

December 29, 2021

Board members present for regular session at 9:00 a.m. were: Hoadley, Shelley, Twombly, Walker, and Wedemeyer.

Also present: Mandy Berg and Dominic Johnson. Ric Hansen – KJAN and Jennifer Nichols – Atlantic News Telegraph joined via conference phone.

All motions were approved unanimously unless noted otherwise.

Due to heightened public health risk from the coronavirus outbreak, the Board Meeting was held via conference call pursuant to Iowa Code section 21.8 along with in-person public attendance in the boardroom.

MINUTES: Moved by Walker and seconded by Hoadley to approve the minutes from December 22, 2021. Approved.

CLAIMS: Moved by Wedemeyer and seconded by Twombly to approve the following claims:

Alliant Energy - IES	Utilities FY22 ATURA	\$410.07	Leroy & Son's, Inc.	(TIF) Grading Adair/Cass Co Line	\$68,911.13
Amazon Capital Services	Office Supplies, Data Processing	\$34.48	Mail Services LLC	Print & Postage	\$319.47
America's Best Apparel, Inc	Shipping On Jackets	\$17.82	Marco Technologies LLC	Copier Fees	\$134.82
Aramark Uniform Services	Towel & Uniform Service	\$133.02	Mediacom	Phone Service	\$214.52
Auxiant	HRA Insurance Trust Claims	\$196.60	Midwest-Wheel Companies	Safety-Pulse, Flashlight	\$510.87
Bridgewater Tires & More	Service	\$63.00	Office Depot	Office Supplies	\$55.94
Diamond Oil Co	Diesel- 763.10	\$2,087.06	Office Machines Company	Office Supplies	\$615.19
Don Carlos Insurance	Insurance Adds & Deletions	\$404.00	Schildberg Const Co Inc	Maintenance Rock- 3422.21 Tons	\$44,659.88
Fastenal Company	Bolts & Fittings	\$14.17	Schultz Plumbing And Heating	Boiler Repair	\$63.96
Frese, Stan	VA Mileage	\$96.36	Sickles Trucking & Repair, LLC	Tire Repair & Valve Stem	\$40.50
GATR Of Des Moines, Inc	Parts-#505 \$1532.46 Stock-\$35.64	\$1,568.10	Storey Kenworthy	Tax Forms	\$318.44
Greenfield True Value	Flusher Kit	\$8.99	Summit Builders Inc	Repairs On Quonset Building	\$6,752.53
Gus Construction Co Inc.	(TIF) Culverts 250th/Marion/L	\$144,923.93	Twombly, John	Mileage	\$205.16
Hansen, Sawyer	Meals & Lodging	\$359.09	Van-Wall Equipment, Inc	Parts	\$644.82
IA Prison Industries	Signs-Reflector Strips	\$1,050.00	Verizon Wireless Bellevue	Cellular Phone Service	\$528.65
IA Weed Commissioners Assn	Weed Commissioners' Conference	\$360.00	Warrior, Tyler	Mowing Bridgewater Yard	\$153.00
ISAC	2022 ISAC University	\$270.00	Wedemeyer, Matt	Mileage	\$218.50
ISAC Unemployment	4th Quarter Unemployment	\$230.50	Windstream	Telephone Utility	\$509.75
Jensen, Randall	Pest Control	\$58.00	Young, Nancy	VA Rent, January	\$450.00
Johnson Controls Security	FY22 Quarterly Billing	\$519.99	Ziegler Inc	Parts-#310 Labor-#310	\$4,836.44
Kauffman, Nick	Parking, Hotel & Meal Reimb	\$365.04		Grand Total	\$283,385.74
Kinzie Service	Service	\$71.95			

Fund

0001 - GENERAL FUND	\$5,744.69
0002 - GENERAL SUPPLEMENTAL	\$240.79
0011 - RURAL SERVICES	\$100.00
0020 - SECONDARY ROAD	\$63,268.60
1520 - NW WIND FARM UR CAPITAL PROJECT FUND	\$213,835.06
8500 - ADAIR COUNTY INSURANCE TRUST	\$196.60
GRAND TOTAL	\$283,385.74

Approved. Nick Kauffman and Janelle Schneider entered at 9:02 a.m.

TAXABLE MEALS: Moved by Walker and seconded by Shelley to approve the taxable meal for John Twombly for \$10.00. Approved.

TAXABLE MILEAGE: Moved by Twombly and seconded by Hoadley to approve the taxable mileage for Matt Wedemeyer for \$483.00. Approved.

AUDITOR: Insurance – Auditor Berg distributed the FY2023 health, dental, and vision rates. Health rates increase by 5.61%, dental rates increase by 2.99%, and vision rates remained the same on the County’s current plans. Auditor Berg stated she was also asked to get the rates for a PPO plan and that plan would increase rates by 14.45%. Group Benefit Partners explained to Berg that the County is still receiving the same benefits with its current plan as the PPO plan and that the only difference is that out of state claims just pay on a different benefit level. Auditor Berg also stated that Group Benefit Partners is recommending that the County increases its medical insurance premiums paid into the County’s reserve fund by 5%. This would potentially increase the County’s reserve fund by \$68,000. Auditor Berg stated that in order to do this, the extra employer share put into the reserve fund would have to increase from \$100 to \$102 per month for single participants and increase from \$200 to \$204 per month for family participants. The Board discussed the different plan options. Moved by Shelley and seconded by Twombly to stay on the current health, dental, and vision plans with the 5% increase to the insurance reserve fund. Wedemeyer voted nay. Approved. **Opioid Litigation** – Auditor Berg went over the proposed settlement talking points and stated that Attorney Larson had looked over all the settlement documents. Moved by Walker and seconded by Hoadley to approve **Resolution #2022-50** – Authorizing Adair County, Iowa to Enter into Settlement Agreements with McKesson Corporation, Cardinal Health, Inc., AmerisourceBergen Corporation, Johnson & Johnson, Janssen Pharmaceuticals, Inc., Ortho-McNeil-Janssen Pharmaceuticals, Inc., and Janssen Pharmaceutica, Inc., Agree to the Terms of the Iowa Opioid Allocation Memorandum of Understanding and Authorize Entry Into that Memorandum of Understanding. WHEREAS, in 2018, the County Board of Supervisors authorized Adair County (the “County”) to enter into an engagement agreement with Crueger Dickinson LLC, Simmons Hanly Conroy LLC and von Briesen & Roper, s.c. (the “Law Firms”) to pursue litigation against certain manufacturers, distributors, and retailers of opioid pharmaceuticals (the “Opioid Defendants”) in an effort to hold the Opioid Defendants

financially responsible for the impact on of the Opioid Epidemic on the County and resources necessary to combat the opioid epidemic; WHEREAS, on behalf of the County, the Law Firms filed a lawsuit against the Opioid Defendants in 2018 and have been litigating against the Opioid Defendants since that time; WHEREAS, negotiations to settle claims against several of the Opioid Defendants, specifically McKesson Corporation, Cardinal Health, Inc., AmerisourceBergen Corporation, Johnson & Johnson, Janssen Pharmaceuticals, Inc., Ortho-McNeil-Janssen Pharmaceuticals, Inc., and Janssen Pharmaceutica, Inc. (the "Settling Defendants") have been ongoing for several years; WHEREAS, negotiations with the Settling Defendants have resulted in proposed nationwide settlements of state and local government claims involved in the Litigation; WHEREAS, copies of the proposed terms of those proposed nationwide settlements have been set forth in the Distributors Master Settlement Agreement and the J&J Master Settlement Agreement (collectively "Settlement Agreements"); WHEREAS, copies of the Settlement Agreements as well as summary of the main terms of the Settlement Agreements, the deadlines for submitting the Participation Agreements to the Settlement Agreements and the MDL Court's Order setting deadlines for any Plaintiff who declines to enter into the Settlement Agreements have been provided to the County prior to the execution of this Resolution; WHEREAS, the Settlement Agreements provide, among other things, for the payment of a certain sum to settling government entities in Iowa including to the State of Iowa and Participating Subdivisions, as that term is defined in the Settlement Agreements, upon occurrence of certain events as defined in the Settlement Agreements ("Iowa Opioid Funds"); WHEREAS, the Law Firms have engaged in extensive discussions with the State Attorney General's Office ("AGO") as to how the Iowa Opioid Funds will be allocated, which has resulted in the proposed Iowa Opioid Allocation Memorandum of Understanding ("Allocation MOU"), which is an agreement between all of the entities who are signatories to the Allocation MOU; WHEREAS, a copy of the Allocation MOU and the Exhibits to that MOU has been provided with this Resolution; WHEREAS, the Allocation MOU divides Iowa Opioid Funds as follows: (i) 50% to the State ("the Iowa Abatement Share") and (ii) 50% to Participating Local Governments ("LG Share"), less fees and costs allocated to the Iowa Backstop Fund as set forth in Section D of the Allocation MOU and in this Resolution ("LG Abatement Share"). WHEREAS, the LG Abatement Share shall be distributed in direct payments to the Counties that are Participating Local Governments according to the allocation model developed in connection with the proposed negotiating class in the National Prescription Opiate Litigation (MDL No. 2804) in the amounts set forth on Exhibit 2 to the Allocation MOU ("Direct Distribution Percentage"). The Direct Distribution Percentage will be multiplied by the total LG Abatement Share to arrive at the total allocation to the Participating Local Government (the "Direct Distribution Amount"). WHEREAS, 100% of the Iowa Abatement Share and the LG Abatement Share, regardless of allocation, shall be utilized only for Opioid Related Expenditures incurred after the Effective Date of this MOU. The list of approved Opioid Related Expenditures are set forth in Exhibit 1 to this MOU. WHEREAS at least 75% of the Iowa Abatement Share and 75% of the LG Abatement Share shall be utilized for only the "Core Strategies" listed in Schedule A of Exhibit 1 to this MOU. WHEREAS, every Participating Local Government that receives a Direct Distribution Amount shall create a separate fund on its financial books and records that is designated for the receipt and expenditure of the entity's Direct Distribution Amount, called the "LG Abatement Fund." Funds in an LG Abatement Fund shall not be commingled with any other money or funds of the Participating Local Government. A Participating Local Government may invest LG Abatement Fund funds consistent with the investment of other funds of a Participating Local Government. WHEREAS, Funds in a LG Abatement Fund may be expended by a Participating Local Government only for Opioid Related Expenditures. For avoidance of doubt, funds in a LG Abatement Fund may not be expended for costs, disbursements or payments made or incurred prior to the Settlement. WHEREAS, each LG Abatement Fund shall be subject to audit in a manner consistent with Code of Iowa §§331.402(2)(i) and 11.6. Any such audit shall be a financial and performance audit to ensure that the LG Abatement Fund disbursements are consistent with the terms of this MOU. If any such audit reveals an expenditure inconsistent with the terms of this MOU, the Participating Local Government shall immediately redirect the funds associated with the inconsistent expenditure to an Opioid Related Expenditure. WHEREAS, County has contracted with the Law Firms for representation in the Litigation and the Law Firms have been representing those entities since 2018 and in consideration for the Law Firms' representation, the County entered into a contract with the Law Firms for a 25% contingency fee applied to County's total recovery from any settlement. WHEREAS, the Settlement Agreements provide for the payment of attorney's fees and legal expenses owed by States and Participating Local Governments to outside counsel retained for Opioid Litigation. To effectuate this, the Court in the MDL Litigation has established a fund to compensate attorneys representing plaintiffs in the Litigation (the "National Attorney Fee Fund"). WHEREAS, the Law Firms intend to make application to the National Attorney Fee Fund. However, because there is still uncertainty regarding what counsel for litigating local governments will recover as compensation for the large volume of work done and the large out of pocket expense of the Litigation, and whereas the Parties to the Allocation MOU desire to fairly compensate outside counsel for the work done on behalf of the Participating Local Governments in Iowa, the Allocation MOU provides that a fund be created from 15 % of the LG Share attributable to the Litigating Local Governments, less any amounts a Litigating Local Government ("Iowa Backstop Fund") WHEREAS, the Iowa Backstop Fund is meant to compensate outside counsel for participating local governments only for amounts not recovered at the National Fee Fund attributable to their Iowa clients; WHEREAS, to be eligible for the Iowa Backstop Fund, the Law Firms must first seek payment from the National Attorneys' Fees Fund and may not recover amounts attributable to Counsel's representation of the County received at the National Attorneys' Fees Fund from the Iowa Backstop Fund; WHEREAS, the County, by this Resolution, agrees to the creation of the Iowa Backstop Fund in the amount of 15% of the LG Share attributable to the Litigating Local Governments in order to fund a state-level "backstop" for payment of the fees, costs, and disbursements of the Law Firms; WHEREAS, in no event shall the total of the amounts received by the Law Firms at the National Attorney's Fees Fund related to the County and the amount received at the Iowa Backstop Fund exceed the amount the Law Firms would have been entitled to pursuant their fee contract with the County; WHEREAS, the County, by this Resolution, shall establish an account for the receipt of the LG Abatement Share consistent with the terms of this Resolution ("the LG Abatement Fund"); WHEREAS, the County's LG Abatement Fund shall be separate from the County's general fund, shall not be commingled with any other County funds, and shall be dedicated to funding opioid abatement measures as provided in the Settlement Agreements and the Allocation MOU; WHEREAS, the County must comply annually with the reporting requirements in the Allocation MOU; WHEREAS, the if the County elects to become a Participating Subdivision in the Settlement Agreements it will receive the benefits associated with the Settlement Agreement and the Allocation MOU, provided the County (a) approves the Settlement Agreements; (b) executes the Participation Agreements stating the County's intention to be bound by the Settlement Agreements; (3) approves the Allocation MOU; (4) executes the Acknowledgement and Agreement to be Bound to Memorandum of Understanding necessary to execute the Allocation MOU; WHEREAS, the intent of this Resolution is to authorize the County to enter into the Settlement Agreements by executing the Participation Agreements and to enter into the Allocation MOU by executing the Acknowledgement and Agreement to be Bound to Memorandum of Understanding necessary to execute the Allocation MOU; NOW, THEREFORE, BE IT RESOLVED: the County Board of Supervisors hereby approves and authorizes Chairperson Steve

Shelley to settle and release the County's claims against the Settling Defendants in exchange for the consideration set forth in the Settlement Agreements, Allocation MOU and all exhibits thereto, including taking the following measures: 1.The execution of the Participation Agreement to the Distributors Settlement Agreement and any and all documents ancillary thereto. 2.The execution of the Participation Agreement to the Janssen Settlement Agreement and any and all documents ancillary thereto. 3.The execution of the Allocation MOU by executing the Acknowledgement and Agreement to be Bound to Memorandum of Understanding. BE IT FURTHER RESOLVED: the County hereby establishes an account separate and distinct from the County's general fund which shall be titled "LG Abatement Fund" to receive the LG Abatement Share from the Settlement Agreements. BE IT FURTHER RESOLVED that all actions heretofore taken by the Board of Supervisors and other appropriate public officers and agents of the County with respect to the matters contemplated under this Resolution are hereby ratified, confirmed and approved. Roll Call Vote: Shelley, aye; Wedemeyer, aye; Walker, aye; Hoadley, aye; and Twombly, aye. Approved. Moved by Walker and seconded by Wedemeyer to sign the Distributor Settlement Participant Agreement, Janssen Settlement Participation Agreement, and the Iowa Opioid Allocation Memorandum of Understanding. Approved. **Cott Systems Agreements** – Auditor Berg presented the Cott Systems Agreements for the digitization of recorders for the Recorder, Engineer, and Auditor. Prices had slightly increased from the original proposals by a total of \$1,860. Shelley stated he thinks we should pay the \$150/month website hosting fee upfront using the American Rescue Plan Act funds. Berg stated should would see if that was a possibility. Moved by Hoadley and seconded by Walker to sign the record digitization and the website hosting fee agreements for the Recorder, Engineer, and Auditor for a total of \$153,245. Approved.

COVID-19 UPDATES & DISCUSSION: Everything has been running smoothly in the County offices. **American Rescue Plan Act Funds** – The Board discussed the funding received from the American Rescue Plan Act and the proposals that had already been submitted. Shelley stated he would like to see the S.3011 bill go through and be able to use some of this funding to decrease the County's debt levy. Supervisor Wedemeyer stated he would like to see this money spent for those who had been hurt by the COVID-19 epidemic. Supervisor Hoadley agreed and stated she thought that this funding was meant for those people and would like to see it go to the Fair Board, Wallace Center, and Historical Society. Supervisor Walker sated he knows that this funding could be useful to Engineer Kauffman for rocking the roads at the lakes and would like to see Conservation Director Johnson get some of the funding to put in a new bathroom on the South side of Mormon Trail. Wedemeyer stated that using the funding to rock the lakes would also help offset the Engineer's budget. Shelley stated that he thinks the Historical Society's Geothermal system for the museum is one of his priorities. Moved by Shelley and seconded by Hoadley to approve the following projects using the remaining American Rescue Plan Act funding:

Conservation	Latrine Replacement	\$ 125,000
Engineer	Granular Surfacing - Middle River/Wright Timber	\$ 72,450
Engineer	Granular Surfacing - Rex Sullivan Wildlife Area	\$ 27,500
Engineer	Granular Surfacing - Adair Wildlife Management Area	\$ 24,750
Engineer	Granular Surfacing - Jensen-Butler Wildlife Area	\$ 40,000
Engineer	Granular Surfacing - Ken Sidey Nature Area	\$ 5,250
Engineer	Granular Surfacing - Hoskins Wildlife Area	\$ 44,000
Engineer	Granular Surfacing - Correll Wildlife Area	\$ 13,750
Engineer	Granular Surfacing - Orient Lake Recreation Area	\$ 5,250
Engineer	Granular Surfacing - Meadow Lake Wildlife Management Area	\$ 20,000
Engineer	Granular Surfacing - Mormon Trail Lake Park	\$ 41,800
Fair Board	Fair Aid – Tourism & Negative Economic Impacts	\$ 52,000
Historical Society	Historical Museum Geo-Thermal System	\$ 45,000
Public Health	Salaries/Benefits or Equipment & Supplies	\$ 24,000

Approved. The County will receive its second and final allotment of the ARPA funding of \$694,596.00 in July 2022. The Board will discuss how that funding will be spent at a later date.

ADJOURNMENT: Moved by Walker and seconded by Shelley to adjourn at 9:50 a.m. Approved.

ADAIR COUNTY BOARD OF SUPERVISORS: _____ Steve Shelley, Chairman

ATTEST: _____ Mandy Berg, Auditor Clerk