

INTERLOCAL AGREEMENT BETWEEN
CLALLAM COUNTY
JEFFERSON COUNTY
KITSAP COUNTY
AND
SALISH BEHAVIORAL HEALTH ADMINISTRATIVE SERVICES ORGANIZATION

This Agreement is made between Clallam County, Jefferson County, and Kitsap County, on the one hand, and Salish Behavioral Health Administrative Services Organization (SBH-ASO), through Kitsap County, its administrative entity, on the other, (collectively "Parties") for the purpose of administering monetary amounts allocated to the counties of Clallam, Jefferson, and Kitsap resulting from settlements with and/or litigation against opioid pharmaceutical supply chain participants. The Parties to this Agreement mutually agree to the terms contained herein.

RECITALS

A. Clallam, Jefferson, and Kitsap counties are Participating Counties in the National Prescription Opiate Litigation, United States District Court for the Northern District of Ohio, Case No. 1:17-md-02804-DAP.

B. Clallam, Jefferson, and Kitsap counties are also Participating Local Governments to the One Washington Memorandum of Understanding Between Washington Municipalities (One WA MOU), a copy of which is attached hereto as Attachment A and fully incorporated herein.

C. Clallam, Jefferson, and Kitsap counties are also Participants to the Allocation Agreement Covering the Allocation of Funds Paid by the Settling Opioid Distributors in Washington State, a copy of which is attached hereto as Attachment B and fully incorporated herein (Allocation Agreement).

D. Clallam, Jefferson, and Kitsap counties anticipate receipt of other funds resulting from settlements with and/or litigation against opioid pharmaceutical supply chain participants.

E. Funds allocated to Clallam, Jefferson, and Kitsap counties pursuant to the One WA MOU and the Allocation Agreement shall be collectively referred to herein as "Opioid Funds."

F. Clallam, Jefferson, and Kitsap counties and the Jamestown S'Klallam Tribe are parties to an interlocal agreement (KC-279-19, as it may be amended or superseded from time to time) establishing the SBH-ASO. The SBH-ASO administers behavioral health services and programs under chapters 71.24 and 71.05 RCW within the Olympic Community of Health Region regional service area established under RCW 74.09.870.

G. Clallam, Jefferson, and Kitsap counties seek to designate SBH-ASO as the Olympic Opioid Abatement Council pursuant to Section C.4.h of the One WA MOU and

pursuant to Section 15 of the Allocation Agreement for the purposes of receiving, managing, distributing, and administering Opioid Funds allocated to Clallam, Jefferson, and Kitsap counties consistent with the Approved Purposes set forth in the One WA MOU and consistent with the purposes set forth in Section 8 of the Allocation Agreement.

H. SBH-ASO's Tribal members are subject to separate agreements concerning Opioid Funds, are not subject to the One WA MOU or the Allocation Agreement described herein, and thus it is unnecessary to join SBH-ASO's Tribal members as parties to this Agreement.

I. This Agreement is made pursuant to the Interlocal Cooperation Act, Chapter 39.34 RCW.

J. This Agreement does not contemplate a joint budget.

K. This Agreement does not contemplate the joint acquisition of property by the parties. At termination, each party will remain the sole owner of its own property.

AGREEMENT

1. The foregoing Recitals A through H are true and correct and are incorporated herein by reference as if fully set forth herein.

2. Clallam, Jefferson, and Kitsap counties hereby designate SBH-ASO as the Olympic Opioid Abatement Council pursuant to Section C.4.h of the One WA MOU and pursuant to Section 15 of the Allocation Agreement to oversee allocation, distribution, expenditures, and dispute resolution of Opioid Funds allocated to Clallam, Jefferson, and Kitsap counties consistent with the Approved Purposes set forth in the One WA MOU and Allocation Agreement and consistent with the purposes set forth in Section 8 of the Allocation Agreement (collectively "Approved Purposes").

3. Clallam, Jefferson, and Kitsap counties shall pay over to SBH-ASO those Opioid Funds distributed to Clallam, Jefferson, and Kitsap counties or authorize that Opioid Funds allocated to Clallam, Jefferson, and Kitsap County be paid over directly to SBH-ASO.

4. SBH-ASO shall maintain Opioid Funds in a separate fund and Opioid Funds shall not be comingled with other funds received by SBH-ASO from HCA or other sources.

5. Ten percent (10%) of Opioid Funds received by SBH-ASO will be reserved, on an annual basis, for administrative costs related to managing, distributing, and administering Opioid Funds consistent with Approved Purposes. SBH-ASO will provide an annual accounting for actual costs and any reserved funds that exceed actual costs will be reallocated to Approved Purposes.

6. Opioid Funds will be subject to mechanisms for auditing and reporting to provide public accountability and transparency. All records related to the receipt and expenditure of

Opioid Funds shall be maintained for no less than five (5) years and such records shall be available for review by the Parties to this Agreement, government oversight authorities, and the public. Each party shall be responsible for its own compliance with the Washington Public Records Act, chapter 42.56 RCW (as may be amended). This Agreement, once executed, will be a "public record" subject to production to a third party if it is requested under the chapter 42.56 RCW.

7. SBH-ASO will be responsible for the following actions with respect to Opioid Funds:

- a. Overseeing distribution of Opioid Funds to programs and services within the Olympic Community of Health Region regional service area for Approved Purposes.
- b. Preparing annual expenditure reports for compliance with Approved Purposes.
- c. Reporting and making publicly available all decisions on Opioid Fund allocation applications, distributions, and expenditures by SBH-ASO.
- d. Developing and maintaining a centralized public dashboard or other repository for the publication of expenditure data for expenditures of Opioid Funds by SBH-ASO, which it shall update at least annually.
- e. If necessary, require and collect additional outcome-related data to evaluate the use of Opioid Funds.
- f. Hearing complaints by Clallam, Jefferson, and/or Kitsap Counties regarding alleged failure to (1) use Opioid Funds for Approved Purposes or (2) comply with reporting requirements.

8. If any Party to this Agreement believes another Party violated the terms of this Agreement, the WA One MOU, and/or the Allocation Agreement, the aggrieved Party may seek judicial enforcement of the terms of this Agreement, the WA One MOU, and/or the Allocation Agreement. The Parties hereby stipulate that venue of any action shall be Thurston County Superior Court in accordance with RCW 4.12.080. Prior to filing any such action, the alleging Party shall first provide the alleged offending Party notice of the alleged violation(s) and a reasonable opportunity to cure the alleged violation(s). In such an enforcement action, any alleging Party or alleged offending Party may be represented by their respective public entity in accordance with Washington law.

9. Nothing in this MOU shall be interpreted to waive the right of any Party to seek judicial relief for conduct occurring outside the scope of this Agreement that violates any Washington law. In such an action, the alleged offending Party may be represented by their respective public entities in accordance with Washington law. In the event of a conflict, any Party may seek outside representation to defend itself against such an action.

10. This Agreement is subject to the terms and conditions of the Parties' interlocal

agreement establishing the SBH-ASO (KC-279-19, as it may be amended or superseded from time to time), except that in the event of an inconsistency between this Agreement and the Parties' interlocal agreement establishing the SBH-ASO, unless otherwise provided, the inconsistency is resolved by giving precedence in the following order:

- a. Applicable Federal and Washington State Statutes and Regulations.
- b. All terms and conditions in this Agreement, including the One WA MOU and the Allocation Agreement.
- c. The Parties' interlocal agreement establishing the SBH-ASO (KC-279-19, as it may be amended or superseded from time to time).
- d. Any other material incorporated herein by written reference.

11. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. The Parties agree not to deny the legal effect or enforceability of this Agreement solely because it is in electronic form or because an electronic record was used in its formation. The Parties agree not to object to the admissibility of this Agreement in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the grounds that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

12. This Agreement shall take effect upon the date of its full execution and shall expire on the date that the Interlocal Agreement establishing the SBH-ASO expires (KC-279-19, as it may be amended or superseded from time to time).

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

14. Once fully executed, this Agreement shall be filed by Kitsap County with the Kitsap County Auditor.

15. The parties shall keep and maintain all records required by law in connection with the performance of this Agreement.

16. The parties signed this Agreement in the State of Washington. The laws of the United States and the State of Washington govern this Agreement, as if applied to transactions agreed upon and to be performed wholly within the State of Washington. No Party shall argue or assert that any state law other than Washington law applies to the governance or construction of this Agreement.

17. This agreement may be amended to address distribution of additional funds received from settlements with and/or litigation against opioid pharmaceutical supply chain participants.

Approved this 25 day of October, 2022

**CLALLAM COUNTY BOARD OF
COMMISSIONERS**



Mark Ozias, Chair



Randy Johnson, Commissioner

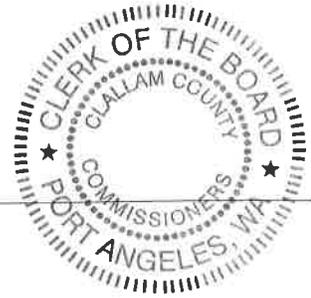


Bill Peach, Commissioner

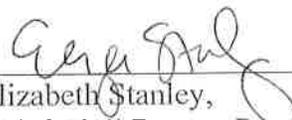
Attest:



Loni Gores, Clerk of the Board



Approved as to form only:

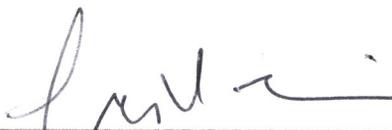


Elizabeth Stanley,
Chief Civil Deputy Prosecuting Attorney

9/29/22
Date

Approved this 10th day of October, 2022

JEFFERSON COUNTY BOARD OF COMMISSIONERS



Heidi Eisenhour, Chair



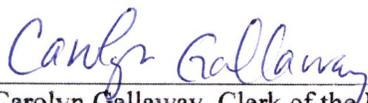
Kate Dean, Commissioner



Greg Brotherton, Commissioner



Attest:



Carolyn Gallaway, Clerk of the Board

Approved as to form only:



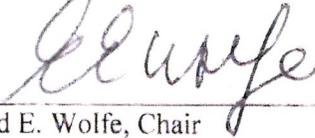
Philip C. Hunsucker, Chief Civil Deputy Prosecuting Attorney

October 5, 2022

Date

Approved this 5 day of October, 2022

KITSAP COUNTY BOARD OF COMMISSIONERS, in its capacities as the governing body of Kitsap County and as the administrative entity for the Salish Behavioral Health Organization



Edward E. Wolfe, Chair



Charlotte Garrido, Commissioner

NOT PRESENT

Rob Gelder, Commissioner

Attest:



Dana Daniels, Clerk of the Board



Approved this day of 12/11, 2022

**SALISH BEHAVIORAL HEALTH
ADMINISTRATIVE ORGANIZATION**

A large, stylized handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Greg Brotherton, Chair