

**INTERLOCAL AGREEMENT FOR THE
EXPENDITURE OF OPIOID SETTLEMENT FUNDS**

THIS INTERLOCAL AGREEMENT (hereinafter referred to as the “Agreement”) is made and entered into on this 1st day of March, 2022 (“Effective Date”), by and between the **City of Ocala** (hereinafter referred to as the “CITY”), and the **Marion County Board of County Commissioners** (hereinafter referred to as the "COUNTY") (each hereinafter referred to as “Party,” collectively “Parties”).

WHEREAS:

A. A local, state, and national crisis arose as a result of the manufacture, distribution and over-prescribing of opioid analgesics (“opioids”) and resulted in opioid overdoses and addictions throughout municipalities, counties, states and the nation; and

B. Marion County and the municipalities within its boundaries have suffered harm from the opioid epidemic; and

C. The State of Florida has filed an action pending in Pasco County, Florida, and a number of Florida Cities and Counties have also filed an action In re: National Prescription Opiate Litigation, MDL No. 2804 (N.D. Ohio) (the "Opioid Litigation") and the CITY and COUNTY are litigating participants in that action; and

D. The State of Florida and lawyers representing various local governments involved in the Opioid Litigation have proposed the Florida Plan for the allocation and use of prospective settlement dollars from opioid related litigation; and

E. The current draft of the Florida Memorandum of Understanding, approved by CITY and COUNTY and attached hereto as **Exhibit A** (the “Florida Plan”) sets forth a framework of a unified plan for the proposed allocation and use of opioid settlement proceeds and it is anticipated that formal agreements implementing the Florida Plan will be entered into at a future date; and

F. CITY and COUNTY recognize that local control over settlement funds is in the best interest of all persons within the geographic boundaries of Marion County, and ensures that settlement funds are available and used to address opioid-related impacts within Marion County; and

G. CITY and COUNTY wish for the County to be a “Qualified County” and receive Regional funds pursuant to the Florida Plan, as it may be amended; and

H. CITY and COUNTY are both members of the Marion County Heroin/Opioid Task Force, which was established in 2017 in response to the dramatic increase in opioid-related drug misuse and opioid-related deaths within the geographic boundaries of Marion County; and

I. The Marion County Heroin/Opioid Task Force meets periodically to study and analyze data related to the opioid epidemic and abatement programming; and

J. CITY and COUNTY provide, either directly or through contract, substance abuse prevention, recovery, and treatment services to the citizens of Marion County; and

K. The Parties have an abatement plan that is being utilized to respond to the opioid epidemic; and

L. Marion County Hospital District is a dependent special tax district created by the State of Florida, governed by Chapter 2008-273, Laws of Florida, with its trustees appointed by COUNTY; and

M. COUNTY entered into a Memorandum of Understanding with the Marion County Hospital District related to the funding of the designated behavioral health services provider for the County on September 30th, 2019, providing that the Marion County Hospital District shall provide the County's local matching funding obligations to the designated behavioral health services provider; and

N. Pursuant to the Hospital District Memorandum of Understanding, the Marion County Hospital District provides funding to SMA Healthcare, Inc., for the provision of substance abuse prevention, recovery, and treatment services including a centralized access system to assist persons suffering from substance abuse disorders by assessing individuals and determining the immediacy and type of treatment needed, and to link individuals with the most appropriate services; detox services; and medication assisted treatment; and

O. COUNTY funds the operations of multiple problem-solving court programs including several drug court, DUI court, veterans' treatment court, mental health court, and teen court; and

P. These problem-solving court programs provide necessary support for and referrals to additional substance abuse prevention, recovery, and treatment services; and

Q. Substance abuse prevention, recovery, and treatment training is provided through the problem-solving courts; and

R. Through the problem-solving courts, COUNTY funds prevention, recovery, and treatment services including training materials and expenses, drug screening and remote breathalyzer equipment; and

S. COUNTY funds a program through its local Salvation Army to assist probationers who are in the DUI court access recovery and prevention services such as drug screening, remote breathalyzers and referral to substance abuse treatment and required DUI classes; and

T. COUNTY operates a Mobile Integrated Healthcare Community Paramedicine Program; and

U. CITY, as a recipient of grant funding from the Centers for Disease Control administered by the Florida Department of Health in Marion County, operates community paramedicine services to Marion County residents who are at risk of overdose, who have recently overdosed, or who have a history of substance abuse; and

V. CITY currently also provides a Narcan Leave Behind Program, Medically Assisted Treatment services through Park Place Behavioral Health Care, and an Opioid Amnesty Program to the residents of Marion County; and

W. It is the intent of the Parties to use the proceeds from settlements with from opioid litigation to increase the amount of funding presently spent on opioid and substance abuse education, treatment and other related programs and services, and to ensure that the funds are expended in compliance with evolving evidence-based "best practices"; and

X. Pursuant to the Florida Plan, to be considered a Qualified County and obtain direct allocation of a portion of the settlement funds, the Parties must enter into an agreement related to the expenditure of Opioid Funds; and

Y. Pursuant to the Florida Plan, such Opioid Funds must be expended towards forward-looking strategies, programming and services used to expand the availability of treatment for individuals impacted by substance use disorders, to: (a) develop, promote, and provide evidence-based substance use prevention strategies; (b) provide substance use avoidance and awareness education; (c) decrease the oversupply of licit and illicit opioids; and (d) support recovery from addiction; and

Z. The Parties recognize that it is in the best interest of the Parties for COUNTY to be a Qualified County under the Florida Plan; to agree to a framework for the expenditure of settlement funds; and to document the provision of substance abuse prevention, recovery, and treatment services to the citizens of Marion County by the Parties; and

AA. The Parties intend to continue to negotiate in good faith and enter into an amendment to this Agreement ("Amendment") concerning matters that remain unresolved on the Effective Date; and

BB. The Parties are acting pursuant to general law and Section 163.01, Florida Statutes.

NOW, THEREFORE, for and in consideration of the mutual promises contained herein, the Parties agree as follows:

1. RECITALS. The recitals above are true and correct and incorporated into this Agreement by this statement.

2. DEFINITIONS. Unless otherwise defined herein, all defined terms in the Florida Plan are incorporated herein and shall have the same meanings as in the Florida Plan. Further, the terms set forth below shall have the following definitions:

2.1. "Opioid Settlement Funds" shall mean the amount of the Regional Funding disbursed to COUNTY in its role as a Qualified County under the Florida Plan.

2.2. "Beneficiaries" shall mean any organizations receiving funds from the "Opioid Settlement Funds" for the provision of opioid-related programs or services.

3. CONDITIONS PRECEDENT. This Agreement shall become effective upon the occurrence of the following conditions precedent:

- 3.1. Execution of this Agreement by the CITY and COUNTY; and
- 3.2. Execution of all documents necessary to effectuate the Florida Plan in its final form; and
- 3.3. Marion County being determined by the State of Florida to qualify as a Qualified County to receive Regional Funding under the Florida Plan; and
- 3.4. Filing of this Agreement with the Clerk of the Circuit Court for Marion County as required by Florida Statutes, Section 163.01.

4. COMMITTEE; EXPENDITURE OF OPIOID SETTLEMENT FUNDS; RECORDING.

4.1. Joint Opioid Settlement Fund Administration Committee. There is hereby established the Marion County – City of Ocala Joint Opioid Settlement Fund Administration Committee (the “Committee”).

4.2. The Committee shall be comprised of one member appointed by CITY, one member appointed by COUNTY, one member appointed by the Administrative Judge of the Fifth Judicial Circuit in and for Marion County, Florida, one member appointed by the Marion County Hospital District, one member appointed by the Marion County Children’s Alliance, one member appointed by the Chief of Ocala Fire Rescue, one member appointed by the Chief of Marion County Fire Department, one member appointed by the Chief of Ocala Police Department, one member appointed by the Marion County Sheriff, one member appointed by the Director of the Florida Department of Health in Marion County, and one member appointed by an affirmative vote of at least two-thirds (2/3) of the foregoing members who is a resident of Ocala/Marion County in active recovery. The Committee shall have the right to either remove or appoint additional nonvoting Committee members from time to time by 2/3 supermajority vote as it deems necessary.

4.3. Committee Quorum; Supermajority. Quorum necessary to conduct Committee business shall consist of six (6) members. An affirmative vote of at least two-thirds (2/3) of Committee members present shall be required to approve regular Committee business. An affirmative vote of at least three-quarters (3/4) of Committee members present shall be required to approve a budget, any amendment thereto, or any appropriation of funds, notwithstanding whether such approvals are final or advisory in nature.

4.4. Committee Responsibilities and Authority. The Committee’s responsibilities and authority shall be memorialized in the Amendment.

4.5. Expenditure of Settlement Funds. Unless and until the Committee is formed pursuant to this Agreement, as it may be amended, and authorized to expend funds (or recommend the expenditure of funds to each party), no expenditure of Opioid Settlement Funds shall occur without the approval of CITY and COUNTY. Opioid Settlement Funds

shall be deposited with the Clerk of Court until disbursements are authorized as provided for in this Agreement as it may be amended. Further, Opioid Settlement Funds shall only be expended in accordance with the requirements of this Agreement and the Florida Plan and shall not be used to supplement COUNTY or CITY budgets, but rather shall be used for Approved Purposes, which may include expansion of, but not replace existing funding for, previously established CITY or COUNTY programs.

4.6. Records and Reporting. Upon formation, the Committee shall be subject to Florida public records and open meeting laws, Chapter 119, Florida Statutes, and Section 286.011, Florida Statutes, and the records of the Committee shall be available to the Parties. All meetings of the Committee shall be publicly noticed and appropriate minutes shall be taken in accordance with applicable law. Except as provided below, COUNTY shall provide the State with all required reporting on the use of Opioid Settlement Funds. To the extent CITY receives Opioid Settlement Funds, CITY must spend such funds for Approved Purposes and must timely satisfy all reporting requirements of the Florida Plan.

5. TERM AND TERMINATION. The term of this Agreement and the obligations hereunder commences upon the satisfaction of all conditions precedent, runs concurrently with the Florida Plan, and will continue until one (1) year after the expenditure of all Opioid Settlement Funds, unless otherwise terminated in accordance with the provisions of this Agreement and the Florida Plan. Sections 7, 8, and 12 will remain in effect after termination or expiration of this Agreement. Either party may terminate this Agreement for convenience and without cause upon thirty (30) days' notice to the other party. Upon such termination, COUNTY shall tender any and all Opioid Settlement Funds, not otherwise contractually obligated, in its possession to the Managing Entity providing services for Marion County.

6. COUNTERPARTS. This Agreement may be executed in counterparts all of which, taken together, shall constitute one and the same Agreement.

7. NON-APPROPRIATION. This Agreement is not a general obligation of either party. It is understood that neither this Agreement nor any representation by any official, officer or employee of either party creates any obligation to appropriate or make monies available for the purposes of the Agreement beyond the fiscal year in which this Agreement is executed. The obligations of either party as to funding required pursuant to the Agreement are limited to an obligation in any given fiscal year to budget and appropriate from Opioid Settlement Funds annually which are designated for regional use pursuant to the terms of the Florida Plan. No liability shall be incurred by either party beyond the monies budgeted and available for the purpose of the Agreement. If funds are not received by either party for any or all of this Agreement for a new fiscal period, such party is not obligated to pay or spend any sums contemplated by this Agreement beyond the portions for which funds were received and appropriated. Each party agrees to promptly notify the other party in writing of any subsequent non-appropriation.

8. INDEMNIFICATION. CITY and COUNTY shall be responsible for their respective employees' acts of negligence when such employees are acting within the scope of their employment and shall only be liable for any damages resulting from said negligence to the extent permitted by Section 768.28, Florida Statutes. Nothing herein shall be construed as a waiver of sovereign immunity, or the provisions of section 768.28, Florida Statutes, by either Party. Nothing

herein shall be construed as consent by either Party to be sued by third Parties for any matter arising out of this Agreement.

9. SEVERABILITY. If any provision of this Agreement is held invalid, the invalidity shall not affect other provisions of the Agreement which can be given effect without the invalid provision or application, and to this end, the provisions of this Agreement are severable.

10. AMENDMENTS TO AGREEMENT. This Agreement may be amended, in writing, upon the express written approval of the governing bodies of the Parties.

11. FILING OF AGREEMENT. COUNTY shall file this Agreement with the Clerk of the Circuit court as provided in Section 163.01(11), Florida Statutes.

12. GOVERNING LAW. The laws of the State of Florida shall govern this Agreement.

13. NOTICES. Any notices required or permitted by this Agreement shall be in writing and shall be deemed delivered upon hand delivery, or three (3) days following deposit in the United States postal system, postage prepaid, return receipt requested, addressed to the Parties at the addresses specified on the Party's signature page to this Agreement.

14. ENTIRETY, CONSTRUCTION OF AGREEMENT. This Agreement represents the understanding between the Parties in its entirety and no other agreements, either oral or written, exist between the Parties. The Exhibits are attached and incorporated into this Agreement by this reference. The Parties acknowledge that they fully reviewed this agreement and had the opportunity to consult with legal counsel of their choice, and that this agreement shall not be construed against any Party as if they were the drafter of this Agreement. Each Party warrants that it is possessed with all requisite lawful authority to enter into this Agreement, and the individual executing this Agreement is possessed with the authority to sign and bind that Party. All conditions and assurances required by this Agreement are binding on Parties and their authorized successors in interest.

INTENTIONAL PAGE BREAK – SIGNATURES FOLLOW

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed for the uses and purposes set forth herein.

MARION COUNTY

601 SE 25th Ave.
Ocala, FL 34471

By: Carl Zalak, III, Chairman
Board of County Commissioners

Signature

Date

ATTEST:
Gregory C. Harrell, Clerk

APPROVED AS TO FORM:
Matthew Minter, County Attorney

CITY OF OCALA

110 SE Watula Ave.
Ocala, FL 34471

By: Ire Bethea, Sr.
City Council President

Signature

Date

ATTEST:
Angel B. Jacobs, City Clerk

APPROVED AS TO FORM:
Robert W. Batsel, Jr., City Attorney