable to the fullest extent permitted by law.
- d) Except as provided in the Walmart Settlement Agreement, this agreement shall be governed by and interpreted in accordance with the laws of California.



The undersigned, Stanton city, ACKNOWLEDGES acceptance of this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Walmart Settlement is a requirement to be an Initial Participating Subdivision in the Walmart Settlement and ACCEPTS this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – Walmart Settlement. EXECUTED on \_\_\_\_\_.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_





## APPENDIX 1

**DISCLAIMER:** The allocation percentages herein are estimates only and should not be relied on for decisions regarding legal rights, releases, waivers, or other decisions affecting current or potential legal claims. Percentages shown in the Plaintiff Subdivision Percentage column may change pursuant to Section 4.C. of the California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds—Walmart Settlement, whereas the percentages shown in the Abatement Percentage column should not change. Participating Subdivisions, underlying calculations, and the calculated allocation percentages are subject to change. Regarding the column herein entitled “Abatement Percentage,” pursuant to Section 4.B.e., the State of California will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” payments allocated to a Plaintiff Subdivision, which is not an Initial Participating Subdivision, will be re-allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. Regarding the column herein entitled “Abatement Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Abatement Account Funds received, pursuant to Section 4.B. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Subdivision Funds received, pursuant to Section 4.C. Regarding the column herein entitled “Weighted Allocation Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the combined and weighted allocation of the Abatement Percentage and the Plaintiff Subdivision Percentage.



## APPENDIX 1

			100.000%	100.000%	100.000%
Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
County	<i>Alameda County</i>	Alameda	2.332%	2.853%	<b>2.4237952%</b>
City	Alameda	Alameda	0.069%		<b>0.0570162%</b>
City	Albany	Alameda	0.013%		<b>0.0107768%</b>
City	Berkeley	Alameda	0.152%		<b>0.1249656%</b>
City	Dublin	Alameda	0.033%	0.040%	<b>0.0338810%</b>
City	Emeryville	Alameda	0.023%		<b>0.0185765%</b>
City	Fremont	Alameda	0.108%		<b>0.0888576%</b>
City	Hayward	Alameda	0.117%		<b>0.0966218%</b>
City	Livermore	Alameda	0.054%		<b>0.0446740%</b>
City	Newark	Alameda	0.026%		<b>0.0217626%</b>
City	Oakland	Alameda	0.486%	0.595%	<b>0.5055601%</b>
City	Piedmont	Alameda	0.014%		<b>0.0114064%</b>
City	Pleasanton	Alameda	0.067%		<b>0.0554547%</b>
City	San Leandro	Alameda	0.039%		<b>0.0321267%</b>
City	Union City	Alameda	0.043%		<b>0.0352484%</b>
County	<i>Amador County</i>	Amador	0.226%	0.277%	<b>0.2349885%</b>
County	<i>Butte County</i>	Butte	1.615%	1.975%	<b>1.6783178%</b>
City	Chico	Butte	0.216%	0.264%	<b>0.2246499%</b>
City	Oroville	Butte	0.079%		<b>0.0646595%</b>
County	<i>Calaveras County</i>	Calaveras	0.226%	0.277%	<b>0.2351644%</b>
County	<i>Colusa County</i>	Colusa	0.059%		<b>0.0489221%</b>
County	<i>Contra Costa County</i>	Contra Costa	2.102%	2.571%	<b>2.1844585%</b>
City	Antioch	Contra Costa	0.037%		<b>0.0301879%</b>
City	Brentwood	Contra Costa	0.026%		<b>0.0215339%</b>
City	Clayton	Contra Costa	0.002%		<b>0.0018060%</b>
City	Concord	Contra Costa	0.055%		<b>0.0456676%</b>
City	Danville	Contra Costa	0.010%		<b>0.0082255%</b>
City	El Cerrito	Contra Costa	0.023%		<b>0.0189024%</b>
City	Hercules	Contra Costa	0.010%		<b>0.0078273%</b>



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Lafayette	Contra Costa	0.006%		0.0046030%
City	Martinez	Contra Costa	0.012%		0.0098593%
City	Moraga	Contra Costa	0.004%		0.0031007%
City	Oakley	Contra Costa	0.010%		0.0079416%
City	Orinda	Contra Costa	0.005%		0.0038157%
City	Pinole	Contra Costa	0.013%		0.0110909%
City	Pittsburg	Contra Costa	0.053%		0.0436369%
City	Pleasant Hill	Contra Costa	0.013%		0.0106309%
City	Richmond	Contra Costa	0.146%		0.1201444%
City	San Pablo	Contra Costa	0.018%		0.0148843%
City	San Ramon	Contra Costa	0.021%		0.0176459%
City	Walnut Creek	Contra Costa	0.026%		0.0212132%
County	<i>Del Norte County</i>	Del Norte	0.114%	0.140%	0.1189608%
County	<i>El Dorado County</i>	El Dorado	0.768%	0.939%	0.7980034%
City	Placerville	El Dorado	0.015%		0.0127642%
City	South Lake Tahoe	El Dorado	0.081%		0.0665456%
County	<i>Fresno County</i>	Fresno	1.895%	2.318%	1.9693410%
City	Clovis	Fresno	0.065%		0.0536211%
City	Coalinga	Fresno	0.012%		0.0098554%
City	Fresno	Fresno	0.397%		0.3270605%
City	Kerman	Fresno	0.005%		0.0042534%
City	Kingsburg	Fresno	0.008%		0.0066167%
City	Mendota	Fresno	0.002%		0.0019387%
City	Orange Cove	Fresno	0.004%		0.0035607%
City	Parlier	Fresno	0.008%		0.0069755%
City	Reedley	Fresno	0.012%		0.0098804%
City	Sanger	Fresno	0.018%		0.0146135%
City	Selma	Fresno	0.015%		0.0127537%
County	<i>Glenn County</i>	Glenn	0.107%	0.131%	0.1116978%
County	<i>Humboldt County</i>	Humboldt	1.030%	1.260%	1.0703185%



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Arcata	Humboldt	0.054%		<b>0.0447660%</b>
City	Eureka	Humboldt	0.117%	0.143%	<b>0.1216284%</b>
City	Fortuna	Humboldt	0.032%		<b>0.0266837%</b>
County	<b><i>Imperial County</i></b>	Imperial	0.258%	0.315%	<b>0.2679006%</b>
City	Brawley	Imperial	0.011%		<b>0.0087986%</b>
City	Calexico	Imperial	0.019%		<b>0.0152799%</b>
City	El Centro	Imperial	0.158%		<b>0.1302522%</b>
City	Imperial	Imperial	0.006%		<b>0.0048791%</b>
County	<b><i>Inyo County</i></b>	Inyo	0.073%	0.089%	<b>0.0754413%</b>
County	<b><i>Kern County</i></b>	Kern	2.517%	3.079%	<b>2.6159145%</b>
City	Arvin	Kern	0.006%		<b>0.0046425%</b>
City	Bakersfield	Kern	0.212%		<b>0.1747198%</b>
City	California City	Kern	0.009%		<b>0.0070820%</b>
City	Delano	Kern	0.030%		<b>0.0249316%</b>
City	McFarland	Kern	0.003%		<b>0.0025644%</b>
City	Ridgecrest	Kern	0.015%		<b>0.0120938%</b>
City	Shafter	Kern	0.013%		<b>0.0103417%</b>
City	Tehachapi	Kern	0.009%		<b>0.0073580%</b>
City	Wasco	Kern	0.008%		<b>0.0069861%</b>
County	<b><i>Kings County</i></b>	Kings	0.293%		<b>0.2413469%</b>
City	Avenal	Kings	0.007%		<b>0.0056335%</b>
City	Corcoran	Kings	0.013%		<b>0.0107032%</b>
City	Hanford	Kings	0.027%		<b>0.0226038%</b>
City	Lemoore	Kings	0.016%		<b>0.0131900%</b>
County	<b><i>Lake County</i></b>	Lake	0.795%		<b>0.6545389%</b>
City	Clearlake	Lake	0.041%	0.050%	<b>0.0426253%</b>
City	Lakeport	Lake	0.021%	0.026%	<b>0.0222964%</b>
County	<b><i>Lassen County</i></b>	Lassen	0.319%	0.391%	<b>0.3320610%</b>
City	Susanville	Lassen	0.027%		<b>0.0219295%</b>
County	<b><i>Los Angeles County</i></b>	Los Angeles	13.896%	16.999%	<b>14.4437559%</b>



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Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Agoura Hills	Los Angeles	0.005%		0.0040024%
City	Alhambra	Los Angeles	0.042%		0.0343309%
City	Arcadia	Los Angeles	0.033%		0.0267718%
City	Artesia	Los Angeles	0.001%		0.0005100%
City	Azusa	Los Angeles	0.026%		0.0210857%
City	Baldwin Park	Los Angeles	0.027%		0.0218520%
City	Bell	Los Angeles	0.008%		0.0068783%
City	Bellflower	Los Angeles	0.002%		0.0014485%
City	Bell Gardens	Los Angeles	0.014%		0.0114301%
City	Beverly Hills	Los Angeles	0.065%		0.0534897%
City	Burbank	Los Angeles	0.100%		0.0823132%
City	Calabasas	Los Angeles	0.006%		0.0048948%
City	Carson	Los Angeles	0.019%		0.0159805%
City	Cerritos	Los Angeles	0.005%		0.0039682%
City	Claremont	Los Angeles	0.010%		0.0082584%
City	Commerce	Los Angeles	0.000%		0.0002971%
City	Compton	Los Angeles	0.044%		0.0361882%
City	Covina	Los Angeles	0.028%		0.0229127%
City	Cudahy	Los Angeles	0.001%		0.0006020%
City	Culver City	Los Angeles	0.055%		0.0449894%
City	Diamond Bar	Los Angeles	0.001%		0.0006993%
City	Downey	Los Angeles	0.052%		0.0429994%
City	Duarte	Los Angeles	0.003%		0.0027261%
City	El Monte	Los Angeles	0.031%	0.038%	0.0318985%
City	El Segundo	Los Angeles	0.033%		0.0268020%
City	Gardena	Los Angeles	0.034%		0.0278088%
City	Glendale	Los Angeles	0.166%		0.1366586%
City	Glendora	Los Angeles	0.016%		0.0134411%
City	Hawaiian Gardens	Los Angeles	0.005%		0.0040549%
City	Hawthorne	Los Angeles	0.050%		0.0407833%



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Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Hermosa Beach	Los Angeles	0.018%		0.0145307%
City	Huntington Park	Los Angeles	0.023%		0.0190667%
City	Inglewood	Los Angeles	0.059%		0.0489195%
City	La Cañada Flintridge	Los Angeles	0.003%		0.0025565%
City	Lakewood	Los Angeles	0.005%		0.0039971%
City	La Mirada	Los Angeles	0.010%		0.0081572%
City	Lancaster	Los Angeles	0.045%		0.0369689%
City	La Puente	Los Angeles	0.002%		0.0012999%
City	La Verne	Los Angeles	0.024%		0.0194190%
City	Lawndale	Los Angeles	0.002%		0.0017731%
City	Lomita	Los Angeles	0.004%		0.0031940%
City	Long Beach	Los Angeles	0.439%		0.3614151%
City	Los Angeles	Los Angeles	2.715%	3.321%	2.8218811%
City	Lynwood	Los Angeles	0.016%		0.0134345%
City	Malibu	Los Angeles	0.002%		0.0019269%
City	Manhattan Beach	Los Angeles	0.032%		0.0260686%
City	Maywood	Los Angeles	0.004%		0.0035528%
City	Monrovia	Los Angeles	0.031%		0.0254455%
City	Montebello	Los Angeles	0.030%		0.0250670%
City	Monterey Park	Los Angeles	0.031%		0.0256677%
City	Norwalk	Los Angeles	0.031%		0.0258228%
City	Palmdale	Los Angeles	0.046%		0.0375827%
City	Palos Verdes Estates	Los Angeles	0.006%		0.0053102%
City	Paramount	Los Angeles	0.011%		0.0091483%
City	Pasadena	Los Angeles	0.146%		0.1200524%
City	Pico Rivera	Los Angeles	0.022%		0.0183333%
City	Pomona	Los Angeles	0.111%		0.0911933%
City	Rancho Palos Verdes	Los Angeles	0.002%		0.0012645%
City	Redondo Beach	Los Angeles	0.062%		0.0506992%
City	Rosemead	Los Angeles	0.003%		0.0028260%





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Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	San Dimas	Los Angeles	0.003%		0.0022016%
City	San Fernando	Los Angeles	0.013%		0.0104837%
City	San Gabriel	Los Angeles	0.018%		0.0147726%
City	San Marino	Los Angeles	0.009%		0.0073791%
City	Santa Clarita	Los Angeles	0.022%		0.0178167%
City	Santa Fe Springs	Los Angeles	0.031%		0.0257531%
City	Santa Monica	Los Angeles	0.158%		0.1298513%
City	Sierra Madre	Los Angeles	0.006%		0.0048646%
City	Signal Hill	Los Angeles	0.010%		0.0084884%
City	South El Monte	Los Angeles	0.005%		0.0039603%
City	South Gate	Los Angeles	0.020%		0.0166272%
City	South Pasadena	Los Angeles	0.012%		0.0095334%
City	Temple City	Los Angeles	0.005%		0.0039498%
City	Torrance	Los Angeles	0.112%		0.0919820%
City	Walnut	Los Angeles	0.006%		0.0047305%
City	West Covina	Los Angeles	0.049%		0.0404521%
City	West Hollywood	Los Angeles	0.013%		0.0108517%
City	Whittier	Los Angeles	0.032%		0.0260581%
County	<b>Madera County</b>	Madera	0.349%	0.427%	0.3630669%
City	Chowchilla	Madera	0.012%		0.0097332%
City	Madera	Madera	0.039%		0.0318441%
County	<b>Marin County</b>	Marin	0.564%	0.690%	0.5861325%
City	Larkspur	Marin	0.015%		0.0124697%
City	Mill Valley	Marin	0.020%		0.0168401%
City	Novato	Marin	0.028%		0.0229824%
City	San Anselmo	Marin	0.009%		0.0078062%
City	San Rafael	Marin	0.089%		0.0729823%
County	<b>Mariposa County</b>	Mariposa	0.084%	0.103%	0.0876131%
County	<b>Mendocino County</b>	Mendocino	0.439%	0.536%	0.4558394%
City	Ukiah	Mendocino	0.039%		0.0317153%



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Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
County	<b><i>Merced County</i></b>	Merced	0.551%	0.674%	<b>0.5724262%</b>
City	Atwater	Merced	0.024%		<b>0.0195846%</b>
City	Livingston	Merced	0.006%		<b>0.0045873%</b>
City	Los Banos	Merced	0.020%		<b>0.0165142%</b>
City	Merced	Merced	0.061%		<b>0.0500762%</b>
County	<b><i>Modoc County</i></b>	Modoc	0.065%	0.080%	<b>0.0678250%</b>
County	<b><i>Mono County</i></b>	Mono	0.023%	0.029%	<b>0.0242606%</b>
County	<b><i>Monterey County</i></b>	Monterey	0.908%	1.111%	<b>0.9437083%</b>
City	Greenfield	Monterey	0.006%		<b>0.0050552%</b>
City	King City	Monterey	0.005%		<b>0.0037355%</b>
City	Marina	Monterey	0.017%		<b>0.0144098%</b>
City	Monterey	Monterey	0.041%		<b>0.0336540%</b>
City	Pacific Grove	Monterey	0.009%		<b>0.0074842%</b>
City	Salinas	Monterey	0.094%		<b>0.0776576%</b>
City	Seaside	Monterey	0.023%		<b>0.0191772%</b>
City	Soledad	Monterey	0.007%		<b>0.0060870%</b>
County	<b><i>Napa County</i></b>	Napa	0.288%	0.352%	<b>0.2994325%</b>
City	American Canyon	Napa	0.017%		<b>0.0136869%</b>
City	Napa	Napa	0.078%		<b>0.0642783%</b>
County	<b><i>Nevada County</i></b>	Nevada	0.441%	0.539%	<b>0.4579827%</b>
City	Grass Valley	Nevada	0.024%		<b>0.0197805%</b>
City	Truckee	Nevada	0.003%		<b>0.0023843%</b>
County	<b><i>Orange County</i></b>	Orange	4.364%	5.339%	<b>4.5363576%</b>
City	Aliso Viejo	Orange	0.014%		<b>0.0113841%</b>
City	Anaheim	Orange	0.554%	0.678%	<b>0.5759282%</b>
City	Brea	Orange	0.086%		<b>0.0708897%</b>
City	Buena Park	Orange	0.087%		<b>0.0714352%</b>
City	Costa Mesa	Orange	0.124%	0.152%	<b>0.1288366%</b>
City	Cypress	Orange	0.033%		<b>0.0271937%</b>
City	Dana Point	Orange	0.001%		<b>0.0005560%</b>





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Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Fountain Valley	Orange	0.055%		0.0455980%
City	Fullerton	Orange	0.137%	0.168%	0.1425744%
City	Garden Grove	Orange	0.213%		0.1752482%
City	Huntington Beach	Orange	0.247%	0.302%	0.2568420%
City	Irvine	Orange	0.139%	0.170%	0.1442350%
City	Laguna Beach	Orange	0.047%	0.058%	0.0493043%
City	Laguna Hills	Orange	0.014%		0.0115457%
City	Laguna Niguel	Orange	0.001%		0.0007071%
City	Laguna Woods	Orange	0.001%		0.0006546%
City	La Habra	Orange	0.060%	0.073%	0.0621049%
City	Lake Forest	Orange	0.012%		0.0101249%
City	La Palma	Orange	0.012%		0.0095439%
City	Los Alamitos	Orange	0.008%		0.0069190%
City	Mission Viejo	Orange	0.014%		0.0117560%
City	Newport Beach	Orange	0.179%		0.1470134%
City	Orange	Orange	0.150%		0.1231320%
City	Placentia	Orange	0.029%	0.035%	0.0298912%
City	Rancho Santa Margarita	Orange	0.001%		0.0006296%
City	San Clemente	Orange	0.008%	0.010%	0.0086083%
City	San Juan Capistrano	Orange	0.008%		0.0065510%
City	Santa Ana	Orange	0.502%	0.614%	0.5213866%
City	Seal Beach	Orange	0.020%		0.0165891%
City	Stanton	Orange	0.035%		0.0291955%
City	Tustin	Orange	0.073%		0.0600341%
City	Westminster	Orange	0.104%	0.127%	0.1082721%
City	Yorba Linda	Orange	0.044%		0.0362223%
County	<b>Placer County</b>	Placer	1.045%	1.278%	1.0861002%
City	Auburn	Placer	0.017%		0.0141114%
City	Lincoln	Placer	0.031%		0.0255599%
City	Rocklin	Placer	0.076%		0.0625485%



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Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Roseville	Placer	0.196%		<b>0.1616559%</b>
County	<b>Plumas County</b>	Plumas	0.205%	0.251%	<b>0.2128729%</b>
County	<b>Riverside County</b>	Riverside	4.534%	5.547%	<b>4.7128296%</b>
City	Banning	Riverside	0.017%		<b>0.0143848%</b>
City	Beaumont	Riverside	0.021%		<b>0.0171135%</b>
City	Blythe	Riverside	0.012%		<b>0.0096714%</b>
City	Canyon Lake	Riverside	0.000%		<b>0.0001761%</b>
City	Cathedral City	Riverside	0.067%		<b>0.0553614%</b>
City	Coachella	Riverside	0.021%		<b>0.0173054%</b>
City	Corona	Riverside	0.147%		<b>0.1207083%</b>
City	Desert Hot Springs	Riverside	0.024%		<b>0.0200433%</b>
City	Eastvale	Riverside	0.000%		<b>0.0002747%</b>
City	Hemet	Riverside	0.051%		<b>0.0421792%</b>
City	Indio	Riverside	0.056%		<b>0.0457794%</b>
City	Jurupa Valley	Riverside	0.001%		<b>0.0008991%</b>
City	Lake Elsinore	Riverside	0.021%		<b>0.0172949%</b>
City	La Quinta	Riverside	0.063%		<b>0.0516732%</b>
City	Menifee	Riverside	0.032%		<b>0.0260909%</b>
City	Moreno Valley	Riverside	0.137%		<b>0.1130348%</b>
City	Murrieta	Riverside	0.048%	0.059%	<b>0.0497423%</b>
City	Norco	Riverside	0.016%		<b>0.0134542%</b>
City	Palm Desert	Riverside	0.083%		<b>0.0682465%</b>
City	Palm Springs	Riverside	0.076%		<b>0.0629862%</b>
City	Perris	Riverside	0.009%		<b>0.0076774%</b>
City	Rancho Mirage	Riverside	0.052%		<b>0.0431098%</b>
City	Riverside	Riverside	0.268%		<b>0.2206279%</b>
City	San Jacinto	Riverside	0.010%		<b>0.0085936%</b>
City	Temecula	Riverside	0.022%		<b>0.0180086%</b>
City	Wildomar	Riverside	0.008%		<b>0.0062500%</b>
County	<b>Sacramento County</b>	Sacramento	3.797%	4.645%	<b>3.9465887%</b>



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Citrus Heights	Sacramento	0.057%		<b>0.0465312%</b>
City	Elk Grove	Sacramento	0.130%		<b>0.1066994%</b>
City	Folsom	Sacramento	0.108%		<b>0.0890850%</b>
City	Galt	Sacramento	0.017%		<b>0.0143704%</b>
City	Rancho Cordova	Sacramento	0.008%		<b>0.0067679%</b>
City	Sacramento	Sacramento	0.721%	0.882%	<b>0.7496530%</b>
County	<b><i>San Benito County</i></b>	San Benito	0.106%	0.130%	<b>0.1101417%</b>
City	Hollister	San Benito	0.027%		<b>0.0225355%</b>
County	<b><i>San Bernardino County</i></b>	San Bernardino	3.259%	3.987%	<b>3.3878124%</b>
City	Adelanto	San Bernardino	0.008%		<b>0.0066640%</b>
City	Apple Valley	San Bernardino	0.025%		<b>0.0207360%</b>
City	Barstow	San Bernardino	0.015%		<b>0.0122056%</b>
City	Chino	San Bernardino	0.064%		<b>0.0525893%</b>
City	Chino Hills	San Bernardino	0.001%		<b>0.0006388%</b>
City	Colton	San Bernardino	0.031%		<b>0.0253443%</b>
City	Fontana	San Bernardino	0.112%		<b>0.0920543%</b>
City	Grand Terrace	San Bernardino	0.006%		<b>0.0051051%</b>
City	Hesperia	San Bernardino	0.035%		<b>0.0291522%</b>
City	Highland	San Bernardino	0.004%		<b>0.0029061%</b>
City	Loma Linda	San Bernardino	0.009%		<b>0.0071188%</b>
City	Montclair	San Bernardino	0.039%		<b>0.0322108%</b>
City	Ontario	San Bernardino	0.179%		<b>0.1472934%</b>
City	Rancho Cucamonga	San Bernardino	0.084%		<b>0.0689431%</b>
City	Redlands	San Bernardino	0.057%		<b>0.0469150%</b>
City	Rialto	San Bernardino	0.073%		<b>0.0603206%</b>
City	San Bernardino	San Bernardino	0.178%		<b>0.1461880%</b>
City	Twentynine Palms	San Bernardino	0.002%		<b>0.0012605%</b>
City	Upland	San Bernardino	0.052%		<b>0.0424460%</b>
City	Victorville	San Bernardino	0.033%		<b>0.0269400%</b>
City	Yucaipa	San Bernardino	0.016%		<b>0.0128772%</b>



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Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Yucca Valley	San Bernardino	0.003%		<b>0.0021228%</b>
County	<b><i>San Diego County</i></b>	San Diego	5.706%	6.980%	<b>5.9309748%</b>
City	Carlsbad	San Diego	0.128%		<b>0.1050485%</b>
City	Chula Vista	San Diego	0.189%	0.231%	<b>0.1961456%</b>
City	Coronado	San Diego	0.044%		<b>0.0359095%</b>
City	El Cajon	San Diego	0.113%		<b>0.0933582%</b>
City	Encinitas	San Diego	0.061%	0.074%	<b>0.0630289%</b>
City	Escondido	San Diego	0.145%		<b>0.1192204%</b>
City	Imperial Beach	San Diego	0.014%		<b>0.0118283%</b>
City	La Mesa	San Diego	0.055%	0.068%	<b>0.0575593%</b>
City	Lemon Grove	San Diego	0.022%		<b>0.0183911%</b>
City	National City	San Diego	0.080%		<b>0.0656808%</b>
City	Oceanside	San Diego	0.213%		<b>0.1753428%</b>
City	Poway	San Diego	0.062%		<b>0.0511040%</b>
City	San Diego	San Diego	1.975%	2.416%	<b>2.0531169%</b>
City	San Marcos	San Diego	0.089%		<b>0.0733897%</b>
City	Santee	San Diego	0.033%		<b>0.0268401%</b>
City	Solana Beach	San Diego	0.017%		<b>0.0138564%</b>
City	Vista	San Diego	0.052%		<b>0.0425144%</b>
Consolidated	<b><i>San Francisco</i></b>	San Francisco	3.026%	3.702%	<b>3.1457169%</b>
County	<b><i>San Joaquin County</i></b>	San Joaquin	1.680%	2.055%	<b>1.7460399%</b>
City	Lathrop	San Joaquin	0.009%		<b>0.0075394%</b>
City	Lodi	San Joaquin	0.053%		<b>0.0439484%</b>
City	Manteca	San Joaquin	0.054%		<b>0.0443454%</b>
City	Ripon	San Joaquin	0.013%		<b>0.0104219%</b>
City	Stockton	San Joaquin	0.313%	0.383%	<b>0.3256176%</b>
City	Tracy	San Joaquin	0.084%		<b>0.0692047%</b>
County	<b><i>San Luis Obispo County</i></b>	San Luis Obispo	0.816%	0.999%	<b>0.8484126%</b>
City	Arroyo Grande	San Luis Obispo	0.024%		<b>0.0199053%</b>
City	Atascadero	San Luis Obispo	0.029%		<b>0.0240680%</b>



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	El Paso de Robles (Paso Robles)	San Luis Obispo	0.043%		0.0353456%
City	Grover Beach	San Luis Obispo	0.017%		0.0137881%
City	Morro Bay	San Luis Obispo	0.020%		0.0160922%
City	San Luis Obispo	San Luis Obispo	0.077%		0.0637841%
County	<i>San Mateo County</i>	San Mateo	1.074%	1.313%	1.1159599%
City	Belmont	San Mateo	0.021%		0.0169860%
City	Burlingame	San Mateo	0.019%		0.0152537%
City	Daly City	San Mateo	0.044%		0.0363880%
City	East Palo Alto	San Mateo	0.013%		0.0103982%
City	Foster City	San Mateo	0.020%		0.0166101%
City	Half Moon Bay	San Mateo	0.004%		0.0031638%
City	Hillsborough	San Mateo	0.013%		0.0110029%
City	Menlo Park	San Mateo	0.015%		0.0126209%
City	Millbrae	San Mateo	0.013%		0.0105836%
City	Pacifica	San Mateo	0.016%		0.0130625%
City	Redwood City	San Mateo	0.056%		0.0463511%
City	San Bruno	San Mateo	0.021%		0.0172161%
City	San Carlos	San Mateo	0.013%		0.0108885%
City	San Mateo	San Mateo	0.052%		0.0425841%
City	South San Francisco	San Mateo	0.043%		0.0353943%
County	<i>Santa Barbara County</i>	Santa Barbara	1.132%	1.385%	1.1768968%
City	Carpinteria	Santa Barbara	0.001%		0.0008938%
City	Goleta	Santa Barbara	0.004%		0.0028969%
City	Lompoc	Santa Barbara	0.047%		0.0389379%
City	Santa Barbara	Santa Barbara	0.122%		0.1004559%
City	Santa Maria	Santa Barbara	0.058%		0.0479179%
County	<i>Santa Clara County</i>	Santa Clara	2.404%	2.941%	2.4987553%
City	Campbell	Santa Clara	0.014%		0.0112566%
City	Cupertino	Santa Clara	0.008%		0.0066824%
City	Gilroy	Santa Clara	0.025%		0.0202891%





## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Los Altos	Santa Clara	0.013%		0.0103338%
City	Los Gatos	Santa Clara	0.013%		0.0103220%
City	Milpitas	Santa Clara	0.036%		0.0298120%
City	Morgan Hill	Santa Clara	0.015%		0.0124619%
City	Mountain View	Santa Clara	0.041%		0.0334608%
City	Palo Alto	Santa Clara	0.039%		0.0323080%
City	San Jose	Santa Clara	0.294%	0.360%	0.3054960%
City	Santa Clara	Santa Clara	0.067%		0.0549723%
City	Saratoga	Santa Clara	0.004%		0.0034161%
City	Sunnyvale	Santa Clara	0.053%		0.0434069%
County	<b><i>Santa Cruz County</i></b>	Santa Cruz	0.783%	0.957%	0.8135396%
City	Capitola	Santa Cruz	0.020%		0.0168191%
City	Santa Cruz	Santa Cruz	0.143%		0.1180348%
City	Scotts Valley	Santa Cruz	0.015%		0.0126525%
City	Watsonville	Santa Cruz	0.063%		0.0520136%
County	<b><i>Shasta County</i></b>	Shasta	1.095%	1.339%	1.1380191%
City	Anderson	Shasta	0.024%		0.0198896%
City	Redding	Shasta	0.284%		0.2334841%
City	Shasta Lake	Shasta	0.004%		0.0031993%
County	<b><i>Siskiyou County</i></b>	Siskiyou	0.228%	0.279%	0.2373393%
County	<b><i>Solano County</i></b>	Solano	0.760%		0.6260795%
City	Benicia	Solano	0.031%		0.0253903%
City	Dixon	Solano	0.016%		0.0130849%
City	Fairfield	Solano	0.109%		0.0897317%
City	Suisun City	Solano	0.021%		0.0176183%
City	Vacaville	Solano	0.119%		0.0976497%
City	Vallejo	Solano	0.167%		0.1373644%
County	<b><i>Sonoma County</i></b>	Sonoma	1.218%	1.490%	1.2661290%
City	Healdsburg	Sonoma	0.032%		0.0266929%
City	Petaluma	Sonoma	0.081%		0.0667507%



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Rohnert Park	Sonoma	0.041%		0.0340759%
City	Santa Rosa	Sonoma	0.184%		0.1519070%
City	Sonoma	Sonoma	0.022%		0.0183438%
City	Windsor	Sonoma	0.016%		0.0129298%
County	<i>Stanislaus County</i>	Stanislaus	1.722%		1.4182273%
City	Ceres	Stanislaus	0.041%		0.0340260%
City	Modesto	Stanislaus	0.217%		0.1788759%
City	Newman	Stanislaus	0.006%		0.0046964%
City	Oakdale	Stanislaus	0.018%		0.0145531%
City	Patterson	Stanislaus	0.015%		0.0126590%
City	Riverbank	Stanislaus	0.010%		0.0085699%
City	Turlock	Stanislaus	0.065%		0.0531966%
County	<i>Sutter County</i>	Sutter	0.306%	0.374%	0.3179548%
City	Yuba City	Sutter	0.074%		0.0606242%
County	<i>Tehama County</i>	Tehama	0.213%	0.261%	0.2216654%
City	Red Bluff	Tehama	0.014%		0.0117771%
County	<i>Trinity County</i>	Trinity	0.082%	0.101%	0.0855476%
County	<i>Tulare County</i>	Tulare	0.809%	0.990%	0.8410949%
City	Dinuba	Tulare	0.014%		0.0116929%
City	Exeter	Tulare	0.004%		0.0032479%
City	Farmersville	Tulare	0.003%		0.0027879%
City	Lindsay	Tulare	0.007%		0.0057111%
City	Porterville	Tulare	0.021%		0.0171845%
City	Tulare	Tulare	0.037%		0.0302273%
City	Visalia	Tulare	0.066%		0.0545872%
County	<i>Tuolumne County</i>	Tuolumne	0.486%	0.594%	0.5047621%
County	<i>Ventura County</i>	Ventura	2.192%	2.681%	2.2781201%
City	Camarillo	Ventura	0.002%		0.0012815%
City	Fillmore	Ventura	0.002%		0.0020294%
City	Moorpark	Ventura	0.008%		0.0067337%



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Oxnard	Ventura	0.156%	0.190%	<b>0.1617338%</b>
City	Port Hueneme	Ventura	0.021%		<b>0.0174145%</b>
City	San Buenaventura (Ventura)	Ventura	0.085%		<b>0.0702181%</b>
City	Santa Paula	Ventura	0.014%		<b>0.0119072%</b>
City	Simi Valley	Ventura	0.065%		<b>0.0533043%</b>
City	Thousand Oaks	Ventura	0.022%		<b>0.0179902%</b>
County	<b><i>Yolo County</i></b>	Yolo	0.357%	0.437%	<b>0.3713319%</b>
City	Davis	Yolo	0.055%		<b>0.0451747%</b>
City	West Sacramento	Yolo	0.066%		<b>0.0544321%</b>
City	Woodland	Yolo	0.058%		<b>0.0477904%</b>
County	<b><i>Yuba County</i></b>	Yuba	0.214%	0.262%	<b>0.2225679%</b>
City	Marysville	Yuba	0.014%		<b>0.0112079%</b>





## APPENDIX 2

### Cost Reimbursement Procedure

#### 1. Additional defined terms:

- a) *Costs* means the reasonable amounts paid for the attorney and other City Attorney and County Counsel staff time for individuals employed by a Plaintiff Subdivision at the contractual rate, inclusive of benefits and overhead, together with amounts paid for court reporters, experts, copying, electronic research, travel, vendors, and the like, which were not previously reimbursed and which were paid or incurred (i) prior to December 31, 2022 in litigation against any Opioid Defendant and/or (ii) in negotiating and drafting any CA Allocation Agreement(s) concerning a settlement with any Opioid Defendant(s). *Costs* does not include attorneys' fees, costs, or expenses incurred by private contingency fee counsel. No part of the CA Abatement Accounts Fund will be used to reimburse Costs.
- b) *First Claims Date* means October 1, 2023 or when all applications for reimbursement of Costs, in whole or in part, from funds available under Section IX and Exhibit R of the Walmart Settlement Agreement, Section XIV and Exhibit R of the Teva Settlement Agreement, Section XIII and Exhibit R of the Allergan Settlement Agreement, Section X and Exhibit R of the Distributor Settlement Agreement, Section XI and Exhibit R of the Janssen Settlement Agreement, Section X and Exhibit R of the CVS Settlement Agreement, or Section IX and Exhibit R of the Walgreens Settlement Agreement, have been finally determined under the provisions of those agreements, whichever comes first.
- c) *Special Master* means a retired judicial officer or former public lawyer, not presently employed or retained by a Plaintiff Subdivision, who will aggregate, review, and determine the reasonable Costs to be awarded to each Plaintiff Subdivision that submits a claim for reimbursement of Costs. The Special Master will be selected by a majority vote of the votes cast by Plaintiff Subdivisions, with each such subdivision having one vote.
- d) *Plaintiff Subdivision Committee* means the committee of Plaintiff Subdivisions that will review and approve the invoices submitted by the Special Master reflecting his or her reasonable time and expenses.

#### 2. Cost Reimbursement to Plaintiff Subdivision

- a) Purpose. Substantial resources have been expended to hold Opioid Defendants accountable for creating and profiting from the opioid crisis, and this effort has been a significant catalyst in creating National Opioid Settlements with various manufacturers, distributors, and chain pharmacies.
- b) Claims Procedure.
  - i. If a Plaintiff Subdivision is eligible to seek reimbursement of Costs, in whole or in



part, from funds available under Section IX and Exhibit R of the Walmart Settlement Agreement, Section XIV and Exhibit R of the Teva Settlement Agreement, Section XIII and Exhibit R of the Allergan Settlement Agreement, Section X and Exhibit R of the CVS Settlement Agreement, Section IX and Exhibit R of the Walgreens Settlement Agreement, Section X or Exhibit R of the Distributor Settlement Agreement, or Section XI or Exhibit R of the Janssen Settlement Agreement, it must first make a timely application for reimbursement from such funds. To allow sufficient time for determination of those applications, no claim for Costs to the CA Subdivision Fund under this Agreement may be made before the First Claims Date.

- ii. A Plaintiff Subdivision that wishes to be reimbursed from the CA Subdivision Fund must submit a claim to the Special Master no later than forty-five (45) days after the First Claims Date. The Special Master will then compile and redistribute the aggregated claim totals for each Plaintiff Subdivision via email to representatives of all the Plaintiff Subdivisions. A claim for attorney and staff time must list, for each attorney or staff member included in the claim, the following information: name, title, total hours claimed, hourly rate (including, if sought, benefits and share of overhead), and narrative summarizing the general nature of the work performed by the attorney or staff member. For reimbursement of “hard” costs, the subdivision may aggregate across a category (e.g., total for travel costs). It is the intention of the Plaintiff Subdivisions that submission of documents related to reimbursement of Costs does not waive any attorney-client privilege or exemptions to the California Public Records Act.
- iii. The Special Master may request, at his or her sole option, additional documents or details to assist in the final award of Costs.
- iv. The Special Master will review claims for reasonableness and will notify each Plaintiff Subdivision of the final determination of its claim, and will provide a list of all final awards to all Plaintiff Subdivisions by email or, upon request, via First Class U.S. Mail. Any Plaintiff Subdivision may ask the Special Master to reconsider any final award within twenty-one (21) days. The Special Master will make a final determination on any such reconsideration request within thirty (30) days of receipt.
- v. Any decision of the Special Master is final and binding, and will be considered under the California Arbitration Act, Code of Civil Procedure section 1280 et seq. as a final arbitration award. Nothing in this agreement is intended to expand the scope of judicial review of the final award for errors of fact or law, and the Parties agree that they may only seek to vacate the award if clear and convincing evidence demonstrates one of the factors set forth in Code of Civil Procedure, section 1286.2, subdivision (a). Plaintiff Subdivisions will have fourteen (14) days after all final awards are made, together with any final determination of a request for



reconsideration, to seek review in the Superior Court of California, pursuant to Code of Civil Procedure, section 1285, where the State has filed its Consent Judgment.

- vi. The Special Master will prepare a report of Costs that includes his or her fees and expenses at least ninety (90) days before the Payment Date for each Annual Payment. The Special Master's preparation of a report of Costs does not discharge a Plaintiff Subdivision's reporting requirement under Section V(B)(2) of the Walmart Settlement Agreement.
- vii. A member of the Plaintiff Subdivision Committee, which is a CA Participating Subdivision, will submit to the Settlement Fund Administrator and Walmart a report of the fees and expenses incurred by the Special Master pursuant to Section V(B)(2) of the Walmart Settlement Agreement.

c) Claims Priority and Limitation.

- i. The Special Master will submit invoices for compensation of reasonable fees and expenses to the Plaintiff Subdivision Committee no later than ninety (90) days prior to the Payment Date for each Annual Payment. The Plaintiff Subdivision Committee will promptly review and, if reasonable, approve the Special Master's invoice for compensation. The Plaintiff Subdivision Committee will submit approved invoices to the Settlement Fund Administrator for payment. The Special Master's approved invoices have priority and will be paid first from the CA Subdivision Fund before any award of Costs, subject to the limitation in Section 2.c.v below.
- ii. Final Awards of Costs that do not exceed seventy-five thousand dollars (\$75,000.00) will be paid next in priority after the Special Master's approved invoices.
- iii. Final Awards of Costs in excess of seventy-five thousand dollars (\$75,000.00) will be paid proportionally from the funds remaining in that year's Annual Payment.
- iv. Any claim for Costs that is not paid in full will be allocated against the next year's distribution from the CA Subdivision Fund, until all approved claims for Costs are paid in full.
- v. In no event will more than 50% of the total CA Subdivision Fund received in any year be used to pay Costs or the Special Master's approved invoices.
- vi. In no event shall more than \$28 million of the total CA Subdivision Funds paid pursuant to the Walmart Settlement Agreement, Teva Settlement Agreement, Allergan Settlement Agreement, Distributor Settlement Agreement, CVS Settlement Agreement, Janssen Settlement Agreement, and the Walgreens Settlement Agreement be used to pay Costs.



d) Collateral Source Payments and Third-Party Settlement.

- i. In the event a Plaintiff Subdivision is awarded compensation, in whole or in part, by any source of funds created as a result of litigation against an Opioid Defendant for its reasonable Costs, it will reduce its claim for Costs from the CA Subdivision Fund by that amount. If a Plaintiff Subdivision has already received a final award of Costs from the CA Subdivision Fund, it will repay the fund up to the prior award of Costs via a payment to the Settlement Fund Administrator or notify the Settlement Fund Administrator that its allocation from the next and subsequent Annual Payments should be reduced accordingly. If the Plaintiff Subdivision is repaying any prior award of Costs, that repayment will occur as soon as is feasible after the Plaintiff Subdivision's receipt of Cost funds from the collateral source, but no more than 90 days after its receipt from the collateral source. The Settlement Fund Administrator will add any repaid Costs to the CA Subdivision Fund. Any Plaintiff Subdivision that has submitted for reimbursement to any national fund and has not received a final determination by the First Claims Date may request that the settlement administrator withhold some or all of its payment from the CA Subdivision Fund in order to avoid repayment.
- ii. In the event a Plaintiff Subdivision reaches a monetary settlement or compromise against any Opioid Defendant outside of the National Opioid Settlement, the monetary portion of such settlement, net of fees paid to outside contingency fee counsel and of funds earmarked strictly for abatement, will be credited against its Costs and the subdivision will be ineligible to recover those credited Costs from the CA Subdivision Fund. Plaintiff Subdivisions negotiating monetary settlements or compromises against any Opioid Defendant outside of the National Opioid Settlement will negotiate for funds to repay any Costs it previously received from the CA Subdivision Fund or for Costs it otherwise might be eligible to claim from the CA Subdivision Fund. If such a settlement is paid after all final approved claims for Costs by all Plaintiff Subdivisions are satisfied in full, the settling subdivision will reimburse the CA Subdivision Fund in that amount by making payment to the Settlement Fund Administrator to add to the CA Subdivision Fund in a manner consistent with the repayments described in section 2.d.i above.



### APPENDIX 3

#### CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT

On August 6, 2021, Judge Polster of the US District Court for the Northern District of Ohio issued an Order (the Order), docket number 3814, in In Re National Prescription Opiate Litigation, MDL 2804, addressing contingent attorney fee contracts between political subdivisions eligible to participate in the Walmart Settlement and their counsel.

In light of the Order, and at the request of [SUBDIVISION], the [SUBDIVISION], its counsel [COUNSEL], and the California Attorney General, on behalf of the State of California, are entering into this California-Subdivision Backstop Agreement (Backstop Agreement).

[SUBDIVISION] and [COUNSEL] intend this Backstop Agreement to constitute a State Back-Stop Agreement as that term is used in the Order and in Exhibit R (Agreement on Attorneys' Fees, Costs, and Expenses) of the Walmart Settlement Agreement.

Pursuant to this Backstop Agreement, [SUBDIVISION] may, subject to the limitations of the Walmart Settlement Agreement and CA Walmart Allocation Agreement, as well as any other limitations imposed by law, use funds that it receives from the Walmart Settlement CA Subdivision Fund to pay a contingent fee to [COUNSEL]. Any such payment from [SUBDIVISION] to [COUNSEL], together with any contingency fees that [COUNSEL] may receive from the national Attorney Fee Fund, will not exceed a total contingency fee of [PERCENTAGE NOT TO EXCEED 15%] of the total gross recovery of [SUBDIVISION] from the Walmart Settlement.

[COUNSEL] certify that they first sought fees and costs from the Attorney Fee Fund created under the Walmart Settlement Agreement before seeking or accepting payment under this backstop agreement. [COUNSEL] further certify that they are not seeking and will not accept payment under this backstop agreement of any litigation fees or costs that have been reimbursed through prior settlements or judgments.

The Attorney General is executing this agreement solely because the definition of "State Back-Stop Agreement" in Exhibit R of the Walmart Settlement Agreement requires such agreements to be between "a Settling State" and private counsel for a participating subdivision. Neither the California Attorney General nor the State of California have any obligations under this Backstop Agreement, and this Backstop Agreement does not require the payment of any state funds to [SUBDIVISION], [COUNSEL], or any other party.

[DATE]

[SUBDIVISION SIGNATURE BLOCK]

[DATE]

[COUNSEL SIGNATURE BLOCK]

[DATE]

[ATTORNEY GENERAL SIGNATURE BLOCK]



**Proposed California State-Subdivision Agreement  
Regarding Distribution and Use of  
Settlement Funds – CVS Settlement**

**1. Introduction**

Pursuant to the CVS Settlement Agreement, dated as of December 9, 2022, and any revision thereto as well as any modification thereto entered into by the State of California and CVS (the “CVS Settlement Agreement”), including Section V and Exhibit O, the State of California proposes this agreement (the “CA CVS Allocation Agreement”) to govern the allocation, distribution, and use of Settlement Fund payments made to California pursuant to Sections IV and V of the CVS Settlement Agreement. For the avoidance of doubt, this agreement does not apply to payments made pursuant to Sections IX or X of the CVS Settlement Agreement.

Pursuant to Exhibit O, Paragraph 4, of the CVS Settlement Agreement, acceptance of this CA CVS Allocation Agreement is a requirement to be an Initial Participating Subdivision.

**2. Definitions**

- a) *CA Participating Subdivision* means a Participating Subdivision that is also (a) a Plaintiff Subdivision and/or (b) a Primary Subdivision with a population equal to or greater than 10,000. For the avoidance of doubt, eligible CA Participating Subdivisions are those California subdivisions listed in Exhibit C (excluding Litigating Special Districts) and/or Exhibit I to the CVS Settlement Agreement.
- b) *Allergan Settlement Agreement* means the Allergan Settlement Agreement dated November 22, 2022, and any revision thereto.
- c) *Distributor Settlement Agreement* means the Distributor Settlement Agreement dated July 21, 2021, and any revision thereto.
- d) *Janssen Settlement Agreement* means the Janssen Settlement Agreement dated July 21, 2021, and any revision thereto.
- e) *Teva Settlement Agreement* means the Teva Settlement Agreement dated November 22, 2022, and any revision thereto.
- f) *Walgreens Settlement Agreement* means the Walgreens Settlement Agreement dated December 9, 2022, and any revision thereto.
- g) *Walmart Settlement Agreement* means the Walmart Settlement Agreement dated November 14, 2022, and any revision thereto.
- h) *CA Litigating Special District* means a Litigating Special District located in California. CA Litigating Special Districts include Downey Unified School District, Elk Grove Unified School District, Kern High School District, Montezuma Fire Protection District (located in Stockton, California), Santa Barbara San Luis Obispo Regional Health Authority, Inland Empire Health Plan, Health Plan of San Joaquin, San Leandro Unified School District, Pleasant Valley School District Board, and LA Care Health Plan.
- i) *Plaintiff Subdivision* means a Subdivision located in California, other than a CA



Litigating Special District, that filed a lawsuit, on behalf of the Subdivision and/or through an official of the Subdivision on behalf of the People of the State of California, against one or more Opioid Defendants prior to October 1, 2020.

- j) *Opioid Defendant* means any defendant (including but not limited to Teva Pharmaceutical Industries Ltd., Allergan Finance, LLC, Allergan Limited, CVS Health Corporation, CVS Pharmacy, Inc., Walgreen Co., Walmart Inc., Johnson & Johnson, Janssen Pharmaceuticals, Inc., Purdue Pharma L.P., Cardinal Health, Inc., AmerisourceBergen Corporation, and McKesson Corporation) named in a lawsuit seeking damages, abatement, or other remedies related to or caused by the opioid public health crisis in any lawsuit brought by any state or local government on or before October 1, 2020.

### **3. General Terms**

This agreement is subject to the requirements of the CVS Settlement Agreement, as well as applicable law, and the CVS Settlement Agreement governs over any inconsistent provision of this CA CVS Allocation Agreement. Terms used in this CA CVS Allocation Agreement have the same meaning as in the CVS Settlement Agreement unless otherwise defined herein.

Pursuant to Section V(E)(1) of the CVS Settlement Agreement, (a) all Settlement Fund payments will be used for Opioid Remediation, except as allowed by Section V(B)(2) of the CVS Settlement Agreement; and (b) at least seventy percent (70%) of Settlement Fund payment amounts will be used solely for future Opioid Remediation.

### **4. State Allocation**

The Settlement Fund payments to California,<sup>1</sup> pursuant to the CVS Settlement Agreement, shall be allocated as follows: 15% to the State Fund; 70% to the Abatement Accounts Fund; and 15% to the Subdivision Fund. For the avoidance of doubt, all funds allocated to California from the Settlement Fund shall be combined pursuant to this CA CVS Allocation Agreement, and 15% of that total shall be allocated to the State of California (the “State of California Allocation”), 70% to the California Abatement Accounts Fund (“CA Abatement Accounts Fund”), and 15% to the California Subdivision Fund (“CA Subdivision Fund”).

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<sup>1</sup> For purposes of clarity, use of the term “California” refers to the geographic territory of California and the state and its local governments therein. The term “State” or “State of California” refers to the State of California as a governmental unit.



**A. State of California Allocation**

Fifteen percent of the total Settlement Fund payments will be allocated to the State and used by the State for future Opioid Remediation.

**B. CA Abatement Accounts Fund**

**i. Allocation of CA Abatement Accounts Funds**

- a) Seventy percent of the total Settlement Fund payments will be allocated to the CA Abatement Accounts Fund. The funds in the CA Abatement Accounts Fund will be allocated based on the allocation model developed in connection with the proposed negotiating class in the National Prescription Opiate Litigation (MDL No. 2804), as adjusted to reflect only those cities and counties that are eligible, based on population or litigation status, to become a CA Participating Subdivision. The percentage from the CA Abatement Accounts Fund allocated to each CA Participating Subdivision is set forth in Appendix 1 in the column entitled abatement percentage (the “Local Allocation”). For the avoidance of doubt, CA Litigating Special Districts and California towns, cities, and counties with a population less than 10,000 are not eligible to receive an allocation of CA Abatement Accounts Funds.
- b) A CA Participating Subdivision that is a county, or a city and county, will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision, and will receive payments as provided in the CVS Settlement Agreement.
- c) A CA Participating Subdivision that is a city will be allocated its Local Allocation share as of the date on which it becomes a Participating Subdivision. The Local Allocation share for a city that is a CA Participating Subdivision will be paid to the county in which the city is located, rather than to the city, so long as: (a) the county is a CA Participating Subdivision, and (b) the city has not advised the Settlement Fund Administrator that it requests direct payment at least 60 days prior to a Payment Date. A Local Allocation share allocated to a city but paid to a county is not required to be spent exclusively for abatement activities in that city, but will become part of the county’s share of the CA Abatement Accounts Funds, which will be used in accordance with Section 4.B.ii (Use of CA Abatement Accounts Funds) and reported on in accordance with Section 4.B.iii (CA Abatement Accounts Fund Oversight).
- d) A city within a county that is a CA Participating Subdivision may opt in or out of direct payment at any time, and it may also elect direct payment of only a portion of its share, with the remainder going to the county, by providing notice to the Settlement Fund Administrator at least 60 days prior to a Payment Date. For purposes of this CA CVS Allocation Agreement, the Cities of Los Angeles, Oakland, San Diego, San Jose and Eureka will be deemed to have elected direct payment if they become Participating Subdivisions.





- e) The State will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision.
- f) Funds received by a CA Participating Subdivision, and not expended or encumbered within five years of receipt and in accordance with the CVS Settlement Agreement and this CA CVS Allocation Agreement shall be transferred to the State; provided however, that CA Participating Subdivisions have seven years to expend or encumber CA Abatement Accounts Funds designated to support capital outlay projects before they must be transferred to the State. This provision shall not apply to the Cost Reimbursement Funds, which shall be controlled by Appendix 2.

**ii. Use of CA Abatement Accounts Funds**

- a) The CA Abatement Accounts Funds will be used for future Opioid Remediation in one or more of the areas described in the List of Opioid Remediation Uses, which is Exhibit E to the CVS Settlement Agreement.
- b) In addition to this requirement, no less than 50% of the funds received by a CA Participating Subdivision from the Abatement Accounts Fund in each calendar year will be used for one or more of the following High Impact Abatement Activities:
  - (1) the provision of matching funds or operating costs for substance use disorder facilities within the Behavioral Health Continuum Infrastructure Program;
  - (2) creating new or expanded Substance Use Disorder (“SUD”) treatment infrastructure;
  - (3) addressing the needs of communities of color and vulnerable populations (including sheltered and unsheltered homeless populations) that are disproportionately impacted by SUD;
  - (4) diversion of people with SUD from the justice system into treatment, including by providing training and resources to first and early responders (sworn and non-sworn) and implementing best practices for outreach, diversion and deflection, employability, restorative justice, and harm reduction; and/or
  - (5) interventions to prevent drug addiction in vulnerable youth.
- c) The California Department of Health Care Services (“DHCS”) may add to this list (but not delete from it) by designating additional High Impact Abatement Activities. DHCS will make reasonable efforts to consult with stakeholders, including the CA Participating Subdivisions, before adding additional High Impact Abatement Activities to this list.
- d) For the avoidance of doubt, and subject to the requirements of the CVS Settlement Agreement and applicable law, CA Participating Subdivisions may form agreements or



ventures, or otherwise work in collaboration with, federal, state, local, tribal or private sector entities in pursuing Opioid Remediation activities funded from the CA Abatement Accounts Fund. Further, provided that all CA Abatement Accounts Funds are used for Opioid Remediation consistent with the CVS Settlement Agreement and this CA CVS Allocation Agreement, a county and any cities or towns within the county may agree to reallocate their respective shares of the CA Abatement Accounts Funds among themselves, provided that any direct distribution may only be to a CA Participating Subdivision and any CA Participating Subdivision must agree to their share being reallocated.

### **iii. CA Abatement Accounts Fund Oversight**

- a) Pursuant to Section 5 below, CA Participating Subdivisions receiving settlement funds must prepare and file reports annually regarding the use of those funds. DHCS may regularly review the reports prepared by CA Participating Subdivisions about the use of CA Abatement Accounts Funds for compliance with the CVS Settlement Agreement and this CA CVS Allocation Agreement.
- b) If DHCS determines that a CA Participating Subdivision's use of CA Abatement Accounts Funds is inconsistent with the CVS Settlement Agreement or this CA CVS Allocation Agreement, whether through review of reports or information from any other sources, DHCS shall send a request to meet and confer with the CA Participating Subdivision. The parties shall meet and confer in an effort to resolve the concern.
- c) If the parties are unable to reach a resolution, DHCS may conduct an audit of the Subdivision's use of the CA Abatement Accounts Funds within one year of the request to meet and confer, unless the parties mutually agree in writing to extend the meet and confer time frame.
- d) If the concern still cannot be resolved, the State may bring a motion or action in the court where the State has filed its Consent Judgment to resolve the concern or otherwise enforce the requirements of the CVS Settlement Agreement or this CA CVS Allocation Agreement. However, in no case shall any audit be conducted, or motion be brought, as to a specific expenditure of funds, more than five years after the date on which the expenditure of the funds was reported to DHCS, in accordance with this agreement.
- e) Notwithstanding the foregoing, this Agreement does not limit the statutory or constitutional authority of any state or local agency or official to conduct audits, investigations, or other oversight activities, or to pursue administrative, civil, or criminal enforcement actions.



### **C. CA Subdivision Fund**

- i. Fifteen percent of the total Settlement Fund payments will be allocated to the CA Subdivision Fund. All funds in the CA Subdivision Fund will be allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. The funds will be used, subject to any limits imposed by the CVS Settlement Agreement and this CA CVS Allocation Agreement, to fund future Opioid Remediation and reimburse past opioid-related expenses, which may include fees and expenses related to litigation, and to pay the reasonable fees and expenses of the Special Master as set forth in Appendix 2.

The CA Subdivision Funds will be allocated as follows:

- a) First, funds in the CA Subdivision Fund shall be used to pay the Special Master's reasonable fees and expenses in accordance with the procedures and limitations set forth in Appendix 2 to this document;
- b) Second, funds will be allocated to Plaintiff Subdivisions that are Initial Participating Subdivisions that have been awarded Costs, as defined by and in accordance with the procedures and limitations set forth in Appendix 2 to this document.
- c) Funds remaining in the CA Subdivision Fund, which shall consist of no less than 50% of the total CA Subdivision Fund received in any year pursuant to Appendix 2, Section 2.c.v, will be distributed to Plaintiff Subdivisions that are Initial Participating Subdivisions, in relative proportion to the Local Allocation. These funds shall be used to fund future opioid-related projects and to reimburse past opioid-related expenses, which may include fees and expenses related to litigation against any Opioid Defendant.

### **D. Provision for State Back-Stop Agreement**

On August 6, 2021, Judge Dan Polster of the U.S. District Court, Northern District of Ohio, Eastern Division, issued an order (ECF Docket Number 3814) ("MDL Fees Order") in the National Prescription Opiate Litigation (MDL No. 2804) "cap[ping] all applicable contingent fee agreements at 15%." Private counsel representing Plaintiff Subdivisions should seek its contingency fees and costs from the Attorney Fee Fund or Cost Funds under the CVS Settlement Agreement, and, if applicable, the Teva Settlement Agreement, Allergan Settlement Agreement, Distributor Settlement Agreement, Janssen Settlement Agreement, Walgreens Settlement Agreement, and Walmart Settlement Agreement.

A Plaintiff Subdivision may separately agree to use its share of the CA Subdivision Fund to pay for fees or costs incurred by its contingency-fee counsel ("State Back-Stop Agreement"), pursuant to Exhibit R, section I(Y), of the CVS Settlement Agreement and the MDL Fees Order, so long as such contingency fees do not exceed a total contingency fee of 15% of the total gross recovery of the Plaintiff Subdivision pursuant to the CVS Settlement, inclusive of contingency fees from the national Attorney Fee Fund and this State Back-Stop Agreement. Before seeking fees or litigation costs and expenses from a State Back-Stop Agreement, private counsel



representing Plaintiff Subdivisions must first seek contingency fees and costs from the Attorney Fee Fund or Cost Funds created under the CVS Settlement Agreement. Further, private counsel may only seek reimbursement for litigation fees and costs that have not previously been reimbursed through prior settlements or judgments.

To effectuate a State Back-Stop Agreement pursuant to this section, an agreement in the form of Appendix 3 may be entered into by a Plaintiff Subdivision, private counsel, and the California Office of the Attorney General. The California Office of the Attorney General shall, upon the request of a Plaintiff Subdivision, execute any agreement executed by a Plaintiff Subdivision and its private counsel if it is in the form of Appendix 3. The California Office of the Attorney General will also consider requests from Plaintiff Subdivisions to execute and enter into agreements presented in other forms.

For the avoidance of doubt, this agreement does not require a Plaintiff Subdivision to request or enter into a State Back-Stop Agreement, and no State Back-Stop Agreement shall impose any duty or obligation on the State of California or any of its agencies or officers, including without limitation the Attorney General.

## **5. State and Subdivision Reporting**

- a) DHCS will prepare an annual written report regarding the State's use of funds from the settlement until those funds are fully expended and for one year thereafter. These reports will be made publicly available on the DHCS web site.
- b) Each CA Participating Subdivision that receives payments of funds from the settlement will prepare written reports at least annually regarding the use of those funds, until those funds are fully expended and for one year thereafter. These reports will also include a certification that all funds that the CA Participating Subdivision has received through the settlement have been used in compliance with the CVS Settlement Agreement and this CA CVS Allocation Agreement. The report will be in a form reasonably determined by DHCS. Prior to specifying the form of the report DHCS will confer with representatives of the Plaintiff Subdivisions.
- c) The State and all CA Participating Subdivisions receiving CA Abatement Accounts Funds will track all deposits and expenditures. Each such subdivision is responsible solely for the CA Abatement Accounts Funds it receives. A county is not responsible for oversight, reporting, or monitoring of CA Abatement Accounts Funds received by a city within that county that receives direct payment. Unless otherwise exempt, Subdivisions' expenditures and uses of CA Abatement Accounts Funds and other Settlement Funds will be subject to the normal budgetary and expenditure process of the Subdivision.
- d) Each Plaintiff Subdivision receiving CA Subdivision Funds will track all deposits and expenditures, as required by the CVS Settlement Agreement and this CA CVS Allocation Agreement. Among other things, Plaintiff Subdivisions using monies from the CA Subdivision Fund for purposes that do not qualify as Opioid Remediation must identify and include in their annual report, the amount and how such funds were used, including if used to pay attorneys' fees, investigation costs, or litigation costs. Pursuant to Section V(B)(2) of the CVS Settlement Agreement, such information must also be reported to the Settlement Fund Administrator and CVS.



- e) In each year in which DHCS prepares an annual report DHCS will also host a meeting to discuss the annual report and the Opioid Remediation activities being carried out by the State and Participating Subdivisions.

## **6. Miscellaneous**

- a) The State or any CA Participating Subdivision may bring a motion or action in the court where the State has filed its Consent Judgment to enforce the requirements of this CA CVS Allocation Agreement. Before filing such a motion or action the State will meet and confer with any CA Participating Subdivision that is the subject of the anticipated motion or action, and vice versa.
- b) Except as provided in the CVS Settlement Agreement, this CA CVS Allocation Agreement is not enforceable by any party other than the State and the CA Participating Subdivisions. It does not confer any rights or remedies upon, and shall not be enforceable by, any third party.
- c) Except as provided in the CA CVS Allocation Agreement, if any provision of this agreement or the application thereof to any person, entity, or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this agreement, or the application of such provision to persons, entities, or circumstances other than those as to which it is invalid or unenforceable, will not be affected thereby, and each other provision of this agreement will be valid and enforceable to the fullest extent permitted by law.
- d) Except as provided in the CVS Settlement Agreement, this agreement shall be governed by and interpreted in accordance with the laws of California.



The undersigned, Stanton city, ACKNOWLEDGES acceptance of this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – CVS Settlement is a requirement to be an Initial Participating Subdivision in the CVS Settlement and ACCEPTS this Proposed California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds – CVS Settlement. EXECUTED on \_\_\_\_\_.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



## APPENDIX 1

**DISCLAIMER:** The allocation percentages herein are estimates only and should not be relied on for decisions regarding legal rights, releases, waivers, or other decisions affecting current or potential legal claims. Percentages shown in the Plaintiff Subdivision Percentage column may change pursuant to Section 4.C. of the California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds—CVS Settlement, whereas the percentages shown in the Abatement Percentage column should not change. Participating Subdivisions, underlying calculations, and the calculated allocation percentages are subject to change. Regarding the column herein entitled “Abatement Percentage,” pursuant to Section 4.B.e., the State of California will receive the Local Allocation share of any payment to the Settlement Fund that is attributable to a county or city that is eligible to become a CA Participating Subdivision, but that has not, as of the date of that payment to the Settlement Fund, become a Participating Subdivision. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” payments allocated to a Plaintiff Subdivision, which is not an Initial Participating Subdivision, will be re-allocated among the Plaintiff Subdivisions that are Initial Participating Subdivisions. Regarding the column herein entitled “Abatement Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Abatement Account Funds received, pursuant to Section 4.B. Regarding the column herein entitled “Plaintiff Subdivision Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the California Subdivision Funds received, pursuant to Section 4.C. Regarding the column herein entitled “Weighted Allocation Percentage,” the annotation of “100%” refers to one-hundred percent (100%) of the combined and weighted allocation of the Abatement Percentage and the Plaintiff Subdivision Percentage.



## APPENDIX 1

			100.000%	100.000%	100.000%
Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
County	<i>Alameda County</i>	Alameda	2.332%	2.853%	<b>2.4237952%</b>
City	Alameda	Alameda	0.069%		<b>0.0570162%</b>
City	Albany	Alameda	0.013%		<b>0.0107768%</b>
City	Berkeley	Alameda	0.152%		<b>0.1249656%</b>
City	Dublin	Alameda	0.033%	0.040%	<b>0.0338810%</b>
City	Emeryville	Alameda	0.023%		<b>0.0185765%</b>
City	Fremont	Alameda	0.108%		<b>0.0888576%</b>
City	Hayward	Alameda	0.117%		<b>0.0966218%</b>
City	Livermore	Alameda	0.054%		<b>0.0446740%</b>
City	Newark	Alameda	0.026%		<b>0.0217626%</b>
City	Oakland	Alameda	0.486%	0.595%	<b>0.5055601%</b>
City	Piedmont	Alameda	0.014%		<b>0.0114064%</b>
City	Pleasanton	Alameda	0.067%		<b>0.0554547%</b>
City	San Leandro	Alameda	0.039%		<b>0.0321267%</b>
City	Union City	Alameda	0.043%		<b>0.0352484%</b>
County	<i>Amador County</i>	Amador	0.226%	0.277%	<b>0.2349885%</b>
County	<i>Butte County</i>	Butte	1.615%	1.975%	<b>1.6783178%</b>
City	Chico	Butte	0.216%	0.264%	<b>0.2246499%</b>
City	Oroville	Butte	0.079%		<b>0.0646595%</b>
County	<i>Calaveras County</i>	Calaveras	0.226%	0.277%	<b>0.2351644%</b>
County	<i>Colusa County</i>	Colusa	0.059%		<b>0.0489221%</b>
County	<i>Contra Costa County</i>	Contra Costa	2.102%	2.571%	<b>2.1844585%</b>
City	Antioch	Contra Costa	0.037%		<b>0.0301879%</b>
City	Brentwood	Contra Costa	0.026%		<b>0.0215339%</b>
City	Clayton	Contra Costa	0.002%		<b>0.0018060%</b>
City	Concord	Contra Costa	0.055%		<b>0.0456676%</b>
City	Danville	Contra Costa	0.010%		<b>0.0082255%</b>
City	El Cerrito	Contra Costa	0.023%		<b>0.0189024%</b>
City	Hercules	Contra Costa	0.010%		<b>0.0078273%</b>





## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Lafayette	Contra Costa	0.006%		0.0046030%
City	Martinez	Contra Costa	0.012%		0.0098593%
City	Moraga	Contra Costa	0.004%		0.0031007%
City	Oakley	Contra Costa	0.010%		0.0079416%
City	Orinda	Contra Costa	0.005%		0.0038157%
City	Pinole	Contra Costa	0.013%		0.0110909%
City	Pittsburg	Contra Costa	0.053%		0.0436369%
City	Pleasant Hill	Contra Costa	0.013%		0.0106309%
City	Richmond	Contra Costa	0.146%		0.1201444%
City	San Pablo	Contra Costa	0.018%		0.0148843%
City	San Ramon	Contra Costa	0.021%		0.0176459%
City	Walnut Creek	Contra Costa	0.026%		0.0212132%
County	<i>Del Norte County</i>	Del Norte	0.114%	0.140%	0.1189608%
County	<i>El Dorado County</i>	El Dorado	0.768%	0.939%	0.7980034%
City	Placerville	El Dorado	0.015%		0.0127642%
City	South Lake Tahoe	El Dorado	0.081%		0.0665456%
County	<i>Fresno County</i>	Fresno	1.895%	2.318%	1.9693410%
City	Clovis	Fresno	0.065%		0.0536211%
City	Coalinga	Fresno	0.012%		0.0098554%
City	Fresno	Fresno	0.397%		0.3270605%
City	Kerman	Fresno	0.005%		0.0042534%
City	Kingsburg	Fresno	0.008%		0.0066167%
City	Mendota	Fresno	0.002%		0.0019387%
City	Orange Cove	Fresno	0.004%		0.0035607%
City	Parlier	Fresno	0.008%		0.0069755%
City	Reedley	Fresno	0.012%		0.0098804%
City	Sanger	Fresno	0.018%		0.0146135%
City	Selma	Fresno	0.015%		0.0127537%
County	<i>Glenn County</i>	Glenn	0.107%	0.131%	0.1116978%
County	<i>Humboldt County</i>	Humboldt	1.030%	1.260%	1.0703185%



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Arcata	Humboldt	0.054%		<b>0.0447660%</b>
City	Eureka	Humboldt	0.117%	0.143%	<b>0.1216284%</b>
City	Fortuna	Humboldt	0.032%		<b>0.0266837%</b>
County	<b><i>Imperial County</i></b>	Imperial	0.258%	0.315%	<b>0.2679006%</b>
City	Brawley	Imperial	0.011%		<b>0.0087986%</b>
City	Calexico	Imperial	0.019%		<b>0.0152799%</b>
City	El Centro	Imperial	0.158%		<b>0.1302522%</b>
City	Imperial	Imperial	0.006%		<b>0.0048791%</b>
County	<b><i>Inyo County</i></b>	Inyo	0.073%	0.089%	<b>0.0754413%</b>
County	<b><i>Kern County</i></b>	Kern	2.517%	3.079%	<b>2.6159145%</b>
City	Arvin	Kern	0.006%		<b>0.0046425%</b>
City	Bakersfield	Kern	0.212%		<b>0.1747198%</b>
City	California City	Kern	0.009%		<b>0.0070820%</b>
City	Delano	Kern	0.030%		<b>0.0249316%</b>
City	McFarland	Kern	0.003%		<b>0.0025644%</b>
City	Ridgecrest	Kern	0.015%		<b>0.0120938%</b>
City	Shafter	Kern	0.013%		<b>0.0103417%</b>
City	Tehachapi	Kern	0.009%		<b>0.0073580%</b>
City	Wasco	Kern	0.008%		<b>0.0069861%</b>
County	<b><i>Kings County</i></b>	Kings	0.293%		<b>0.2413469%</b>
City	Avenal	Kings	0.007%		<b>0.0056335%</b>
City	Corcoran	Kings	0.013%		<b>0.0107032%</b>
City	Hanford	Kings	0.027%		<b>0.0226038%</b>
City	Lemoore	Kings	0.016%		<b>0.0131900%</b>
County	<b><i>Lake County</i></b>	Lake	0.795%		<b>0.6545389%</b>
City	Clearlake	Lake	0.041%	0.050%	<b>0.0426253%</b>
City	Lakeport	Lake	0.021%	0.026%	<b>0.0222964%</b>
County	<b><i>Lassen County</i></b>	Lassen	0.319%	0.391%	<b>0.3320610%</b>
City	Susanville	Lassen	0.027%		<b>0.0219295%</b>
County	<b><i>Los Angeles County</i></b>	Los Angeles	13.896%	16.999%	<b>14.4437559%</b>



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Agoura Hills	Los Angeles	0.005%		0.0040024%
City	Alhambra	Los Angeles	0.042%		0.0343309%
City	Arcadia	Los Angeles	0.033%		0.0267718%
City	Artesia	Los Angeles	0.001%		0.0005100%
City	Azusa	Los Angeles	0.026%		0.0210857%
City	Baldwin Park	Los Angeles	0.027%		0.0218520%
City	Bell	Los Angeles	0.008%		0.0068783%
City	Bellflower	Los Angeles	0.002%		0.0014485%
City	Bell Gardens	Los Angeles	0.014%		0.0114301%
City	Beverly Hills	Los Angeles	0.065%		0.0534897%
City	Burbank	Los Angeles	0.100%		0.0823132%
City	Calabasas	Los Angeles	0.006%		0.0048948%
City	Carson	Los Angeles	0.019%		0.0159805%
City	Cerritos	Los Angeles	0.005%		0.0039682%
City	Claremont	Los Angeles	0.010%		0.0082584%
City	Commerce	Los Angeles	0.000%		0.0002971%
City	Compton	Los Angeles	0.044%		0.0361882%
City	Covina	Los Angeles	0.028%		0.0229127%
City	Cudahy	Los Angeles	0.001%		0.0006020%
City	Culver City	Los Angeles	0.055%		0.0449894%
City	Diamond Bar	Los Angeles	0.001%		0.0006993%
City	Downey	Los Angeles	0.052%		0.0429994%
City	Duarte	Los Angeles	0.003%		0.0027261%
City	El Monte	Los Angeles	0.031%	0.038%	0.0318985%
City	El Segundo	Los Angeles	0.033%		0.0268020%
City	Gardena	Los Angeles	0.034%		0.0278088%
City	Glendale	Los Angeles	0.166%		0.1366586%
City	Glendora	Los Angeles	0.016%		0.0134411%
City	Hawaiian Gardens	Los Angeles	0.005%		0.0040549%
City	Hawthorne	Los Angeles	0.050%		0.0407833%



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Hermosa Beach	Los Angeles	0.018%		0.0145307%
City	Huntington Park	Los Angeles	0.023%		0.0190667%
City	Inglewood	Los Angeles	0.059%		0.0489195%
City	La Cañada Flintridge	Los Angeles	0.003%		0.0025565%
City	Lakewood	Los Angeles	0.005%		0.0039971%
City	La Mirada	Los Angeles	0.010%		0.0081572%
City	Lancaster	Los Angeles	0.045%		0.0369689%
City	La Puente	Los Angeles	0.002%		0.0012999%
City	La Verne	Los Angeles	0.024%		0.0194190%
City	Lawndale	Los Angeles	0.002%		0.0017731%
City	Lomita	Los Angeles	0.004%		0.0031940%
City	Long Beach	Los Angeles	0.439%		0.3614151%
City	Los Angeles	Los Angeles	2.715%	3.321%	2.8218811%
City	Lynwood	Los Angeles	0.016%		0.0134345%
City	Malibu	Los Angeles	0.002%		0.0019269%
City	Manhattan Beach	Los Angeles	0.032%		0.0260686%
City	Maywood	Los Angeles	0.004%		0.0035528%
City	Monrovia	Los Angeles	0.031%		0.0254455%
City	Montebello	Los Angeles	0.030%		0.0250670%
City	Monterey Park	Los Angeles	0.031%		0.0256677%
City	Norwalk	Los Angeles	0.031%		0.0258228%
City	Palmdale	Los Angeles	0.046%		0.0375827%
City	Palos Verdes Estates	Los Angeles	0.006%		0.0053102%
City	Paramount	Los Angeles	0.011%		0.0091483%
City	Pasadena	Los Angeles	0.146%		0.1200524%
City	Pico Rivera	Los Angeles	0.022%		0.0183333%
City	Pomona	Los Angeles	0.111%		0.0911933%
City	Rancho Palos Verdes	Los Angeles	0.002%		0.0012645%
City	Redondo Beach	Los Angeles	0.062%		0.0506992%
City	Rosemead	Los Angeles	0.003%		0.0028260%



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	San Dimas	Los Angeles	0.003%		0.0022016%
City	San Fernando	Los Angeles	0.013%		0.0104837%
City	San Gabriel	Los Angeles	0.018%		0.0147726%
City	San Marino	Los Angeles	0.009%		0.0073791%
City	Santa Clarita	Los Angeles	0.022%		0.0178167%
City	Santa Fe Springs	Los Angeles	0.031%		0.0257531%
City	Santa Monica	Los Angeles	0.158%		0.1298513%
City	Sierra Madre	Los Angeles	0.006%		0.0048646%
City	Signal Hill	Los Angeles	0.010%		0.0084884%
City	South El Monte	Los Angeles	0.005%		0.0039603%
City	South Gate	Los Angeles	0.020%		0.0166272%
City	South Pasadena	Los Angeles	0.012%		0.0095334%
City	Temple City	Los Angeles	0.005%		0.0039498%
City	Torrance	Los Angeles	0.112%		0.0919820%
City	Walnut	Los Angeles	0.006%		0.0047305%
City	West Covina	Los Angeles	0.049%		0.0404521%
City	West Hollywood	Los Angeles	0.013%		0.0108517%
City	Whittier	Los Angeles	0.032%		0.0260581%
County	<b>Madera County</b>	Madera	0.349%	0.427%	0.3630669%
City	Chowchilla	Madera	0.012%		0.0097332%
City	Madera	Madera	0.039%		0.0318441%
County	<b>Marin County</b>	Marin	0.564%	0.690%	0.5861325%
City	Larkspur	Marin	0.015%		0.0124697%
City	Mill Valley	Marin	0.020%		0.0168401%
City	Novato	Marin	0.028%		0.0229824%
City	San Anselmo	Marin	0.009%		0.0078062%
City	San Rafael	Marin	0.089%		0.0729823%
County	<b>Mariposa County</b>	Mariposa	0.084%	0.103%	0.0876131%
County	<b>Mendocino County</b>	Mendocino	0.439%	0.536%	0.4558394%
City	Ukiah	Mendocino	0.039%		0.0317153%





## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
County	<b><i>Merced County</i></b>	Merced	0.551%	0.674%	<b>0.5724262%</b>
City	Atwater	Merced	0.024%		<b>0.0195846%</b>
City	Livingston	Merced	0.006%		<b>0.0045873%</b>
City	Los Banos	Merced	0.020%		<b>0.0165142%</b>
City	Merced	Merced	0.061%		<b>0.0500762%</b>
County	<b><i>Modoc County</i></b>	Modoc	0.065%	0.080%	<b>0.0678250%</b>
County	<b><i>Mono County</i></b>	Mono	0.023%	0.029%	<b>0.0242606%</b>
County	<b><i>Monterey County</i></b>	Monterey	0.908%	1.111%	<b>0.9437083%</b>
City	Greenfield	Monterey	0.006%		<b>0.0050552%</b>
City	King City	Monterey	0.005%		<b>0.0037355%</b>
City	Marina	Monterey	0.017%		<b>0.0144098%</b>
City	Monterey	Monterey	0.041%		<b>0.0336540%</b>
City	Pacific Grove	Monterey	0.009%		<b>0.0074842%</b>
City	Salinas	Monterey	0.094%		<b>0.0776576%</b>
City	Seaside	Monterey	0.023%		<b>0.0191772%</b>
City	Soledad	Monterey	0.007%		<b>0.0060870%</b>
County	<b><i>Napa County</i></b>	Napa	0.288%	0.352%	<b>0.2994325%</b>
City	American Canyon	Napa	0.017%		<b>0.0136869%</b>
City	Napa	Napa	0.078%		<b>0.0642783%</b>
County	<b><i>Nevada County</i></b>	Nevada	0.441%	0.539%	<b>0.4579827%</b>
City	Grass Valley	Nevada	0.024%		<b>0.0197805%</b>
City	Truckee	Nevada	0.003%		<b>0.0023843%</b>
County	<b><i>Orange County</i></b>	Orange	4.364%	5.339%	<b>4.5363576%</b>
City	Aliso Viejo	Orange	0.014%		<b>0.0113841%</b>
City	Anaheim	Orange	0.554%	0.678%	<b>0.5759282%</b>
City	Brea	Orange	0.086%		<b>0.0708897%</b>
City	Buena Park	Orange	0.087%		<b>0.0714352%</b>
City	Costa Mesa	Orange	0.124%	0.152%	<b>0.1288366%</b>
City	Cypress	Orange	0.033%		<b>0.0271937%</b>
City	Dana Point	Orange	0.001%		<b>0.0005560%</b>



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Fountain Valley	Orange	0.055%		0.0455980%
City	Fullerton	Orange	0.137%	0.168%	0.1425744%
City	Garden Grove	Orange	0.213%		0.1752482%
City	Huntington Beach	Orange	0.247%	0.302%	0.2568420%
City	Irvine	Orange	0.139%	0.170%	0.1442350%
City	Laguna Beach	Orange	0.047%	0.058%	0.0493043%
City	Laguna Hills	Orange	0.014%		0.0115457%
City	Laguna Niguel	Orange	0.001%		0.0007071%
City	Laguna Woods	Orange	0.001%		0.0006546%
City	La Habra	Orange	0.060%	0.073%	0.0621049%
City	Lake Forest	Orange	0.012%		0.0101249%
City	La Palma	Orange	0.012%		0.0095439%
City	Los Alamitos	Orange	0.008%		0.0069190%
City	Mission Viejo	Orange	0.014%		0.0117560%
City	Newport Beach	Orange	0.179%		0.1470134%
City	Orange	Orange	0.150%		0.1231320%
City	Placentia	Orange	0.029%	0.035%	0.0298912%
City	Rancho Santa Margarita	Orange	0.001%		0.0006296%
City	San Clemente	Orange	0.008%	0.010%	0.0086083%
City	San Juan Capistrano	Orange	0.008%		0.0065510%
City	Santa Ana	Orange	0.502%	0.614%	0.5213866%
City	Seal Beach	Orange	0.020%		0.0165891%
City	Stanton	Orange	0.035%		0.0291955%
City	Tustin	Orange	0.073%		0.0600341%
City	Westminster	Orange	0.104%	0.127%	0.1082721%
City	Yorba Linda	Orange	0.044%		0.0362223%
County	<b>Placer County</b>	Placer	1.045%	1.278%	1.0861002%
City	Auburn	Placer	0.017%		0.0141114%
City	Lincoln	Placer	0.031%		0.0255599%
City	Rocklin	Placer	0.076%		0.0625485%



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Roseville	Placer	0.196%		<b>0.1616559%</b>
County	<b>Plumas County</b>	Plumas	0.205%	0.251%	<b>0.2128729%</b>
County	<b>Riverside County</b>	Riverside	4.534%	5.547%	<b>4.7128296%</b>
City	Banning	Riverside	0.017%		<b>0.0143848%</b>
City	Beaumont	Riverside	0.021%		<b>0.0171135%</b>
City	Blythe	Riverside	0.012%		<b>0.0096714%</b>
City	Canyon Lake	Riverside	0.000%		<b>0.0001761%</b>
City	Cathedral City	Riverside	0.067%		<b>0.0553614%</b>
City	Coachella	Riverside	0.021%		<b>0.0173054%</b>
City	Corona	Riverside	0.147%		<b>0.1207083%</b>
City	Desert Hot Springs	Riverside	0.024%		<b>0.0200433%</b>
City	Eastvale	Riverside	0.000%		<b>0.0002747%</b>
City	Hemet	Riverside	0.051%		<b>0.0421792%</b>
City	Indio	Riverside	0.056%		<b>0.0457794%</b>
City	Jurupa Valley	Riverside	0.001%		<b>0.0008991%</b>
City	Lake Elsinore	Riverside	0.021%		<b>0.0172949%</b>
City	La Quinta	Riverside	0.063%		<b>0.0516732%</b>
City	Menifee	Riverside	0.032%		<b>0.0260909%</b>
City	Moreno Valley	Riverside	0.137%		<b>0.1130348%</b>
City	Murrieta	Riverside	0.048%	0.059%	<b>0.0497423%</b>
City	Norco	Riverside	0.016%		<b>0.0134542%</b>
City	Palm Desert	Riverside	0.083%		<b>0.0682465%</b>
City	Palm Springs	Riverside	0.076%		<b>0.0629862%</b>
City	Perris	Riverside	0.009%		<b>0.0076774%</b>
City	Rancho Mirage	Riverside	0.052%		<b>0.0431098%</b>
City	Riverside	Riverside	0.268%		<b>0.2206279%</b>
City	San Jacinto	Riverside	0.010%		<b>0.0085936%</b>
City	Temecula	Riverside	0.022%		<b>0.0180086%</b>
City	Wildomar	Riverside	0.008%		<b>0.0062500%</b>
County	<b>Sacramento County</b>	Sacramento	3.797%	4.645%	<b>3.9465887%</b>





## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Citrus Heights	Sacramento	0.057%		<b>0.0465312%</b>
City	Elk Grove	Sacramento	0.130%		<b>0.1066994%</b>
City	Folsom	Sacramento	0.108%		<b>0.0890850%</b>
City	Galt	Sacramento	0.017%		<b>0.0143704%</b>
City	Rancho Cordova	Sacramento	0.008%		<b>0.0067679%</b>
City	Sacramento	Sacramento	0.721%	0.882%	<b>0.7496530%</b>
County	<b><i>San Benito County</i></b>	San Benito	0.106%	0.130%	<b>0.1101417%</b>
City	Hollister	San Benito	0.027%		<b>0.0225355%</b>
County	<b><i>San Bernardino County</i></b>	San Bernardino	3.259%	3.987%	<b>3.3878124%</b>
City	Adelanto	San Bernardino	0.008%		<b>0.0066640%</b>
City	Apple Valley	San Bernardino	0.025%		<b>0.0207360%</b>
City	Barstow	San Bernardino	0.015%		<b>0.0122056%</b>
City	Chino	San Bernardino	0.064%		<b>0.0525893%</b>
City	Chino Hills	San Bernardino	0.001%		<b>0.0006388%</b>
City	Colton	San Bernardino	0.031%		<b>0.0253443%</b>
City	Fontana	San Bernardino	0.112%		<b>0.0920543%</b>
City	Grand Terrace	San Bernardino	0.006%		<b>0.0051051%</b>
City	Hesperia	San Bernardino	0.035%		<b>0.0291522%</b>
City	Highland	San Bernardino	0.004%		<b>0.0029061%</b>
City	Loma Linda	San Bernardino	0.009%		<b>0.0071188%</b>
City	Montclair	San Bernardino	0.039%		<b>0.0322108%</b>
City	Ontario	San Bernardino	0.179%		<b>0.1472934%</b>
City	Rancho Cucamonga	San Bernardino	0.084%		<b>0.0689431%</b>
City	Redlands	San Bernardino	0.057%		<b>0.0469150%</b>
City	Rialto	San Bernardino	0.073%		<b>0.0603206%</b>
City	San Bernardino	San Bernardino	0.178%		<b>0.1461880%</b>
City	Twentynine Palms	San Bernardino	0.002%		<b>0.0012605%</b>
City	Upland	San Bernardino	0.052%		<b>0.0424460%</b>
City	Victorville	San Bernardino	0.033%		<b>0.0269400%</b>
City	Yucaipa	San Bernardino	0.016%		<b>0.0128772%</b>



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Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Yucca Valley	San Bernardino	0.003%		<b>0.0021228%</b>
County	<b><i>San Diego County</i></b>	San Diego	5.706%	6.980%	<b>5.9309748%</b>
City	Carlsbad	San Diego	0.128%		<b>0.1050485%</b>
City	Chula Vista	San Diego	0.189%	0.231%	<b>0.1961456%</b>
City	Coronado	San Diego	0.044%		<b>0.0359095%</b>
City	El Cajon	San Diego	0.113%		<b>0.0933582%</b>
City	Encinitas	San Diego	0.061%	0.074%	<b>0.0630289%</b>
City	Escondido	San Diego	0.145%		<b>0.1192204%</b>
City	Imperial Beach	San Diego	0.014%		<b>0.0118283%</b>
City	La Mesa	San Diego	0.055%	0.068%	<b>0.0575593%</b>
City	Lemon Grove	San Diego	0.022%		<b>0.0183911%</b>
City	National City	San Diego	0.080%		<b>0.0656808%</b>
City	Oceanside	San Diego	0.213%		<b>0.1753428%</b>
City	Poway	San Diego	0.062%		<b>0.0511040%</b>
City	San Diego	San Diego	1.975%	2.416%	<b>2.0531169%</b>
City	San Marcos	San Diego	0.089%		<b>0.0733897%</b>
City	Santee	San Diego	0.033%		<b>0.0268401%</b>
City	Solana Beach	San Diego	0.017%		<b>0.0138564%</b>
City	Vista	San Diego	0.052%		<b>0.0425144%</b>
Consolidated	<b><i>San Francisco</i></b>	San Francisco	3.026%	3.702%	<b>3.1457169%</b>
County	<b><i>San Joaquin County</i></b>	San Joaquin	1.680%	2.055%	<b>1.7460399%</b>
City	Lathrop	San Joaquin	0.009%		<b>0.0075394%</b>
City	Lodi	San Joaquin	0.053%		<b>0.0439484%</b>
City	Manteca	San Joaquin	0.054%		<b>0.0443454%</b>
City	Ripon	San Joaquin	0.013%		<b>0.0104219%</b>
City	Stockton	San Joaquin	0.313%	0.383%	<b>0.3256176%</b>
City	Tracy	San Joaquin	0.084%		<b>0.0692047%</b>
County	<b><i>San Luis Obispo County</i></b>	San Luis Obispo	0.816%	0.999%	<b>0.8484126%</b>
City	Arroyo Grande	San Luis Obispo	0.024%		<b>0.0199053%</b>
City	Atascadero	San Luis Obispo	0.029%		<b>0.0240680%</b>



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Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	El Paso de Robles (Paso Robles)	San Luis Obispo	0.043%		0.0353456%
City	Grover Beach	San Luis Obispo	0.017%		0.0137881%
City	Morro Bay	San Luis Obispo	0.020%		0.0160922%
City	San Luis Obispo	San Luis Obispo	0.077%		0.0637841%
County	<i>San Mateo County</i>	San Mateo	1.074%	1.313%	1.1159599%
City	Belmont	San Mateo	0.021%		0.0169860%
City	Burlingame	San Mateo	0.019%		0.0152537%
City	Daly City	San Mateo	0.044%		0.0363880%
City	East Palo Alto	San Mateo	0.013%		0.0103982%
City	Foster City	San Mateo	0.020%		0.0166101%
City	Half Moon Bay	San Mateo	0.004%		0.0031638%
City	Hillsborough	San Mateo	0.013%		0.0110029%
City	Menlo Park	San Mateo	0.015%		0.0126209%
City	Millbrae	San Mateo	0.013%		0.0105836%
City	Pacifica	San Mateo	0.016%		0.0130625%
City	Redwood City	San Mateo	0.056%		0.0463511%
City	San Bruno	San Mateo	0.021%		0.0172161%
City	San Carlos	San Mateo	0.013%		0.0108885%
City	San Mateo	San Mateo	0.052%		0.0425841%
City	South San Francisco	San Mateo	0.043%		0.0353943%
County	<i>Santa Barbara County</i>	Santa Barbara	1.132%	1.385%	1.1768968%
City	Carpinteria	Santa Barbara	0.001%		0.0008938%
City	Goleta	Santa Barbara	0.004%		0.0028969%
City	Lompoc	Santa Barbara	0.047%		0.0389379%
City	Santa Barbara	Santa Barbara	0.122%		0.1004559%
City	Santa Maria	Santa Barbara	0.058%		0.0479179%
County	<i>Santa Clara County</i>	Santa Clara	2.404%	2.941%	2.4987553%
City	Campbell	Santa Clara	0.014%		0.0112566%
City	Cupertino	Santa Clara	0.008%		0.0066824%
City	Gilroy	Santa Clara	0.025%		0.0202891%



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Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Los Altos	Santa Clara	0.013%		0.0103338%
City	Los Gatos	Santa Clara	0.013%		0.0103220%
City	Milpitas	Santa Clara	0.036%		0.0298120%
City	Morgan Hill	Santa Clara	0.015%		0.0124619%
City	Mountain View	Santa Clara	0.041%		0.0334608%
City	Palo Alto	Santa Clara	0.039%		0.0323080%
City	San Jose	Santa Clara	0.294%	0.360%	0.3054960%
City	Santa Clara	Santa Clara	0.067%		0.0549723%
City	Saratoga	Santa Clara	0.004%		0.0034161%
City	Sunnyvale	Santa Clara	0.053%		0.0434069%
County	<b><i>Santa Cruz County</i></b>	Santa Cruz	0.783%	0.957%	0.8135396%
City	Capitola	Santa Cruz	0.020%		0.0168191%
City	Santa Cruz	Santa Cruz	0.143%		0.1180348%
City	Scotts Valley	Santa Cruz	0.015%		0.0126525%
City	Watsonville	Santa Cruz	0.063%		0.0520136%
County	<b><i>Shasta County</i></b>	Shasta	1.095%	1.339%	1.1380191%
City	Anderson	Shasta	0.024%		0.0198896%
City	Redding	Shasta	0.284%		0.2334841%
City	Shasta Lake	Shasta	0.004%		0.0031993%
County	<b><i>Siskiyou County</i></b>	Siskiyou	0.228%	0.279%	0.2373393%
County	<b><i>Solano County</i></b>	Solano	0.760%		0.6260795%
City	Benicia	Solano	0.031%		0.0253903%
City	Dixon	Solano	0.016%		0.0130849%
City	Fairfield	Solano	0.109%		0.0897317%
City	Suisun City	Solano	0.021%		0.0176183%
City	Vacaville	Solano	0.119%		0.0976497%
City	Vallejo	Solano	0.167%		0.1373644%
County	<b><i>Sonoma County</i></b>	Sonoma	1.218%	1.490%	1.2661290%
City	Healdsburg	Sonoma	0.032%		0.0266929%
City	Petaluma	Sonoma	0.081%		0.0667507%



## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allocation Percentage
City	Rohnert Park	Sonoma	0.041%		0.0340759%
City	Santa Rosa	Sonoma	0.184%		0.1519070%
City	Sonoma	Sonoma	0.022%		0.0183438%
City	Windsor	Sonoma	0.016%		0.0129298%
County	<i>Stanislaus County</i>	Stanislaus	1.722%		1.4182273%
City	Ceres	Stanislaus	0.041%		0.0340260%
City	Modesto	Stanislaus	0.217%		0.1788759%
City	Newman	Stanislaus	0.006%		0.0046964%
City	Oakdale	Stanislaus	0.018%		0.0145531%
City	Patterson	Stanislaus	0.015%		0.0126590%
City	Riverbank	Stanislaus	0.010%		0.0085699%
City	Turlock	Stanislaus	0.065%		0.0531966%
County	<i>Sutter County</i>	Sutter	0.306%	0.374%	0.3179548%
City	Yuba City	Sutter	0.074%		0.0606242%
County	<i>Tehama County</i>	Tehama	0.213%	0.261%	0.2216654%
City	Red Bluff	Tehama	0.014%		0.0117771%
County	<i>Trinity County</i>	Trinity	0.082%	0.101%	0.0855476%
County	<i>Tulare County</i>	Tulare	0.809%	0.990%	0.8410949%
City	Dinuba	Tulare	0.014%		0.0116929%
City	Exeter	Tulare	0.004%		0.0032479%
City	Farmersville	Tulare	0.003%		0.0027879%
City	Lindsay	Tulare	0.007%		0.0057111%
City	Porterville	Tulare	0.021%		0.0171845%
City	Tulare	Tulare	0.037%		0.0302273%
City	Visalia	Tulare	0.066%		0.0545872%
County	<i>Tuolumne County</i>	Tuolumne	0.486%	0.594%	0.5047621%
County	<i>Ventura County</i>	Ventura	2.192%	2.681%	2.2781201%
City	Camarillo	Ventura	0.002%		0.0012815%
City	Fillmore	Ventura	0.002%		0.0020294%
City	Moorpark	Ventura	0.008%		0.0067337%





## APPENDIX 1

Participating Subdivision Classification	Participating Subdivision	County	Abatement Percentage	Plaintiff Subdivision Percentage	Weighted Allcation Percentage
City	Oxnard	Ventura	0.156%	0.190%	<b>0.1617338%</b>
City	Port Hueneme	Ventura	0.021%		<b>0.0174145%</b>
City	San Buenaventura (Ventura)	Ventura	0.085%		<b>0.0702181%</b>
City	Santa Paula	Ventura	0.014%		<b>0.0119072%</b>
City	Simi Valley	Ventura	0.065%		<b>0.0533043%</b>
City	Thousand Oaks	Ventura	0.022%		<b>0.0179902%</b>
County	<b><i>Yolo County</i></b>	Yolo	0.357%	0.437%	<b>0.3713319%</b>
City	Davis	Yolo	0.055%		<b>0.0451747%</b>
City	West Sacramento	Yolo	0.066%		<b>0.0544321%</b>
City	Woodland	Yolo	0.058%		<b>0.0477904%</b>
County	<b><i>Yuba County</i></b>	Yuba	0.214%	0.262%	<b>0.2225679%</b>
City	Marysville	Yuba	0.014%		<b>0.0112079%</b>



## APPENDIX 2

### Cost Reimbursement Procedure

#### 1. Additional defined terms:

- a) *Costs* means the reasonable amounts paid for the attorney and other City Attorney and County Counsel staff time for individuals employed by a Plaintiff Subdivision at the contractual rate, inclusive of benefits and overhead, together with amounts paid for court reporters, experts, copying, electronic research, travel, vendors, and the like, which were not previously reimbursed and which were paid or incurred (i) prior to December 31, 2022 in litigation against any Opioid Defendant and/or (ii) in negotiating and drafting any CA Allocation Agreement(s) concerning a settlement with any Opioid Defendant(s). *Costs* does not include attorneys' fees, costs, or expenses incurred by private contingency fee counsel. No part of the CA Abatement Accounts Fund will be used to reimburse Costs.
- b) *First Claims Date* means October 1, 2023 or when all applications for reimbursement of Costs, in whole or in part, from funds available under Section X and Exhibit R of the CVS Settlement Agreement, Section XIV and Exhibit R of the Teva Settlement Agreement, Section XIII and Exhibit R of the Allergan Settlement Agreement, Section X and Exhibit R of the Distributor Settlement Agreement, Section XI and Exhibit R of the Janssen Settlement Agreement, Section IX and Exhibit R of the Walgreens Settlement Agreement, or Section IX and Exhibit R of the Walmart Settlement Agreement, have been finally determined under the provisions of those agreements, whichever comes first.
- c) *Special Master* means a retired judicial officer or former public lawyer, not presently employed or retained by a Plaintiff Subdivision, who will aggregate, review, and determine the reasonable Costs to be awarded to each Plaintiff Subdivision that submits a claim for reimbursement of Costs. The Special Master will be selected by a majority vote of the votes cast by Plaintiff Subdivisions, with each such subdivision having one vote.
- d) *Plaintiff Subdivision Committee* means the committee of Plaintiff Subdivisions that will review and approve the invoices submitted by the Special Master reflecting his or her reasonable time and expenses.

#### 2. Cost Reimbursement to Plaintiff Subdivision

- a) Purpose. Substantial resources have been expended to hold Opioid Defendants accountable for creating and profiting from the opioid crisis, and this effort has been a significant catalyst in creating National Opioid Settlements with various manufacturers, distributors, and chain pharmacies.
- b) Claims Procedure.
  - i. If a Plaintiff Subdivision is eligible to seek reimbursement of Costs, in whole or in part, from funds available under Section X and Exhibit R of the CVS Settlement



Agreement, Section XIV and Exhibit R of the Teva Settlement Agreement, Section XIII and Exhibit R of the Allergan Settlement Agreement, Section IX and Exhibit R of the Walgreens Settlement Agreement, Section IX and Exhibit R of the Walmart Settlement Agreement, Section X or Exhibit R of the Distributor Settlement Agreement, or Section XI or Exhibit R of the Janssen Settlement Agreement, it must first make a timely application for reimbursement from such funds. To allow sufficient time for determination of those applications, no claim for Costs to the CA Subdivision Fund under this Agreement may be made before the First Claims Date.

- ii. A Plaintiff Subdivision that wishes to be reimbursed from the CA Subdivision Fund must submit a claim to the Special Master no later than forty-five (45) days after the First Claims Date. The Special Master will then compile and redistribute the aggregated claim totals for each Plaintiff Subdivision via email to representatives of all the Plaintiff Subdivisions. A claim for attorney and staff time must list, for each attorney or staff member included in the claim, the following information: name, title, total hours claimed, hourly rate (including, if sought, benefits and share of overhead), and narrative summarizing the general nature of the work performed by the attorney or staff member. For reimbursement of “hard” costs, the subdivision may aggregate across a category (e.g., total for travel costs). It is the intention of the Plaintiff Subdivisions that submission of documents related to reimbursement of Costs does not waive any attorney-client privilege or exemptions to the California Public Records Act.
- iii. The Special Master may request, at his or her sole option, additional documents or details to assist in the final award of Costs.
- iv. The Special Master will review claims for reasonableness and will notify each Plaintiff Subdivision of the final determination of its claim, and will provide a list of all final awards to all Plaintiff Subdivisions by email or, upon request, via First Class U.S. Mail. Any Plaintiff Subdivision may ask the Special Master to reconsider any final award within twenty-one (21) days. The Special Master will make a final determination on any such reconsideration request within thirty (30) days of receipt.
- v. Any decision of the Special Master is final and binding, and will be considered under the California Arbitration Act, Code of Civil Procedure section 1280 et seq. as a final arbitration award. Nothing in this agreement is intended to expand the scope of judicial review of the final award for errors of fact or law, and the Parties agree that they may only seek to vacate the award if clear and convincing evidence demonstrates one of the factors set forth in Code of Civil Procedure, section 1286.2, subdivision (a). Plaintiff Subdivisions will have fourteen (14) days after all final awards are made, together with any final determination of a request for





reconsideration, to seek review in the Superior Court of California, pursuant to Code of Civil Procedure, section 1285, where the State has filed its Consent Judgment.

- vi. The Special Master will prepare a report of Costs that includes his or her fees and expenses at least ninety (90) days before the Payment Date for each Annual Payment. The Special Master's preparation of a report of Costs does not discharge a Plaintiff Subdivision's reporting requirement under Section V(B)(2) of the CVS Settlement Agreement.
- vii. A member of the Plaintiff Subdivision Committee, which is a CA Participating Subdivision, will submit to the Settlement Fund Administrator and CVS a report of the fees and expenses incurred by the Special Master pursuant to Section V(B)(2) of the CVS Settlement Agreement.

c) Claims Priority and Limitation.

- i. The Special Master will submit invoices for compensation of reasonable fees and expenses to the Plaintiff Subdivision Committee no later than ninety (90) days prior to the Payment Date for each Annual Payment. The Plaintiff Subdivision Committee will promptly review and, if reasonable, approve the Special Master's invoice for compensation. The Plaintiff Subdivision Committee will submit approved invoices to the Settlement Fund Administrator for payment. The Special Master's approved invoices have priority and will be paid first from the CA Subdivision Fund before any award of Costs, subject to the limitation in Section 2.c.v below.
- ii. Final Awards of Costs that do not exceed seventy-five thousand dollars (\$75,000.00) will be paid next in priority after the Special Master's approved invoices.
- iii. Final Awards of Costs in excess of seventy-five thousand dollars (\$75,000.00) will be paid proportionally from the funds remaining in that year's Annual Payment.
- iv. Any claim for Costs that is not paid in full will be allocated against the next year's distribution from the CA Subdivision Fund, until all approved claims for Costs are paid in full.
- v. In no event will more than 50% of the total CA Subdivision Fund received in any year be used to pay Costs or the Special Master's approved invoices.
- vi. In no event shall more than \$28 million of the total CA Subdivision Funds paid pursuant to the CVS Settlement Agreement, Teva Settlement Agreement, Allergan Settlement Agreement, Distributor Settlement Agreement, Janssen Settlement Agreement, Walgreens Settlement Agreement, and the Walmart Settlement Agreement be used to pay Costs.



d) Collateral Source Payments and Third-Party Settlement.

- i. In the event a Plaintiff Subdivision is awarded compensation, in whole or in part, by any source of funds created as a result of litigation against an Opioid Defendant for its reasonable Costs, it will reduce its claim for Costs from the CA Subdivision Fund by that amount. If a Plaintiff Subdivision has already received a final award of Costs from the CA Subdivision Fund, it will repay the fund up to the prior award of Costs via a payment to the Settlement Fund Administrator or notify the Settlement Fund Administrator that its allocation from the next and subsequent Annual Payments should be reduced accordingly. If the Plaintiff Subdivision is repaying any prior award of Costs, that repayment will occur as soon as is feasible after the Plaintiff Subdivision's receipt of Cost funds from the collateral source, but no more than 90 days after its receipt from the collateral source. The Settlement Fund Administrator will add any repaid Costs to the CA Subdivision Fund. Any Plaintiff Subdivision that has submitted for reimbursement to any national fund and has not received a final determination by the First Claims Date may request that the settlement administrator withhold some or all of its payment from the CA Subdivision Fund in order to avoid repayment.
- ii. In the event a Plaintiff Subdivision reaches a monetary settlement or compromise against any Opioid Defendant outside of the National Opioid Settlement, the monetary portion of such settlement, net of fees paid to outside contingency fee counsel and of funds earmarked strictly for abatement, will be credited against its Costs and the subdivision will be ineligible to recover those credited Costs from the CA Subdivision Fund. Plaintiff Subdivisions negotiating monetary settlements or compromises against any Opioid Defendant outside of the National Opioid Settlement will negotiate for funds to repay any Costs it previously received from the CA Subdivision Fund or for Costs it otherwise might be eligible to claim from the CA Subdivision Fund. If such a settlement is paid after all final approved claims for Costs by all Plaintiff Subdivisions are satisfied in full, the settling subdivision will reimburse the CA Subdivision Fund in that amount by making payment to the Settlement Fund Administrator to add to the CA Subdivision Fund in a manner consistent with the repayments described in section 2.d.i above.



### APPENDIX 3

#### CALIFORNIA-SUBDIVISION BACKSTOP AGREEMENT

On August 6, 2021, Judge Polster of the US District Court for the Northern District of Ohio issued an Order (the Order), docket number 3814, in In Re National Prescription Opiate Litigation, MDL 2804, addressing contingent attorney fee contracts between political subdivisions eligible to participate in the CVS Settlement and their counsel.

In light of the Order, and at the request of [SUBDIVISION], the [SUBDIVISION], its counsel [COUNSEL], and the California Attorney General, on behalf of the State of California, are entering into this California-Subdivision Backstop Agreement (Backstop Agreement).

[SUBDIVISION] and [COUNSEL] intend this Backstop Agreement to constitute a State Back-Stop Agreement as that term is used in the Order and in Exhibit R (Agreement on Attorneys' Fees, Costs, and Expenses) of the CVS Settlement Agreement.

Pursuant to this Backstop Agreement, [SUBDIVISION] may, subject to the limitations of the CVS Settlement Agreement and CA CVS Allocation Agreement, as well as any other limitations imposed by law, use funds that it receives from the CVS Settlement CA Subdivision Fund to pay a contingent fee to [COUNSEL]. Any such payment from [SUBDIVISION] to [COUNSEL], together with any contingency fees that [COUNSEL] may receive from the national Attorney Fee Fund, will not exceed a total contingency fee of [PERCENTAGE NOT TO EXCEED 15%] of the total gross recovery of [SUBDIVISION] from the CVS Settlement.

[COUNSEL] certify that they first sought fees and costs from the Attorney Fee Fund created under the CVS Settlement Agreement before seeking or accepting payment under this backstop agreement. [COUNSEL] further certify that they are not seeking and will not accept payment under this backstop agreement of any litigation fees or costs that have been reimbursed through prior settlements or judgments.

The Attorney General is executing this agreement solely because the definition of "State Back-Stop Agreement" in Exhibit R of the CVS Settlement Agreement requires such agreements to be between "a Settling State" and private counsel for a participating subdivision. Neither the California Attorney General nor the State of California have any obligations under this Backstop Agreement, and this Backstop Agreement does not require the payment of any state funds to [SUBDIVISION], [COUNSEL], or any other party.

[DATE]

[SUBDIVISION SIGNATURE BLOCK]

[DATE]

[COUNSEL SIGNATURE BLOCK]

[DATE]

[ATTORNEY GENERAL SIGNATURE BLOCK]





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SPAEDER

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January 27, 2023

**VIA EMAIL**

Renuka R. George, Esq.  
Senior Assistant Attorney General  
Healthcare Rights and Access, California Department of Justice  
Office of Attorney General Rob Bonta  
1300 I Street  
Sacramento, CA 95814  
Email: [renuka.george@doj.ca.gov](mailto:renuka.george@doj.ca.gov)

Re: CVS Opioids Settlement Agreement

Dear Ms. George:

This letter summarizes the agreement reached between CVS and the State of California regarding the multistate CVS Settlement Agreement dated December 9, 2022 regarding opioid claims by states and subdivisions (the "Multistate CVS Settlement Agreement").

CVS Health Corporation and CVS Pharmacy, Inc., and all of their past and present direct and indirect parents and subsidiaries ("CVS"), and the State of California, by and through its Attorney General Rob Bonta, have agreed to the following modifications to the Multistate CVS Settlement Agreement in its application to California. For the avoidance of doubt, the limited modifications set forth below apply only to California and to no other state or territory.

**Incentives B and C with 99% C Participation**

- At 99 percent participation for both Incentive B and C, Incentive B is to be treated as 100 percent for California, while Incentive C remains at 99. Under this scenario, California would earn 92.6 percent of its maximum remediation share through base payments and Incentive B and Incentive C earnings. This percentage is subject to increases if Incentive D payments are earned.
- At 98 percent participation for Incentive B but 99 percent for Incentive C, Incentive B is to be treated as 99 percent for California, while Incentive C remains the same. Under this scenario, California would earn 91.2 percent of its maximum remediation share through base payments and Incentive B and Incentive C earnings. This percentage is subject to increases if Incentive D payments are earned.
- There are no other changes to Incentives B and/or C in the event of 99% participation for Incentive C.

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Incentives B and C with 98% C Participation

- At 98 percent participation for both Incentives B and C, Incentive B is to be treated as 99 percent for California. Under this scenario, California would earn 88.4 percent of its maximum remediation share through base payments and Incentive B and Incentive C earnings. This percentage is subject to increases if Incentive D payments are earned.
- There are no other changes to Incentives B and/or C in the event of 98% participation for Incentive C.

There are no other changes to Incentives B and/or C.

Incentive D Modifications

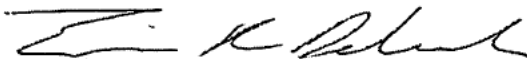
- 100 percent Incentive C participation = 6 percent Incentive D
- 99 percent Incentive C participation = 6 percent Incentive D
- 98 percent Incentive C participation = 7 percent Incentive D
- 97 percent Incentive C participation = 7 percent Incentive D
- 96 percent Incentive C participation = 8 percent Incentive D
- Below 96 percent Incentive C participation = 10 percent Incentive D

These limited California-specific modifications to the application of Incentives B and C were a necessary condition for California's decision to sign-on as a participating state to the Multistate CVS Settlement Agreement. The modifications to Incentives D were a necessary condition for CVS's agreement to the Incentive B and C modifications.

For the avoidance of doubt, all other terms and provisions in the Multistate CVS Settlement Agreement remain the same, including without limitation all participation tiers not specified above, all definitions, all release provisions, the ten-year payment schedule and all other terms and provisions of the payment schedule, and all other terms and provisions.

These terms shall be included in a stipulated judgment to be filed in a Superior Court in the State of California.

Sincerely,



Eric R. Delinsky  
*Counsel for CVS*

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JANUARY 27, 2023  
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SO AGREED BY AND ON BEHALF OF THE STATE OF CALIFORNIA:

  
\_\_\_\_\_  
Name: Renuka George  
Title: Senior Assistant Attorney General  
Date: 1/30/2023



# **City Council Initiated Items 12D – 12E – 12F**

## **Item 12D:**

“DISCUSSION REGARDING IMPLEMENTATION OF TERM LIMITS FOR THE POSITION OF MAYOR”

## **Item 12E:**

“DISCUSSION REGARDING THE CITY’S CURRENT DISTRICT-BASED ELECTION SYSTEM”

## **Item 12F:**

“DISCUSSION REGARDING THE FEASIBILITY OF A MORATORIUM ON STREET VENDING”

***(These items do not contain a staff report)***