

# CLINTON COUNTY BOARD OF COMMISSIONERS

**COURTHOUSE**  
**100 E. STATE STREET**  
**ST. JOHNS, MICHIGAN 48879-1571**  
**989-224-5120**



**Chairperson**

Kam J. Washburn

**Vice-Chairperson**

Bruce DeLong

**Members**

David W. Pohl

Kenneth B. Mitchell

Robert Showers

Dwight Washington

Adam C. Stacey

**Administrator**  
Craig Longnecker  
**Clerk of the Board**  
Diane Zuker

DATE 07/13/2021  
SPECIAL BOARD MEETING

The Clinton County Board of Commissioners met on Tuesday, July 13, 2021 at 9:00 a.m. with Chairperson Kam Washburn presiding.

MOMENT OF SILENCE AND  
PLEDGE OF ALLEGIANCE

Chairperson Washburn called for a moment of silence. The pledge of allegiance was given to the flag of the United States of America.

ROLL CALL

Roll was called with a quorum of members were in attendance as follows: Kam Washburn, David Pohl, Bruce DeLong, Kenneth B. Mitchell, Robert Showers and Dwight Washington. Commissioner Adam Stacey was excused.

COUNTY PERSONNEL

Craig Longnecker, Todd Campbell and Penny Goerge.

VISITORS

Attorney Scott Storey, Foster Swift Collins & Smith PC

AGENDA

The agenda was presented for review and approval.

**BOARD ACTION:** Commissioner Mitchell moved, seconded by Commissioner Pohl to approve the agenda as printed. Motion carried.

PUBLIC COMMENTS

Chairperson Washburn called for public comments. There were none.

UNITED STATES DISTRICT  
COURT NATIONAL  
PRESCRIPTION OPIATE  
LITIGATION SETTLEMENT  
WITH PURDUE PHARMA

Chairperson Washburn introduced Scott Storey, the county's attorney with the law firm of Foster Swift Collins & Smith PC to discuss trial or settlement strategy in connection with the pending litigation case entitled *County of Clinton, Michigan v. Purdue Pharma, L.P., et al.*, Case No. 19-23649.

Administrator Longnecker informed the members that this meeting is being held because the county received notification via email on July 1<sup>st</sup> advising that the Board needs to decide no later than 4 p.m. on July 14, 2021, whether to approve or reject the Purdue Bankruptcy Plan.

Attorney Storey provided an overview and summarized the process that has taken place since the Board entered into an engagement with the Foster, Swift, Collins & Smith PC law firm in April 2018.

- The 3 largest opiate producers are Cardinal Health, McKesson and AmerisourceBergen responsible for manufacturing and distributing the largest percentage of opiates around the country who have ongoing claims; There are other producers as well named in the litigation, such as Johnson & Johnson, etc., however this claim is with regard to Purdue Pharma, only;
- The proposed settlement with Purdue Pharma has been sent to all Plaintiffs involved in the litigation, including Clinton County;
- All the Purdue Pharma claims will be resolved once there is a vote on the

settlement and approved by the Bankruptcy Court;

- Purdue Pharma has been largely owned by the extended Sackler Family for a long time; the Sackler Family is not part of the Bankruptcy proceedings, however the settlement will resolve all the claims against Purdue Pharma and members of the Sackler Family; if however the settlement is not approved and claims are made against the Sackler Family it may be difficult to recover any money as it is believed that the Sackler Family has moved the majority of their assets out of the country;
- Although settlement may not be the most desirable option, the Class Action legal counsel strongly recommends that the county approve the Purdue Bankruptcy Plan, as they believe this is the fastest and most legally certain way to secure monies to fight the opioid crisis.

The monies generated from the settlement would be used to pay litigation expenses, federal programs with the balance distributed to the states and then distributed within the states to local governmental units named as plaintiffs in the litigation. Estimates indicate that approximately 3.4% of the net proceeds will come to Michigan. Anticipate that 50% of the State's proceeds will be used for State programs with the balance to the counties in Michigan. Exactly how much Clinton County might benefit is uncertain. Monies received must be used for Opiate crisis.

Chairperson Washburn called for comments and/or questions:

- Commissioner Showers inquired as to the amount Clinton County will net from Purdue Pharma settlement. Attorney Storey estimated the net to be approximately \$175,000 after Attorney Fees;
- Commissioner Showers opened discussion on the cost to the county in dealing with opiate issues over the years; Administrator Longnecker noted that the county has suffered costs as a result of opiates, but an exact figure is unknown.
- Commissioner Mitchell noted it can be difficult to trace some of the county costs related to opiate crisis;
- Chairperson Washburn initiated further discussion regarding the number of pharmaceutical companies responsible for producing, selling opiates and the continued operation of these companies following settlement of litigation, as well as distribution of opiates for proper treatment purposes and not for profit in the future;
- Chairperson Washburn expressed concerns regarding the monies to be distributed from the state to the counties;
- Commissioner Pohl noted that there is always a fair amount of uncertainty in bankruptcy proceedings;
- Commissioner Washington inquired as to how the distribution on monies will be determined by the State; Attorney Storey stated he expects the distribution to be population based;
- Commissioner Showers introduced brief discussion about reaching out to Michigan Association of Counties so there is a unified voice on the distribution of the monies from the state level.

**BOARD ACTION:** Commissioner Showers moved, seconded by Commissioner DeLong to authorize Administrator Longnecker to cast Clinton County's ballot electronically approving the Purdue Opioids Bankruptcy Settlement. Voting on the motion by roll call vote, those voting aye were Washington, Mitchell, Showers, DeLong, Pohl and Washburn. Six ayes, zero nays, one absent. Motion carried.

COMMISSIONERS'  
COMMENTS

Chairperson Washburn called for Commissioners' comments.

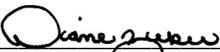
- Chairperson Washburn informed the members that he was advised by Jim Tedder, Area Manager of ITC Holdings in St. Johns that ITC is supporting Clinton County Parks with a \$5,000 charitable donation;
- Chairperson Washburn spoke regarding the complexity of the American Rescue Plan; Guidance on how the the monies can be used by the county is still forthcoming; Expect 60% will go towards offsetting the county's \$1 million revenue loss from the Jail and District Court; Commissioner DeLong requested and members agreed that the American Rescue Plan be discussed further at a separate meeting so members can solely focus on making decisions regarding the funds.
- Commissioner Showers provided an update on regional bus transportation.

ADMINISTRATOR'S  
COMMENTS

Administrator Longnecker spoke regarding a situation that occurred recently at the jail as a result of an inmate smuggling contraband in their personal cavity at the jail. As part of the smuggle, fetal powder was found in the bed sheets affecting 3 of our corrections officers in the jail who had to seek emergency medical treatment. The situation for our officers could have been very serious, fortunately it did not turn out to be the case for them.

ADJOURNMENT

**BOARD ACTION:** With no further business to come before the Board, Chairperson Washburn declared the meeting adjourned at 10:09 a.m.

  
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Diane Zuker, Clerk of the Board

NOTE: These minutes are subject to approval on July 27, 2021.