

**IN THE SUPREME COURT OF THE STATE OF NEVADA**

TEVA PHARMACEUTICALS USA, INC.,  
MCKESSON CORPORATION,  
AMERISOURCEBERGEN DRUG  
CORPORATION, CARDINAL HEALTH, INC.,  
CARDINAL HEALTH 6 INC., CARDINAL  
HEALTH TECHNOLOGIES LLC, CARDINAL  
HEALTH 108 LLC d/b/a METRO MEDICAL  
SUPPLY, CEPHALON, INC., ENDO HEALTH  
SOLUTIONS INC., ENDO PHARMACEUTICALS  
INC., ALLERGAN USA, INC., ALLERGAN  
FINANCE, LLC f/k/a ACTAVIS, INC. f/k/a  
WATSON PHARMACEUTICALS, INC.,  
WATSON LABORATORIES, INC., ACTAVIS  
PHARMA, INC. f/k/a WATSON PHARMA, INC.,  
ACTAVIS LLC, and MALLINCKRODT, LLC,

Petitioners,

v.

SECOND JUDICIAL DISTRICT COURT OF THE  
STATE OF NEVADA, in and for the County of  
Washoe, and the HONORABLE BARRY L.  
BRESLOW, DISTRICT JUDGE,

Respondents,

and

CITY OF RENO,

Real Party in Interest.

Supreme Court Case No.

— Electronically Filed  
May 04 2020 10:35 a.m.  
District Court Case No. Brown  
CV18-01895 of Supreme Court

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**PETITIONERS' APPENDIX  
VOLUME IX**

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## CHRONOLOGICAL INDEX TO PETITIONERS' APPENDIX

DATE	DOCUMENT	VOLUME	PAGE	RANGE
12/7/2017	Complaint and Demand for Jury Trial (Case No. A-17-765828-C)	I	PA00001	PA00050
5/15/2018	First Amended Complaint and Demand for Jury Trial (Case No. A-17-765828-C)	I	PA00051	PA00109
9/18/2018	Complaint (Case No. CV18-01895)	II	PA00110	PA00167
12/03/2018	First Amended Complaint (Case No. CV18-01895)	II	PA00168	PA00226
3/4/2019	Manufacturer Defendants' Joint Motion to Dismiss First Amended Complaint	III	PA00227	PA00264
3/5/2019	Distributors' Joint Motion to Dismiss First Amended Complaint	III	PA00265	PA00386
4/26/2019	City of Reno's Opposition to Manufacturer Defendants' Joint Motion to Dismiss and All Joinders Thereto	IV-V	PA00387	PA00709
4/26/2019	City of Reno's Opposition to Distributor Defendants' Joint Motion to Dismiss and All Joinders	VI-VII	PA00710	PA00958
5/28/2019	Reply in Support of Manufacturer Defendants' Joint Motion to Dismiss First Amended Complaint	VIII-IX	PA00959	PA01214
5/28/2019	Distributors' Joint Reply in Support of Motion to Dismiss First Amended Complaint	X	PA01215	PA01285

<b>DATE</b>	<b>DOCUMENT</b>	<b>VOLUME</b>	<b>PAGE</b>	<b>RANGE</b>
6/17/2019	Complaint (Case No. A-19-796755-B)	XI-XII	PA01286	PA01535
6/27/2019	First Amended Complaint (Case No. A-19-796755-B)	XIII-XV	PA01536	PA02049
7/3/2019	Order Directing Answer (Case No. 79002)	XVI	PA02050	PA02052
8/22/2019	Complaint (Case No. A-19-800695-B)	XVI	PA02053	PA02144
8/22/2019	Complaint (Case No. A-19-800697-B)	XVI	PA02145	PA02235
8/22/2019	Complaint (Case No. A-19-800699-B)	XVII	PA02236	PA02326
9/12/2019	Third Amended Complaint and Demand for Jury Trial (Case No. A-17-76828-C)	XVII	PA02327	PA02423
9/13/2019	City of Reno's Supplemental Briefing in Support of Oppositions to Defendants' Motions to Dismiss	XVIII	PA02424	PA02560
10/4/2019	Distributors' Response to Plaintiff's Supplemental Briefing re Motions to Dismiss	XVIII	PA02561	PA02566
10/4/2019	Manufacturer Defendants' Response to Plaintiff's Supplemental Briefing re Motions to Dismiss	XVIII	PA02567	PA02587
10/21/2019	Order Dismissing Petition (Case No. 79002)	XVIII	PA02588	PA02591



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1/4/2020	City of Reno's Supplemental Briefing in Support of Oppositions to Distributors' Joint Motion to Dismiss	XVIII	PA02592	PA02602
1/7/2020	Transcript of Proceedings	XIX-XX	PA02603	PA02871
1/8/2020	Transcript of Proceedings	XXI	PA02872	PA03034
2/14/2020	Omnibus Order Granting In Part and Denying in Part Defendants' Motions to Dismiss; and Granting Leave to Amend	XXI	PA03035	PA03052

#### **ALPHABETICAL INDEX TO PETITIONERS' APPENDIX**

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1/7/2020	Transcript of Proceedings	XIX-XX	PA02603	PA02871
1/8/2020	Transcript of Proceedings	XXI	PA02872	PA03034

## **AFFIRMATION**

Pursuant to NRS 239B.030, the undersigned does hereby affirm that Petitioners' Appendix Volume IX does not contain the social security number of any person.

Dated this 1st day of May, 2020.

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## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of McDonald Carano LLP, and that on this 1st day of May, 2020, a copy of the foregoing Petitioners' Appendix Volume IX was electronically filed with the Clerk of the Court for the Nevada Supreme Court by using the Nevada Supreme Court's E-Filing system (Eflex) and served via U.S. Mail, postage prepaid, on the following individuals:

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In addition, in compliance with NRAP 21(a)(1) and Administrative Order 2020-05, a copy of this Petitioners' Appendix Volume IX was served upon the Honorable Barry Breslow, District Judge via electronic service and email to Christine.Kuhl@washoecourts.us.

By: /s/ Pat Lundvall  
An Employee of McDonald Carano LLP



# CITIES THAT HAVE ALREADY FILED CIVIL LAWSUITS



■ Birmingham, AL	■ Chicago, IL	■ Newburyport, MA	■ Philadelphia, PA
■ Decatur, AL	■ Fort Wayne, IN	■ Revere, MA	■ Central Falls, RI
■ Fort Payne, AL	■ Greenwood, IN	■ West Springfield, MA	■ East Providence, RI
■ Marion, AL	■ Jeffersonville, IN	■ Woburn, MA	■ Warwick, RI
■ Mobile, AL	■ Kokomo, IN	■ Charlton, MA	■ Barrington, RI
■ Moulton, AL	■ Muncie, IN	■ Marblehead, MA	■ Bristol, RI
■ Opp, AL	■ New Albany, IN	■ Tewksbury, MA	■ Burrillville, RI
■ Ozark, AL	■ Noblesville, IN	■ Tyngsborough, MA	■ Cumberland, RI
■ Selma, AL	■ Terre Haute, IN	■ Canton, MI	■ Johnston, RI
■ Union Springs, AL	■ Westfield, IN	■ Charleston, MS	■ Richmond, RI
■ Demopolis, AL	■ South Bend, IN	■ Concord, N	■ West Greenwich, RI
■ Phenix City, AL	■ Atlanta, IN	■ Jacksonville, NC	■ Lexington, TN
■ Stockton, CA	■ Sheridan, IN	■ Wilmington, NC	■ Everett, WA
■ New Haven, CT	■ Lexington, KY	■ Manchester, NY	■ Seattle, WA
■ Waterbury, CT	■ Louisville, KY	■ Cincinnati, OH	■ Tacoma, WA
■ Pensacola, FL	■ Baton Rouge, LA	■ Lebanon, OH	■ Huntington, WV
■ Panama City, FL	■ Easthampton, MA	■ Portsmouth, OH	■ Kermit, WV
■ Augusta, GA	■ Everett, MA	■ Parma, OH	■ Welch, WV
■ Rockford, IL	■ Greenfield, MA	■ Lorain, OH	■ Williamson, WV
■ Granite, IL	■ Malden, MA	■ Dayton, OH	
	■ Methuen, MA		



# COUNTIES THAT HAVE ALREADY FILED CIVIL LAWSUITS

## Alabama

- Baldwin
- Cherokee
- Coffee
- Cullman
- Etowah
- Gadsden
- Greene
- Lowndes
- Marengo
- Mobile
- Morgan
- Sumter
- Tallapoosa
- Tuscaloosa
- Washington
- Wilcox

## California

- San Diego
- Santa Clara
- Orange
- San Joaquin

## Florida

- Bay
- Calhoun
- Escambia
- Pasco
- Pinellas

## Georgia

- Chattooga

## Illinois

- Alexander
- Bond
- Christian
- Coles
- Edwards
- Gallatin
- Hamilton
- Hardin
- Jasper
- Jersey
- Livingston
- Pulaski
- Saint Clair
- Saline
- Shelby
- Union
- Wabash
- Washington
- White
- Williamson

## Indiana

- Harrison
- Scott
- Vigo

## Kansas

- Sedwick

## Kentucky

- Allen
- Anderson
- Bell
- Boone
- Boyd
- Boyle
- Bracken
- Bullitt
- Campbell
- Carlisle
- Carter
- Christian
- Clark
- Clay
- Cumberland
- Fayette
- Fleming
- Franklin
- Garrard
- Greenup
- Harlan
- Henderson
- Henry
- Hopkins
- Jefferson
- Jessamine

## Kentucky (cont.)

- Kenton
- Knox
- Laurel
- Leslie
- Lincoln
- Madison
- Marshall
- Martin
- Nicholas
- Oldham
- Pendleton
- Perry
- Powell
- Pulaski
- Rowan
- Scott
- Shelby
- Spencer
- Union
- Wayne
- Whitley
- Woodford

## Maryland

- Cecil

## Michigan

- Oakland
- Wayne



# COUNTIES THAT HAVE ALREADY FILED CIVIL LAWSUITS

## Mississippi

- Amite
- Benton
- Forrest
- Franklin
- Jefferson
- Jefferson Davis
- Lawrence
- Leake
- Lincoln
- Marion
- Marshall
- Neshoba
- Newton
- Stone
- Tallahatchie
- Tippah
- Union
- Walthall

## Nebraska

- Douglas

## Nevada

- Clark

## New York

- Broome
- Dutchess
- Erie

## New York (cont.)

- Nassau
- Orange
- Rensselaer
- Schenectady
- Seneca
- Suffolk
- Sullivan

## North Carolina

- Brunswick
- Buncombe
- Burke
- Catawba
- Gaston
- New Hanover
- Onslow
- Pitt
- Rockingham
- Rutherford
- Surry
- Yadkin

## Ohio

- Adams
- Ashland
- Belmont
- Brown
- Clermont
- Columbiana
- Coshocton
- Crawford

## Ohio (cont.)

- Darke
- Erie
- Fairfield
- Franklin
- Gallia
- Guernsey
- Hocking
- Huron
- Jackson
- Lawrence
- Licking
- Logan
- Morrow
- Muskingum
- Ottawa
- Pike
- Ross
- Scioto
- Vinton
- Wayne

## Pennsylvania

- Columbia
- Delaware
- Indiana
- Luzerne

## Tennessee

- Campbell
- Fentress
- Greene

## Tennessee (cont.)

- Hamblen
- Hancock
- Hawkins
- Haywood
- Henderson
- Johnson
- Madison
- Pickett
- Williamson

## Texas

- Upshur

## Washington

- Multnomah

## West Virginia


- Boone
- Cabell
- Fayette
- Huntington
- Kanawha
- Logan
- McDowell
- Mercer
- Wayne
- Wyoming

## Wisconsin

- Milwaukee



# **EACH NEVADA COUNTY SHOULD BRING ITS OWN CASE**

- 
- A map of Nevada is shown in the background, with its counties outlined. The map is light blue and is positioned on the left side of the slide, partially overlapping the dark blue background.
- More favorable forum.
  - More control over litigation.
  - Discretion over settlement proceeds.
  - Bigger settlement.

# **A CIVIL CASE FILED IN NEVADA V. OTHER STATES**

- Nevada has the best product liability laws in the country (for plaintiffs), because:
  - Nevada endorses public policy in favor of protecting consumers (citizens).
  - Nevada has not adopted the Learned Intermediary Doctrine (Drug companies cannot blame the doctors).
- Nevada has no cap on punitive damages in product liability cases.



# NEVADA STATE COURT IS THE FAVORABLE FORUM

- Defendant drug companies have an advantage in Federal Court.
  - Pleading requirements are stricter in Federal Court.
  - Verdicts in Federal Courts must be unanimous.
  - Federal Judges restrict voir dire and the jury selection process.
  - Experts must meet the higher Daubert Standard to qualify.
- State Courts are more favorable for Plaintiffs.
  - Lower pleading standard in State Court.
  - Verdicts require only 6 of 8 jurors (not unanimous).
  - State Court Judges are subject to stricter deadlines to try cases.
  - State Court Judges are much more permissive in voir dire.
  - Expert qualification standard is lower.

# **EACH NEVADA COUNTY SHOULD BRING ITS OWN CASE**

- If the state of Nevada joins other states and files a lawsuit, there is the potential of:
  - The case ending up in Federal Court
  - Getting lost in the shuffle and receiving a smaller share of the recovery, which means less recovery to each Nevada county.



# **FOR EXAMPLE**

## **NEVADA RECEIVED LESS IN THE TOBACCO LITIGATION**

- In 1998, the Attorney General of 46 states, including Frankie Sue Del Papa of Nevada, signed the Master Settlement Agreement (MSA) with the four largest tobacco companies in the U.S.
- MSA settlement was \$206 billion over 25 years.
- An equal share should have been \$4.48 billion ( $\$206\text{B} \div 46 \text{ states} = \$4.48\text{B}$ ).
- Nevada only received an estimated amount of \$1.2 billion.




# FOR EXAMPLE

## NEVADA RECEIVED LESS IN THE TOBACCO LITIGATION

- Florida, Minnesota, Texas, and Mississippi brought their own law suits and settled for:
  - Texas – \$17.3 Billion Settlement
  - Mississippi – \$4.1 Billion Settlement
  - Florida – \$11.3 Billion Settlement
  - Minnesota – \$6 Billion + \$200M/yr in perpetuity



# A CASE BROUGHT BY NEVADA COUNTIES WOULD NOT ADVERSELY EFFECT THE STATE

- 
- A map of the state of Nevada is shown on the left side of the slide, with a darker blue outline and a lighter blue interior. It is positioned to the left of the main text area.
- After their investigation, the state of Nevada (and the other group of states) can file suit against the drug companies.
  - The states (including Nevada) have different causes of action that are not available to cities, such as:
    - Deceptive Trade Practices (causes of action)
  - Any settlement obtained by the county could be carved out of any settlement that the state of Nevada obtains.
  - Each county and the state of Nevada can each have their own case going on at the same time.

# CAUSES OF ACTION

- Public Nuisance – Unreasonable interference with rights that are held in common by the general public.
- Unjust enrichment.
- Restitution.
- General negligence.
- Engaging in an abnormally dangerous activity.



# DAMAGES

- Indemnity and Restitution – Reimbursement of money paid out by the county and recovery of future, anticipated costs
  - Reimbursement of all costs expended by the county related to opioids during relevant time frame.
  - Compensation sufficient to cover all costs expended for healthcare services and programs associated with the diagnosis and treatment of opioid and heroin addiction.
  - Compensation for all prescription costs for opioids that the county has incurred as a result of the defendant's wrongful conduct.
  - Costs incurred by the county to investigate, apprehend, prosecute and incarcerate individuals who have resorted to criminal acts to support the cost of their addiction.
  - Projected future costs to the county to continue to provide services and programs associated with the health consequences of Opioid use, including, but not limited to, addiction.
  - Medical monitoring.



# DAMAGES

- Punitive Damages - to punish and deter drug companies from engaging in the same or similar wrongful conduct in the future.
- Declaratory And Equitable Relief.
  - An order mandating medical monitoring for Nevada Opioid users.
  - An order restricting future marketing practices and managerial problems.
- Civil Penalties and Statutory Damages
- Interest, Attorney's Fees and Costs.

# POTENTIAL DEFENDANTS



- Purdue Pharma L.P. and The Purdue Frederick Company
  - Manufactures, sells, markets and distribute several opioids, including OxyContin and the generic for OxyContin, Oxycodone.
  - OxyContin is Purdue's best selling opiate.
  - Annual sales of OxyContin range from \$2.47 billion to \$2.99 billion.
  - OxyContin comprises 30% of the entire pain killer market.



# POTENTIAL DEFENDANTS



TEVA PHARMACEUTICAL INDUSTRIES LTD.

- Cephalon, Inc. and Teva Pharmaceutical Industries, Ltd.
  - Teva acquired Cephalon in 2011.
  - Cephalon sells, promotes, manufactures and distribute Actiq and Fentora (opioids).
  - Both drugs were approved by FDA for management of persistent cancer pain.
  - In 2008, Cephalon pled guilty to a criminal violation of the FDA for misleading promotions.
  - Cephalon agreed to pay \$425 million.

# POTENTIAL DEFENDANTS



- Endo Health Solutions, Inc. and Endo Pharmaceuticals, Inc.
  - Manufactures, markets and sell several opioids including: (1) Percodan (2) Percocet (3) Opana and (4) Zydone.
  - Generated \$3 billion in revenues in 2012 and opioids accounted for \$403 million in 2012.
  - Also manufactures generic opioids, including Oxycodone and Hydrocodone.



# POTENTIAL DEFENDANTS

**MCKESSON**

*Empowering Healthcare*



AmerisourceBergen®



CardinalHealth



**THE  
BIG 3  
DISTRIBUTORS**

# POTENTIAL DEFENDANTS

## ■ Other defendants may include:

- Allergan PLC
- Actavis PLC
- Watson Pharmaceuticals, Inc.
- INSYS Therapeutics
- Janssen Pharmaceuticals



**IN THE SUPREME COURT OF THE STATE OF NEVADA**

TEVA PHARMACEUTICALS USA, INC.,  
MCKESSON CORPORATION,  
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HEALTH TECHNOLOGIES LLC, CARDINAL  
HEALTH 108 LLC d/b/a METRO MEDICAL  
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SECOND JUDICIAL DISTRICT COURT OF THE  
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BRESLOW, DISTRICT JUDGE,

Respondents,

and

CITY OF RENO,

Real Party in Interest.

Supreme Court Case No.

—**Electronically Filed**  
**May 04 2020 10:35 a.m.**  
District Court of the State of Nevada  
CV18-01815  
Elizabeth A. Brown  
Clerk of Supreme Court

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**PETITIONERS' APPENDIX  
VOLUME IX**

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## CHRONOLOGICAL INDEX TO PETITIONERS' APPENDIX

DATE	DOCUMENT	VOLUME	PAGE	RANGE
12/7/2017	Complaint and Demand for Jury Trial (Case No. A-17-765828-C)	I	PA00001	PA00050
5/15/2018	First Amended Complaint and Demand for Jury Trial (Case No. A-17-765828-C)	I	PA00051	PA00109
9/18/2018	Complaint (Case No. CV18-01895)	II	PA00110	PA00167
12/03/2018	First Amended Complaint (Case No. CV18-01895)	II	PA00168	PA00226
3/4/2019	Manufacturer Defendants' Joint Motion to Dismiss First Amended Complaint	III	PA00227	PA00264
3/5/2019	Distributors' Joint Motion to Dismiss First Amended Complaint	III	PA00265	PA00386
4/26/2019	City of Reno's Opposition to Manufacturer Defendants' Joint Motion to Dismiss and All Joinders Thereto	IV-V	PA00387	PA00709
4/26/2019	City of Reno's Opposition to Distributor Defendants' Joint Motion to Dismiss and All Joinders	VI-VII	PA00710	PA00958
5/28/2019	Reply in Support of Manufacturer Defendants' Joint Motion to Dismiss First Amended Complaint	VIII-IX	PA00959	PA01214
5/28/2019	Distributors' Joint Reply in Support of Motion to Dismiss First Amended Complaint	X	PA01215	PA01285

<b>DATE</b>	<b>DOCUMENT</b>	<b>VOLUME</b>	<b>PAGE</b>	<b>RANGE</b>
6/17/2019	Complaint (Case No. A-19-796755-B)	XI-XII	PA01286	PA01535
6/27/2019	First Amended Complaint (Case No. A-19-796755-B)	XIII-XV	PA01536	PA02049
7/3/2019	Order Directing Answer (Case No. 79002)	XVI	PA02050	PA02052
8/22/2019	Complaint (Case No. A-19-800695-B)	XVI	PA02053	PA02144
8/22/2019	Complaint (Case No. A-19-800697-B)	XVI	PA02145	PA02235
8/22/2019	Complaint (Case No. A-19-800699-B)	XVII	PA02236	PA02326
9/12/2019	Third Amended Complaint and Demand for Jury Trial (Case No. A-17-76828-C)	XVII	PA02327	PA02423
9/13/2019	City of Reno's Supplemental Briefing in Support of Oppositions to Defendants' Motions to Dismiss	XVIII	PA02424	PA02560
10/4/2019	Distributors' Response to Plaintiff's Supplemental Briefing re Motions to Dismiss	XVIII	PA02561	PA02566
10/4/2019	Manufacturer Defendants' Response to Plaintiff's Supplemental Briefing re Motions to Dismiss	XVIII	PA02567	PA02587
10/21/2019	Order Dismissing Petition (Case No. 79002)	XVIII	PA02588	PA02591



<b>DATE</b>	<b>DOCUMENT</b>	<b>VOLUME</b>	<b>PAGE</b>	<b>RANGE</b>
1/4/2020	City of Reno's Supplemental Briefing in Support of Oppositions to Distributors' Joint Motion to Dismiss	XVIII	PA02592	PA02602
1/7/2020	Transcript of Proceedings	XIX-XX	PA02603	PA02871
1/8/2020	Transcript of Proceedings	XXI	PA02872	PA03034
2/14/2020	Omnibus Order Granting In Part and Denying in Part Defendants' Motions to Dismiss; and Granting Leave to Amend	XXI	PA03035	PA03052

#### **ALPHABETICAL INDEX TO PETITIONERS' APPENDIX**

<b>DATE</b>	<b>DOCUMENT</b>	<b>VOLUME</b>	<b>PAGE</b>	<b>RANGE</b>
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8/22/2019	Complaint (Case No. A-19-800697-B)	XVI	PA02145	PA02235
8/22/2019	Complaint (Case No. A-19-800699-B)	XVII	PA02236	PA02326
9/18/2018	Complaint (Case No. CV18-01895)	II	PA00110	PA00167
12/7/2017	Complaint and Demand for Jury Trial (Case No. A-17-765828-C)	I	PA00001	PA00050
3/5/2019	Distributors' Joint Motion to Dismiss First Amended Complaint	III	PA00265	PA00386
5/28/2019	Distributors' Joint Reply in Support of Motion to Dismiss First Amended Complaint	X	PA01215	PA01285
10/4/2019	Distributors' Response to Plaintiff's Supplemental Briefing re Motions to Dismiss	XVIII	PA02561	PA02566
6/27/2019	First Amended Complaint (Case No. A-19-796755-B)	XIII-XV	PA01536	PA02049
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5/15/2018	First Amended Complaint and Demand for Jury Trial (Case No. A-17-765828-C)	I	PA00051	PA00109
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9/12/2019	Third Amended Complaint and Demand for Jury Trial (Case No. A-17-76828-C)	XVII	PA02327	PA02423
1/7/2020	Transcript of Proceedings	XIX-XX	PA02603	PA02871
1/8/2020	Transcript of Proceedings	XXI	PA02872	PA03034

## **AFFIRMATION**

Pursuant to NRS 239B.030, the undersigned does hereby affirm that Petitioners' Appendix Volume IX does not contain the social security number of any person.

Dated this 1st day of May, 2020.

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## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of McDonald Carano LLP, and that on this 1st day of May, 2020, a copy of the foregoing Petitioners' Appendix Volume IX was electronically filed with the Clerk of the Court for the Nevada Supreme Court by using the Nevada Supreme Court's E-Filing system (Eflex) and served via U.S. Mail, postage prepaid, on the following individuals:

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In addition, in compliance with NRAP 21(a)(1) and Administrative Order 2020-05, a copy of this Petitioners' Appendix Volume IX was served upon the Honorable Barry Breslow, District Judge via electronic service and email to Christine.Kuhl@washoecourts.us.

By: /s/ Pat Lundvall  
An Employee of McDonald Carano LLP

# CITIES THAT HAVE ALREADY FILED CIVIL LAWSUITS



■ Birmingham, AL	■ Chicago, IL	■ Newburyport, MA	■ Philadelphia, PA
■ Decatur, AL	■ Fort Wayne, IN	■ Revere, MA	■ Central Falls, RI
■ Fort Payne, AL	■ Greenwood, IN	■ West Springfield, MA	■ East Providence, RI
■ Marion, AL	■ Jeffersonville, IN	■ Woburn, MA	■ Warwick, RI
■ Mobile, AL	■ Kokomo, IN	■ Charlton, MA	■ Barrington, RI
■ Moulton, AL	■ Muncie, IN	■ Marblehead, MA	■ Bristol, RI
■ Opp, AL	■ New Albany, IN	■ Tewksbury, MA	■ Burrillville, RI
■ Ozark, AL	■ Noblesville, IN	■ Tyngsborough, MA	■ Cumberland, RI
■ Selma, AL	■ Terre Haute, IN	■ Canton, MI	■ Johnston, RI
■ Union Springs, AL	■ Westfield, IN	■ Charleston, MS	■ Richmond, RI
■ Demopolis, AL	■ South Bend, IN	■ Concord, N	■ West Greenwich, RI
■ Phenix City, AL	■ Atlanta, IN	■ Jacksonville, NC	■ Lexington, TN
■ Stockton, CA	■ Sheridan, IN	■ Wilmington, NC	■ Everett, WA
■ New Haven, CT	■ Lexington, KY	■ Manchester, NY	■ Seattle, WA
■ Waterbury, CT	■ Louisville, KY	■ Cincinnati, OH	■ Tacoma, WA
■ Pensacola, FL	■ Baton Rouge, LA	■ Lebanon, OH	■ Huntington, WV
■ Panama City, FL	■ Easthampton, MA	■ Portsmouth, OH	■ Kermit, WV
■ Augusta, GA	■ Everett, MA	■ Parma, OH	■ Welch, WV
■ Rockford, IL	■ Greenfield, MA	■ Lorain, OH	■ Williamson, WV
■ Granite, IL	■ Malden, MA	■ Dayton, OH	
	■ Methuen, MA		



# COUNTIES THAT HAVE ALREADY FILED CIVIL LAWSUITS

## Alabama

- Baldwin
- Cherokee
- Coffee
- Cullman
- Etowah
- Gadsden
- Greene
- Lowndes
- Marengo
- Mobile
- Morgan
- Sumter
- Tallapoosa
- Tuscaloosa
- Washington
- Wilcox

## California

- San Diego
- Santa Clara
- Orange
- San Joaquin

## Florida

- Bay
- Calhoun
- Escambia
- Pasco
- Pinellas

## Georgia

- Chattooga

## Illinois

- Alexander
- Bond
- Christian
- Coles
- Edwards
- Gallatin
- Hamilton
- Hardin
- Jasper
- Jersey
- Livingston
- Pulaski
- Saint Clair
- Saline
- Shelby
- Union
- Wabash
- Washington
- White
- Williamson

## Indiana

- Harrison
- Scott
- Vigo

## Kansas

- Sedwick

## Kentucky

- Allen
- Anderson
- Bell
- Boone
- Boyd
- Boyle
- Bracken
- Bullitt
- Campbell
- Carlisle
- Carter
- Christian
- Clark
- Clay
- Cumberland
- Fayette
- Fleming
- Franklin
- Garrard
- Greenup
- Harlan
- Henderson
- Henry
- Hopkins
- Jefferson
- Jessamine

## Kentucky (cont.)

- Kenton
- Knox
- Laurel
- Leslie
- Lincoln
- Madison
- Marshall
- Martin
- Nicholas
- Oldham
- Pendleton
- Perry
- Powell
- Pulaski
- Rowan
- Scott
- Shelby
- Spencer
- Union
- Wayne
- Whitley
- Woodford

## Maryland

- Cecil

## Michigan

- Oakland
- Wayne



# COUNTIES THAT HAVE ALREADY FILED CIVIL LAWSUITS

## Mississippi

- Amite
- Benton
- Forrest
- Franklin
- Jefferson
- Jefferson Davis
- Lawrence
- Leake
- Lincoln
- Marion
- Marshall
- Neshoba
- Newton
- Stone
- Tallahatchie
- Tippah
- Union
- Walthall

## Nebraska

- Douglas

## Nevada

- Clark

## New York

- Broome
- Dutchess
- Erie

## New York (cont.)

- Nassau
- Orange
- Rensselaer
- Schenectady
- Seneca
- Suffolk
- Sullivan

## North Carolina

- Brunswick
- Buncombe
- Burke
- Catawba
- Gaston
- New Hanover
- Onslow
- Pitt
- Rockingham
- Rutherford
- Surry
- Yadkin

## Ohio

- Adams
- Ashland
- Belmont
- Brown
- Clermont
- Columbiana
- Coshocton
- Crawford

## Ohio (cont.)

- Darke
- Erie
- Fairfield
- Franklin
- Gallia
- Guernsey
- Hocking
- Huron
- Jackson
- Lawrence
- Licking
- Logan
- Morrow
- Muskingum
- Ottawa
- Pike
- Ross
- Scioto
- Vinton
- Wayne

## Pennsylvania

- Columbia
- Delaware
- Indiana
- Luzerne

## Tennessee

- Campbell
- Fentress
- Greene

## Tennessee (cont.)

- Hamblen
- Hancock
- Hawkins
- Haywood
- Henderson
- Johnson
- Madison
- Pickett
- Williamson

## Texas

- Upshur

## Washington

- Multnomah

## West Virginia

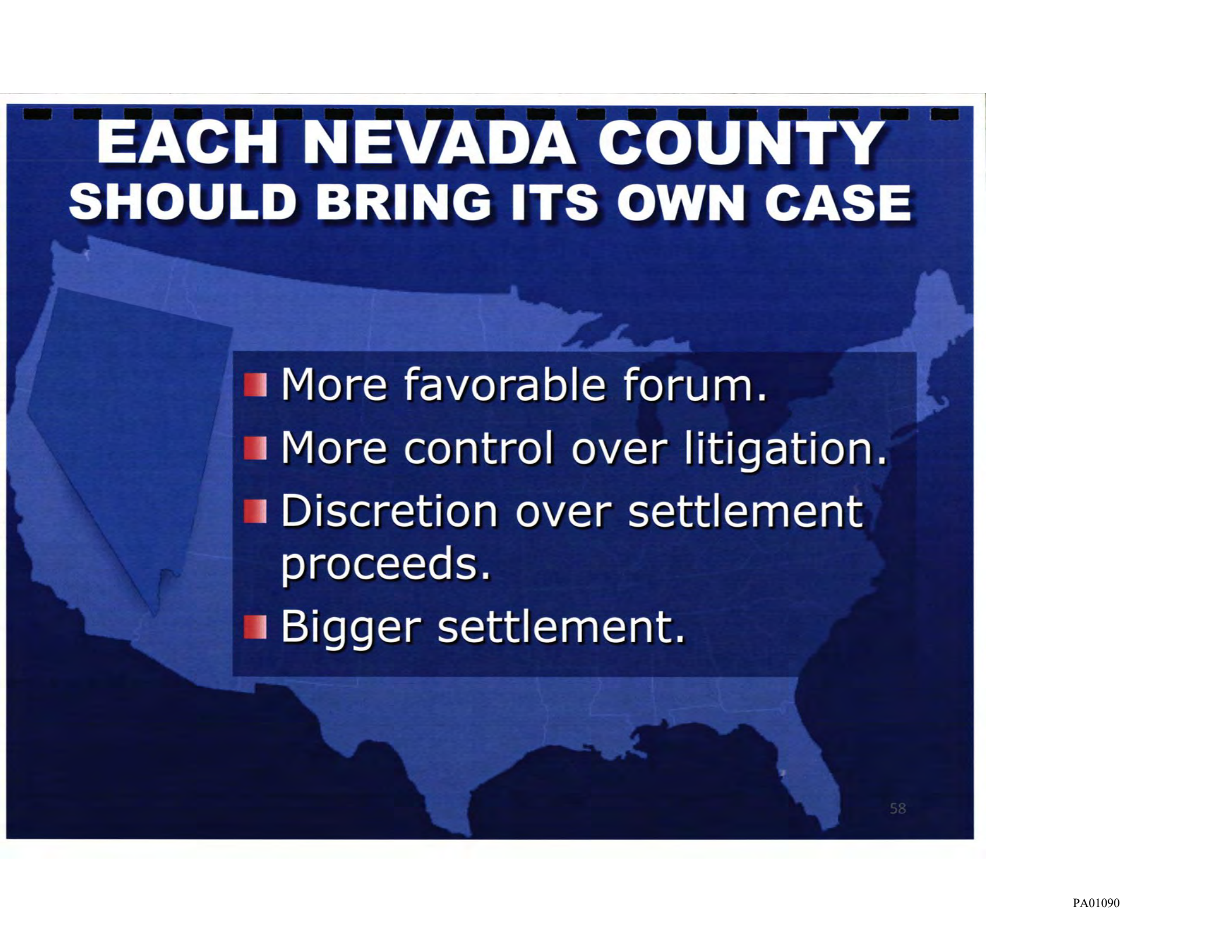
- Boone
- Cabell
- Fayette
- Huntington
- Kanawha
- Logan
- McDowell
- Mercer
- Wayne
- Wyoming

## Wisconsin

- Milwaukee



# **EACH NEVADA COUNTY SHOULD BRING ITS OWN CASE**

- 
- More favorable forum.
  - More control over litigation.
  - Discretion over settlement proceeds.
  - Bigger settlement.

# **A CIVIL CASE FILED IN NEVADA V. OTHER STATES**

- Nevada has the best product liability laws in the country (for plaintiffs), because:
  - Nevada endorses public policy in favor of protecting consumers (citizens).
  - Nevada has not adopted the Learned Intermediary Doctrine (Drug companies cannot blame the doctors).
- Nevada has no cap on punitive damages in product liability cases.



# NEVADA STATE COURT IS THE FAVORABLE FORUM

- Defendant drug companies have an advantage in Federal Court.
  - Pleading requirements are stricter in Federal Court.
  - Verdicts in Federal Courts must be unanimous.
  - Federal Judges restrict voir dire and the jury selection process.
  - Experts must meet the higher Daubert Standard to qualify.
- State Courts are more favorable for Plaintiffs.
  - Lower pleading standard in State Court.
  - Verdicts require only 6 of 8 jurors (not unanimous).
  - State Court Judges are subject to stricter deadlines to try cases.
  - State Court Judges are much more permissive in voir dire.
  - Expert qualification standard is lower.

# **EACH NEVADA COUNTY SHOULD BRING ITS OWN CASE**

- If the state of Nevada joins other states and files a lawsuit, there is the potential of:
  - The case ending up in Federal Court
  - Getting lost in the shuffle and receiving a smaller share of the recovery, which means less recovery to each Nevada county.



# **FOR EXAMPLE**

## **NEVADA RECEIVED LESS IN THE TOBACCO LITIGATION**

- In 1998, the Attorney General of 46 states, including Frankie Sue Del Papa of Nevada, signed the Master Settlement Agreement (MSA) with the four largest tobacco companies in the U.S.
- MSA settlement was \$206 billion over 25 years.
- An equal share should have been \$4.48 billion ( $\$206\text{B} \div 46 \text{ states} = \$4.48\text{B}$ ).
- Nevada only received an estimated amount of \$1.2 billion.



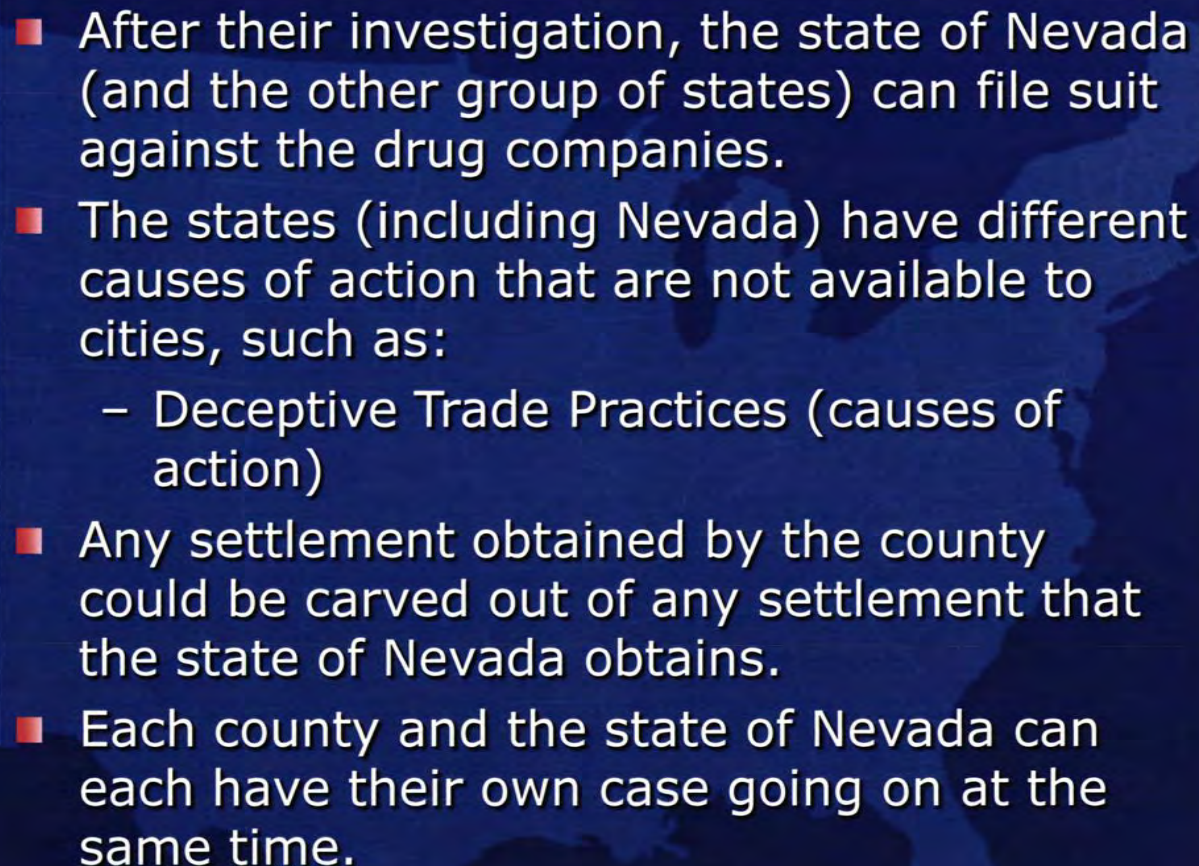
# FOR EXAMPLE

## NEVADA RECEIVED LESS IN THE TOBACCO LITIGATION

- Florida, Minnesota, Texas, and Mississippi brought their own law suits and settled for:
  - Texas – \$17.3 Billion Settlement
  - Mississippi – \$4.1 Billion Settlement
  - Florida – \$11.3 Billion Settlement
  - Minnesota – \$6 Billion + \$200M/yr in perpetuity



# A CASE BROUGHT BY NEVADA COUNTIES WOULD NOT ADVERSELY EFFECT THE STATE

- 
- After their investigation, the state of Nevada (and the other group of states) can file suit against the drug companies.
  - The states (including Nevada) have different causes of action that are not available to cities, such as:
    - Deceptive Trade Practices (causes of action)
  - Any settlement obtained by the county could be carved out of any settlement that the state of Nevada obtains.
  - Each county and the state of Nevada can each have their own case going on at the same time.



# CAUSES OF ACTION

- Public Nuisance – Unreasonable interference with rights that are held in common by the general public.
- Unjust enrichment.
- Restitution.
- General negligence.
- Engaging in an abnormally dangerous activity.



# DAMAGES

- Indemnity and Restitution – Reimbursement of money paid out by the county and recovery of future, anticipated costs
  - Reimbursement of all costs expended by the county related to opioids during relevant time frame.
  - Compensation sufficient to cover all costs expended for healthcare services and programs associated with the diagnosis and treatment of opioid and heroin addiction.
  - Compensation for all prescription costs for opioids that the county has incurred as a result of the defendant's wrongful conduct.
  - Costs incurred by the county to investigate, apprehend, prosecute and incarcerate individuals who have resorted to criminal acts to support the cost of their addiction.
  - Projected future costs to the county to continue to provide services and programs associated with the health consequences of Opioid use, including, but not limited to, addiction.
  - Medical monitoring.



# DAMAGES

- Punitive Damages - to punish and deter drug companies from engaging in the same or similar wrongful conduct in the future.
- Declaratory And Equitable Relief.
  - An order mandating medical monitoring for Nevada Opioid users.
  - An order restricting future marketing practices and managerial problems.
- Civil Penalties and Statutory Damages
- Interest, Attorney's Fees and Costs.

# POTENTIAL DEFENDANTS



- Purdue Pharma L.P. and The Purdue Frederick Company
  - Manufactures, sells, markets and distribute several opioids, including OxyContin and the generic for OxyContin, Oxycodone.
  - OxyContin is Purdue's best selling opiate.
  - Annual sales of OxyContin range from \$2.47 billion to \$2.99 billion.
  - OxyContin comprises 30% of the entire pain killer market.



# POTENTIAL DEFENDANTS



TEVA PHARMACEUTICAL INDUSTRIES LTD.

- Cephalon, Inc. and Teva Pharmaceutical Industries, Ltd.
  - Teva acquired Cephalon in 2011.
  - Cephalon sells, promotes, manufactures and distribute Actiq and Fentora (opioids).
  - Both drugs were approved by FDA for management of persistent cancer pain.
  - In 2008, Cephalon pled guilty to a criminal violation of the FDA for misleading promotions.
  - Cephalon agreed to pay \$425 million.

# POTENTIAL DEFENDANTS



- Endo Health Solutions, Inc. and Endo Pharmaceuticals, Inc.
  - Manufactures, markets and sell several opioids including: (1) Percodan (2) Percocet (3) Opana and (4) Zydene.
  - Generated \$3 billion in revenues in 2012 and opioids accounted for \$403 million in 2012.
  - Also manufactures generic opioids, including Oxycodone and Hydrocodone.



# POTENTIAL DEFENDANTS

**MCKESSON**

*Empowering Healthcare*



AmerisourceBergen®



CardinalHealth



**THE  
BIG 3  
DISTRIBUTORS**

# POTENTIAL DEFENDANTS

## ■ Other defendants may include:

- Allergan PLC
- Actavis PLC
- Watson Pharmaceuticals, Inc.
- INSYS Therapeutics
- Janssen Pharmaceuticals





The background of the slide features a close-up of the American flag, showing the stars and stripes, draped over a dark, textured wooden surface. The text is overlaid on this background.

# CIVIL ACTIONS

- Although the lawsuits are brought by cities, counties or states, many are financed and managed by private law firms who are compensated on a contingent fee basis.



# WHY NEVADA COUNTIES SHOULD RETAIN EGLET PRINCE

## ■ Resources:

- We will pay all costs up front.
- We have budgeted \$15 million for the costs of prosecuting this case.
- Taxpayers are not at risk and resources are not taken away from the county budget.



# WHY NEVADA COUNTIES SHOULD RETAIN EGLET PRINCE

## ■ Experience:

- We have handled many large cases against drug manufacturers.
- We are very familiar with the pharmaceutical industry, their business practices, the potential defendants in this case and the law firms that represent them.
- We have been successful every time.



# WHY NEVADA COUNTIES SHOULD RETAIN EGLET PRINCE

## ■ Reputation:

- We have a reputation of:
  - (1) handling large cases,
  - (2) outworking the other side, and
  - (3) preparing our cases for trial.
- Our reputation benefits our clients because it leads to larger settlements and usually quicker resolution.
- 3 of our partners are from Nevada. This is our home.
- We are a local firm with strong relationships with Nevada judiciary.



# WHY NEVADA COUNTIES SHOULD RETAIN EGLET PRINCE

## ■ Work:

- We have already put a lot of time (approx. 1 year) into marketing, researching and retaining clients for a suit against the drug companies.
- We are prepared to allocate multiple attorneys in our office to work on the case full time.
- We identified all the experts we need.
- We identified the witnesses and consultants that we need.

**WE HAVE THE RESOURCES**



# WHY NEVADA COUNTIES SHOULD RETAIN EGLET PRINCE

## ■ Results:

- Largest injury verdicts in the country, twice (2010 & 2013)
- Third largest verdict in the country in 2011.
- 39<sup>th</sup> largest verdict in the country in 2007.
- Only law firm to ever obtain the largest injury verdict in America twice, 2 verdicts in the top 5 in America for 2 consecutive years and verdicts in the top 5 in 3 out of 4 consecutive years.
- Senior Partner Robert Eglet has obtained more multimillion dollar verdicts than any lawyer in Nevada history.
- In 2014, the National Law Journal named Eglet Prince to its Hot List of the 12 best injury law firms in America and also named Eglet Prince as one of the 50 best trial firms in the country.



# **HOW DO WE STOP THIS EPIDEMIC IN NEVADA COUNTIES?**

- Keep enforcing the laws designed to protect our citizens from the effects of opioid abuse.
- Attack the source of the problem and force opioid companies to:
  - Pay for ALL of the damage they did to our COMMUNITY, and
  - Force the drug companies to change the way they do business here.

# EXHIBIT C



**In the Matter Of:**  
**Churchill County Board Public Meeting**

**DISCUSSION OF OPIOIDS LAWSUIT**

*March 21, 2018*

BEFORE THE CHURCHILL COUNTY  
BOARD COUNTY COMMISSIONERS

-oOo-

155 NORTH TAYLOR STREET, SUITE 110  
FALLON, NEVADA

WEDNESDAY, MARCH 21, 2018

PUBLIC MEETING RE:

Consideration and possible action re: Presentation  
by the law firm of Eglet Prince regarding the  
lawsuits being filed by various local governments  
against the manufacturers of opioids and the  
discussion of Churchill County filing a similar  
suit and using the services of Prince Eglet

Transcribed by: STEPHANI L. LODER

A P P E A R A N C E S

BOARD MEMBERS PRESENT

HARRY SCHARMANN, CHAIRMAN  
CARL ERQUIAGA, COMMISSIONER  
PETER H. OLSEN, COMMISSIONER (TELEPHONICALLY)

STAFF

ELEANOR LOCKWOOD, COUNTY MANAGER  
SHERRY WIDEMAN, INTERIM COMPTROLLER  
PAMELA D. MOORE, DEPUTY CLERK  
RENAE PAHOLKE, DEPUTY CLERK

ABSENT

KELLY G. HELTON, CLERK/TREASURER

CHURCHILL COUNTY DISTRICT ATTORNEY'S OFFICE  
BENJAMIN D. SHAWCROFT, DEPUTY DISTRICT ATTORNEY



1 FALLON, NEVADA, WEDNESDAY, MARCH 21, 2018

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4  
5 CHAIRMAN SCHARMANN: Now we can drop back  
6 to our 1:40 p.m. appointment. Consideration,  
7 possible action, presentation by the law firm of --  
8 is it Eglet? -- Eglet Prince regarding lawsuits  
9 being filed by various local governments against  
10 manufacturers of opioids and the discussion of  
11 Churchill County filing a similar suit.

12 MR. EGLET: Thank you. Good afternoon. My  
13 name is Robert Eglet. I am the senior partner with  
14 Eglet Prince in Las Vegas. Sitting next to me is  
15 one of my partners, Robert Adams. Thank you for  
16 allowing us to speak to you about this important  
17 issue today.

18 Our -- are we ready? Okay.

19 Our communities, our cities, and our  
20 counties are facing, in our view, the worst  
21 domestic crisis of our generation. This crisis was  
22 caused by the opiate manufacturers and distributors  
23 because they had the motive and they had the means.  
24 The motive was exorbitant profits. The means was  
25 prescription opiates.

1 Two decades ago, they began the most  
2 aggressive pharmaceutical marketing campaign in  
3 U.S. history to dupe the American public and the  
4 medical community into believing that opiates were  
5 safe to prescribe for chronic pain.

6 Before the mid 1990s opiates were only  
7 prescribed under three very narrow circumstances:  
8 one, end-of-life care for very painful terminal  
9 diseases; two, severe acute injury and pain, but  
10 only for short periods of time, days; and three,  
11 very rare and unique cases of extreme untreatable  
12 chronic pain.

13 In the mid 1990s, the opiate manufacturers  
14 started convincing doctors that opiates should be  
15 prescribed for everyday chronic pain, that less  
16 than one percent of their patients would become  
17 addicted, and that the addiction could be easily  
18 managed and that as long as the patient's pain was  
19 real, they would not become addicted.

20 All of this was a lie and a fraud on the  
21 American people. And when you add the drug  
22 companies' motive to their means, the result is the  
23 largest drug epidemic in our country's history.

24 This is aptly summed up by a letter written  
25 by the U.S. surgeon general in August 2016 where he

1 wrote, quote: Nearly two decades ago, we were  
2 encouraged to be more aggressive about treating  
3 pain, often without enough training and support to  
4 do so safely. This coincided with heavy marketing  
5 of opiates to doctors. Many of us were even  
6 taught, incorrectly, that opiates are not addictive  
7 when prescribed for legitimate pain.

8 Drug companies know that doctors rely on  
9 the information that drug companies provide them  
10 for prescribing information. In the mid to late  
11 1990s, the opiate manufacturers developed a  
12 marketing scheme to persuade doctors and patients  
13 to use opiates for chronic pain. And this scheme  
14 allowed the opiates to be prescribed to a much  
15 larger group of patients.

16 Drug companies spent tens of millions of  
17 dollars in marketing to provide false information  
18 about the benefits of long-term opiate use,  
19 overstate the information about the benefits for  
20 opiates for chronic pain, claiming that opiate  
21 dependence and withdrawal are easily managed, and  
22 downplay the risk of addiction.

23 In 1970, Congress enacted the Controlled  
24 Substances Act that created a closed system for  
25 distribution of controlled substances. This law



1 prevents drug manufacturers from selling directly  
2 to pharmacies and retailers. This law requires  
3 that drug distributors act as the gatekeeper  
4 between the manufacturers and the pharmacies and  
5 retailers.

6 Under this law, drug distributors have a  
7 legal duty to identify, investigate, and report  
8 suspicious orders of opiates. Suspicious orders  
9 include unusual size of the order, unusual  
10 frequency of the order, and an unusual pattern of  
11 the order.

12 There are over 800 registered drug  
13 distributors in the United States. However, only  
14 three of those companies control 85 percent of the  
15 market. The big three are: one, McKesson; two,  
16 Cardinal Health; and three, AmerisourceBergen.

17 For several years, the big three have  
18 failed their gatekeeping duty because they have not  
19 been reporting suspicious opiate orders to the  
20 authorities.

21 In January 2017, McKesson, the largest drug  
22 distributor in the nation, was fined \$150 million  
23 by the federal government for its blatant failure  
24 to report suspicious orders, in violation of  
25 federal law.

1 Cardinal Health, another member of the big  
2 three, was fined \$44 million for its own failures  
3 to report suspicious opiate orders to the DEA.

4 Not only have they failed to report, but  
5 they continue to ship millions of pills into U.S.  
6 communities, including Nevada communities.

7 Each of the big three drug distributors  
8 generate over \$100 billion a year in annual  
9 revenue. Unfortunately, the manufacturers' and  
10 distributors' scheme worked. In the last two  
11 decades, the amount of opiates sold in the United  
12 States has more than quadrupled. Over 300 million  
13 prescriptions for opiates were written in 2016.  
14 That's more opiate prescriptions than the total  
15 number of adult Americans.

16 There has been a 450 percent increase in  
17 opiate prescription sales since 1999 without any  
18 overall change in reported pain. Opiates are now  
19 the most commonly prescribed medication in the  
20 United States, and opiate addiction impacts all  
21 people, regardless of race, gender, socioeconomic  
22 background, or political affiliation.

23 Now, there are over 2 million people in  
24 America who are addicted to prescription opiates,  
25 and this is significantly contributing to the

1 increased heroin epidemic we have.

2 UNIDENTIFIED SPEAKER: 2 million?

3 MR. EGLET: 2 million.

4 Nearly 80 percent of all new heroin users  
5 in this country took prescription opiates before  
6 starting heroin. It was the prescription opiates  
7 that led to their heroin addictions.

8 People addicted to prescription opiates are  
9 40 times more likely to become addicted to heroin.  
10 And in 2015, there were nearly 13,000 heroin  
11 overdose deaths in the United States.

12 The most recent figures from the CDC  
13 suggest that over 170 Americans die every day from  
14 an opiate or heroin overdose. Drug overdose deaths  
15 are now the leading cause of injury and death in  
16 the United States, contrary to what I have heard  
17 over the last few days about some pundits on cable  
18 TV that guns are the leading cause of death. They  
19 are not. It is opiates.

20 In 2016, the number of overdose deaths in  
21 the U.S. was higher than the number of Americans  
22 that died in the Vietnam War. And in 2017, that  
23 number was even higher. It's going up.

24 Since 2000, over 340,000 Americans have  
25 died from opiate overdoses. According to the



1 Nevada Substance Abuse Working Group 2017 report,  
2 there were 94 painkiller prescriptions for every  
3 100 Nevada residents. Now, that is statewide. And  
4 I don't have the statistics on all of the counties,  
5 but I know the rurals is worse. Let me give you  
6 just one example, is Nye County.

7 Nye County, there are 155 opiate  
8 prescriptions for every 100 citizens in Nye County.  
9 Nevada ranks second highest for hydrocodone, second  
10 highest for oxycodone, fourth highest for  
11 methadone, and seventh highest for codeine. And  
12 Nevada has the fourth highest drug overdose  
13 mortality rate in the United States.

14 A report published in November 2017, just a  
15 few months ago, by President Trump's Economic  
16 Advisory Council concluded that the estimated  
17 economic impact of the opiate crisis is costing our  
18 country more than \$500 billion a year.

19 That's 2.8 percent of our gross domestic  
20 product. These are defense spending-type numbers.  
21 County and city governments and the services they  
22 provide their citizens have been strained to the  
23 breaking point by this public health crisis.

24 Human services, social services, court  
25 services, law enforcement services, the offices of

1 the coroner, medical examiner, and health services  
2 including hospital, emergency, and ambulatory  
3 services have all been severely impacted by the  
4 crisis.

5 The drug companies knew their marketing and  
6 the way opiates were prescribed was contrary to the  
7 scientific and medical evidence. And many of the  
8 CEOs of these very drug companies have been charged  
9 and pled to or some convicted of felonies for what  
10 they did with these opiates. And their  
11 misrepresentations have been confirmed by the FDA  
12 and the CDC.

13 Now, some drug companies have entered into  
14 settlement agreements with public entities which  
15 prohibit them from marketing or from making those  
16 false and misleading misrepresentations in those  
17 jurisdictions. However, in Nevada, opiate drug  
18 companies continue to misrepresent the risks of  
19 long-term opiate use, and they have not corrected  
20 or changed their past misrepresentations.

21 Over 350 lawsuits have been filed by  
22 various cities and counties and states around the  
23 country. This is just a list, very quickly, of a  
24 number of them.

25 Each Nevada county, in our view, is wise to

1 bring its own case in Nevada state courts because,  
2 one, we have a more favorable forum in our state  
3 district courts where jurisdiction for these cases  
4 reside. Two, each county will have more control  
5 over their litigation, their own case. These are  
6 separate cases. Three, the County Commission will  
7 have discretion over and control over how the  
8 settlement proceeds are allocated and used to fight  
9 this problem in their particular county. And four,  
10 the County is likely to have a larger settlement  
11 amount that way.

12 Nevada has the best product liability laws  
13 in the country for plaintiffs against  
14 pharmaceutical companies. For example, Nevada has  
15 not adopted the learned intermediary doctrine which  
16 allows the drug companies in many states to simply  
17 blame the prescribing doctors. And Nevada has no  
18 cap on punitive damages in product liability cases.

19 In Clark County, Reno, North Las Vegas, and  
20 Henderson -- or like Clark County, Reno, and North  
21 Las Vegas have done, and Henderson, and Churchill  
22 County in this case should do is file its own case  
23 in our state courts and be represented in our view  
24 by a Nevada law firm.

25 Damages for the counties include past and



1 future damages, which include money that the County  
2 has already expended to combat the opiate epidemic,  
3 including EMS and first responders' expenses,  
4 including Narcan.

5 Narcan is a drug that reverses the effects  
6 of opiate overdose, and the cost of Narcan varies  
7 from 150 to 4,000 dollars per dose.

8 The County is also entitled to recoup  
9 expenses for law enforcement and jailing that has  
10 occurred because of this epidemic, district courts,  
11 substance abuse programs, and increased expenses  
12 associated with child welfare.

13 From our research, we know that the  
14 Counties' criminal justice budgets from top to  
15 bottom in Nevada over the last 10 to 15 years have  
16 had to expend anywhere from 25 to in excess of  
17 35 percent of their annual budget on the opiate  
18 crisis.

19 We were in Humboldt County Monday of this  
20 week, and we learned from the district court there  
21 that 90 percent of their cases deal with this  
22 opiate crisis.

23 Future damages include education,  
24 rehabilitation, and medical monitoring. The County  
25 is also entitled to future costs to continue to

1 provide services and programs associated with the  
2 health consequences of this opiate epidemic. Other  
3 damages including punitive damages and order  
4 mandating medical monitoring for Nevada opiate  
5 users and an order restricting future marketing  
6 practices.

7 Our firm has already been retained by Clark  
8 County, and we have filed a lawsuit on behalf of  
9 Clark County. And we have also been hired by the  
10 City of Reno, the City of North Las Vegas, and  
11 Henderson to represent them against the opiate drug  
12 companies, as well as Carson City.

13 We will advance -- Eglet Prince will  
14 advance all the costs for the litigation and take  
15 all the risk. Therefore, your county is not at  
16 risk, nor will any of its resources have to be used  
17 to prosecute this case. We will pay for  
18 everything.

19 We have budgeted about \$15 million to  
20 prosecute this case on behalf of all the counties  
21 across the state, and we've handled many large  
22 cases against drug manufacturers and distributors  
23 in the case. I've been doing cases against  
24 pharmaceutical companies for decades.

25 We're very familiar with the pharmaceutical

1 industry, their business practices, the potential  
2 defendants in this case, and the law firms that  
3 represent them. We've sued these very defendants.

4 Two of the main targets in this case,  
5 McKesson and Teva Pharmaceuticals, were the two  
6 primary targets we took down in the Las Vegas  
7 hepatitis C outbreak back in 2008. And we've been  
8 successful against them every time.

9 We have obtained -- a little bit about our  
10 firm. We've obtained the largest injury verdicts  
11 in the country twice. Yeah, that's right. A  
12 Nevada firm has done that. We did it in 2010, and  
13 we did it in 2013.

14 We've obtained the third largest verdict in  
15 the country in 2011 and the 39th largest verdict in  
16 the country in 2007.

17 Without sounding a little arrogant -- my  
18 partners tell me I need to say this. I'm the only  
19 trial lawyer in the country to ever obtain the  
20 largest injury verdict in America twice. I'm the  
21 only trial lawyer in America to obtain two verdicts  
22 in the top five in two consecutive years, and I'm  
23 the only trial lawyer in America to obtain verdicts  
24 in the top five in the country in three out of four  
25 consecutive years.



1 I've obtained more multimillion dollars  
2 verdicts than any lawyer in the history of the  
3 State of Nevada. And I am the only lawyer in  
4 Nevada to ever be named trial lawyer of the year  
5 twice by my peers.

6 I was honored by my peers as national trial  
7 lawyer of the year in 2013 and national lawyer of  
8 the year in 2010. And in 2014, the National Law  
9 Journal, the largest legal publication in the  
10 country, named our firm as one of the 12 best  
11 injury litigation law firms in America and also  
12 named us as one of the 50 best trial firms in the  
13 country.

14 Our reputation benefits our clients because  
15 it leads to larger settlements and usually quicker  
16 resolution of their cases.

17 This is what's really important to me in  
18 this case. And that's that three of our senior  
19 partners, including the two you see sitting here,  
20 are lifelong residents of Nevada. This is our  
21 home, and we have seen firsthand how this epidemic  
22 has affected our family, members of our family, our  
23 neighbors, our communities, people we work with,  
24 people we go to church with.

25 It has affected everybody, and no one wants

1 to talk about it because there's a stigma to it.  
2 But it is an epidemic that is plaguing our state  
3 unbelievably, and it is a huge crisis.

4 So this case is personal to us. Most cases  
5 aren't personal to us. This one is because we have  
6 personal experience with people we know who have  
7 been devastated, families we know who have been  
8 devastated by this crisis.

9 We are a local firm with strong  
10 relationships with the Nevada judiciary, and we are  
11 prepared to allocate all the resources of our firm  
12 necessary to litigate these cases to conclusion.

13 Thank you. And we'd be more than happy to  
14 answer any questions that you may have.

15 CHAIRMAN SCHARMANN: I want to offer the  
16 public a chance to ask any questions they might  
17 have. Anyone?

18 Pete, would you like to go ahead with any  
19 questions that you might have?

20 COMMISSIONER OLSEN: No, I don't have any  
21 at this time.

22 CHAIRMAN SCHARMANN: Is your lawsuit -- is  
23 it only going after distributors or also the  
24 manufacturers?

25 MR. EGLET: It's going after both.

1 CHAIRMAN SCHARMANN: Both?

2 MR. EGLET: Yes.

3 CHAIRMAN SCHARMANN: Because you only named  
4 the distributors, I think.

5 MR. EGLET: Well, we talked about -- I  
6 apologize if I wasn't clear. We talked about the  
7 manufacturers and the distributors. I talked about  
8 fines that McKesson and Cardinal have been fined by  
9 the federal government, but we're -- the lawsuit --  
10 the lawsuit we filed in Clark County already,  
11 there's 24, 25 defendants, including manufacturers,  
12 distributors, as well as a couple of local  
13 entities, a pharmacy or -- yeah, pharmacies.

14 CHAIRMAN SCHARMANN: Okay. What would be  
15 the responsibility of Churchill County if we  
16 entered into this lawsuit? Because -- and the  
17 reason I ask is because we -- our public health  
18 board has been very active in the last two years in  
19 determining what our -- our major health issues are  
20 in Churchill County. At this point -- correct me  
21 if I'm wrong -- opioids is not listed as one of  
22 those.

23 I mean, we're into methamphetamines. We're  
24 into all of -- we're into a lot of things that  
25 combine to create a major mental health problem



1 here in Churchill County, and we're trying to gain  
2 or gather up all of the different agencies and so  
3 forth in our community to work on mainly a mental  
4 health kind of issue.

5 But I'm not sure that we could be able to  
6 give you a lot of documentation from Churchill  
7 County as to the effects of -- the negative effects  
8 of opioids on our county right at this point.

9 MR. EGLET: Well, I will tell you, this is  
10 what I know: 80 percent of the people in your  
11 county who are addicted to heroin, they got  
12 addicted to heroin because they started on  
13 prescription opiates.

14 CHAIRMAN SCHARMANN: Okay.

15 MR. EGLET: And so this isn't just for  
16 people who are currently addicted to heroin. This  
17 is for dealing with the problem of those people who  
18 either are heroin addicts or they're going to be  
19 heroin addicts.

20 And you're going to see a spike in heroin  
21 addiction in your county. We're going to see it  
22 everywhere in the state because the Legislature,  
23 last year, they passed some legislation properly,  
24 in my view, making it more difficult to get opiate  
25 prescriptions. These people are going to turn to

1 the street. They're going to learn real quick that  
2 they can get heroin, which is the exact same  
3 chemical compound as these prescription opiates,  
4 for 30 or 40 times less money. So you're going to  
5 see a spike in your heroin addiction, and it's  
6 going on happen all over our state because of this.  
7 So there's heroin.

8 I would be surprised -- and the opiates  
9 crisis is -- the damages are extensive. I mean,  
10 I'm sure you have home robberies. Many of them are  
11 related to people either trying to steal other  
12 people's opiates or steal stuff to hock or sell to  
13 buy opiates or heroin with. And I would suspect  
14 that your criminal justice, your first responders  
15 are having to respond to a great deal to heroin  
16 overdoses which are caused by the opiate --

17 CHAIRMAN SCHARMANN: And you would want --  
18 you would want data from our county to help support  
19 this.

20 MR. EGLET: Yeah. We have a forensic  
21 economist and accountant, accounting firms that we  
22 are retaining as experts in this case, and we would  
23 need to obtain that data, your county.

24 Now, the time spent by your county  
25 employees assisting our experts in gathering that

1 data are recoverable costs. So in other words, you  
2 have an employee who spends 100 hours or employees  
3 who spend 100 hours or more, whatever it is,  
4 gathering data for our experts, helping this.  
5 Those are recoverable costs, which means we can  
6 reimburse you immediately out of the \$15 million we  
7 have set aside in costs. And at the end of the  
8 case, we would be reimbursed for that money. So it  
9 wouldn't cost the County anything up front.

10 CHAIRMAN SCHARMANN: Okay.

11 MR. EGLET: Including the time of  
12 employees. We would reimburse the County for that.

13 CHAIRMAN SCHARMANN: Now, I'm not trying to  
14 indicate that we don't have a problem here. I  
15 don't know if we will be able to document all the  
16 things that you might need. We would need to go  
17 back to our experts, our law enforcement, our  
18 social services, and so on to really find out. But  
19 maybe that would happen after we really get  
20 specifics as to what data you need and we can go --  
21 and then we would be able to go from there.

22 MR. EGLET: This is what I can tell you,  
23 Commissioner Scharmann. We know all overall that  
24 the amount of damages to the State, not including  
25 any punitive damages, just compensatory damages to



1 all the counties combined, are billions of dollars.  
2 We're going to be -- we're bringing these cases on  
3 behalf of every county that hires us.

4 There are damages that you just may not be  
5 aware of that our experts, in working with your  
6 county employees, they'll be able to identify and  
7 find.

8 I don't know how much the damages -- each  
9 county has its own case and will have their own set  
10 of damages as to what those are. But I can tell  
11 you, on a statewide basis, it's billions of  
12 dollars.

13 COMMISSIONER OLSEN: Could I jump in and  
14 ask a question?

15 CHAIRMAN SCHARMANN: Sure.

16 COMMISSIONER OLSEN: What would be the risk  
17 to the County? Let's say we brought suit and we  
18 lost. Are we exposed to paying anybody else's  
19 legal expenses, anything like that? What's the  
20 downside?

21 MR. EGLET: Let me give you the quick  
22 answer and a little bit longer answer.

23 No, because we will indemnify you, just  
24 like we've done with Reno and a couple other  
25 counties who requested that. Carson City. We will

1 indemnify you.

2 Second, as I said, I've been handling  
3 pharmaceutical cases for decades. This is what I  
4 do. It's my expertise. I have never in my career  
5 seen a stronger case of liability against the  
6 pharmaceutical industry. We have CEOs and  
7 high-level executives who pled to felonies because  
8 of what they did here.

9 We're not going to lose this case. The  
10 only issue is how much are the damages going to be.

11 CHAIRMAN SCHARMANN: Thanks, Pete. I don't  
12 mean to interrupt you. I'm sorry. Go ahead.

13 COMMISSIONER OLSEN: I just -- what's  
14 our -- what's the County's -- you know, how would  
15 the -- if there was an award, how would that award  
16 be divided?

17 MR. EGLET: Well, that's a political  
18 decision. You know, our job is not to make those  
19 decisions. That would be the County Commissioners  
20 who would make those decisions on how you would --  
21 each county will have its own case and will have  
22 its own damages. So it's not like you're going to  
23 be splitting the money up with other counties. You  
24 have a separate case.

25 So that's a political decision of the

1 County Commission on where that money -- what  
2 resources that money should go for.

3 COMMISSIONER OLSEN: I guess I'm saying  
4 about, you know, remuneration for you, for any  
5 incurred costs during the discovery part of it and  
6 then --

7 MR. EGLET: Well, we would --

8 COMMISSIONER OLSEN: -- [INAUDIBLE].

9 MR. EGLET: Mr. Chairman, we would front  
10 all the costs. We're doing this on a contingency  
11 basis. So if we don't win, we don't get paid  
12 anything.

13 And we're fronting all the costs in the  
14 case. And we have agreed to do this for all the  
15 counties on -- our normal contingency is at  
16 40 percent. But on this case, we've agreed to  
17 represent all the counties on a 25 percent con --  
18 and the cities on a 25 percent contingency.

19 COMMISSIONER OLSEN: Thank you.

20 CHAIRMAN SCHARMANN: So you mentioned that  
21 the suit would be filed in state court.

22 MR. EGLET: Right.

23 CHAIRMAN SCHARMANN: And you're confident  
24 that that's where it will --

25 MR. EGLET: Well, there's -- that's where



1 the initial fight is going to be. There's always a  
2 risk that the case could get removed to federal  
3 court.

4 We have been very successful over the years  
5 of keeping these cases in state court because we  
6 sue local entities. In this case, it will be  
7 pharmacies as well as detailers, which are the  
8 salespeople for the drug companies who -- many of  
9 them live here in Nevada, as well as there is --

10 UNIDENTIFIED SPEAKER: Cardinal Health.

11 MR. EGLET: Cardinal Health is a  
12 distributor, is a Nevada company.

13 UNIDENTIFIED SPEAKER: And also  
14 [INAUDIBLE].

15 MR. EGLET: And Watson, one of the  
16 manufacturers, is a Nevada company. So we're  
17 confident that we'll be able to keep the cases in  
18 state court.

19 So we would file the case on behalf of  
20 Churchill County in the Churchill District Court.  
21 Just like we're filing a case -- we filed a case on  
22 the -- some of these cases, a few of these cases  
23 may go to trial. We'll tell you that, you know, if  
24 the case goes to trial, you know, we'll have not  
25 only our firm but a couple of the firms we're

1 working with. And 25 or 30 New York and Chicago  
2 firms will be moving to Churchill County for about  
3 four months. But that -- you know, there is that.  
4 I do want you to be aware of that, you know,  
5 following of lawyers.

6 CHAIRMAN SCHARMANN: So the real purpose of  
7 this is to hit them in the pocketbook so they will  
8 reduce distribution and be more --

9 MR. EGLET: This is the only thing that  
10 works. I mean, you can try to get legislation  
11 passed, and it just takes a long time. I'll just  
12 give you an example.

13 When we hit the first verdict on behalf of  
14 the hepatitis C outbreak in Las Vegas, the first  
15 client we took to trial on that -- and those are  
16 individual people, obviously, not government  
17 entities.

18 There was a \$505 million verdict. That  
19 verdict was on the front page of every newspaper in  
20 the world the next day. And this is what  
21 immediately happened, with no legislation.

22 It was caused by a combination of two  
23 things: poor injection practices by the clinic who  
24 was engaging this, and these giant-sized vials of  
25 propofol that had no business being in these

1 clinics. They were supposed to be in intensive  
2 care units in hospitals only.

3 Every single large vial of propofol was  
4 removed from outpatient surgery centers across the  
5 country as well as Nevada, and injection practices  
6 in every major hospital and every clinic around the  
7 country were changed and made safer so that this  
8 type of outbreak couldn't happen in the future.

9 This case, what we believe it will do, it  
10 will stop the marketing campaign; it will reverse  
11 that trend; the doctors will realize, those who  
12 don't already realize, will realize that they were  
13 defrauded by the pharmaceutical companies, that  
14 they should not have been prescribing these  
15 medications for their chronic pain patients, and it  
16 will stop.

17 But most importantly, it will provide our  
18 counties and cities with the resources to cure the  
19 problem because the only way you cure this problem  
20 is inpatient rehabilitation, which is very costly.  
21 For one 28-day stay, average in the country is  
22 \$25,000. And most of the time one 28-day stay is  
23 not enough time. It doesn't work.

24 Clark County, the cost is \$40,000. Those  
25 are resources each of the counties should have to



1 be able to cure the problem for their citizens.

2 COMMISSIONER ERQUIAGA: So a little bit  
3 broader look at this whole thing, has there been  
4 studies done on the overall impact of opiate  
5 addiction to the rising costs of healthcare and the  
6 rising costs -- subsequent to that, rising costs of  
7 insurance?

8 MR. EGLET: Yeah. I can't talk to you  
9 about it in detail, but we're actually -- we have  
10 some of the major insurance companies who are in  
11 discussions with us right now about bringing  
12 lawsuits on their behalf against the pharmaceutical  
13 manufacturers because they were duped, too, and  
14 they have spent a tremendous amount of money on  
15 these opiates.

16 One of the worst things that happened is  
17 they literally targeted our veterans, and they got  
18 to VA to start just handing these things out like  
19 crazy, and we have so many veterans now that are  
20 addicted.

21 One of the -- Purdue Pharmaceutical  
22 actually wrote a book. It appeared that it was  
23 written by an Iraq veteran returning from the war  
24 with some injuries and written in the first person  
25 claiming how these opiates are the gold standard,

1 that all veterans who have these injuries should be  
2 on the opiates.

3 It was a big lie. It was a fraud. It  
4 wasn't written by a Iraq -- a veteran from Iraq.  
5 It was a made-up name. Authors employed by Purdue  
6 Pharmaceutical wrote the book, but they got the  
7 veterans to read all this stuff and believe it, and  
8 they started going and asking for these drugs. And  
9 many of them became horribly addicted. Many of  
10 them have become heroin addicts because of that.  
11 They literally targeted our veterans.

12 So yes, there has been -- I don't know that  
13 there has been a comprehensive study. What we have  
14 right now -- and part of that study is President  
15 Trump's Economic Council who came out with a report  
16 in November that, across the country -- and this  
17 includes the rising cost of healthcare because of  
18 these opiates, is in excess of 500 billion a year.

19 I can't nail down at this time -- I  
20 suspect, as these cases go forward, more of that  
21 data will come out, and there will be some specific  
22 numbers on that.

23 CHAIRMAN SCHARMANN: So obviously, the goal  
24 here is to make the local governments whole for  
25 what it has cost them to deal with this. But --

1 MR. EGLET: And what it's going to cost  
2 them in the future.

3 CHAIRMAN SCHARMANN: And in the future.

4 MR. EGLET: Right.

5 CHAIRMAN SCHARMANN: Ultimately, the  
6 individuals or the individuals' families are -- it  
7 would be very indirect, whatever benefit they see.

8 MR. EGLET: Well, the benefit they would  
9 receive would be treatment. If the counties can  
10 receive the resources to provide their citizens  
11 treatment, you know, to get cured, they would get  
12 the benefit that way.

13 You know, the problem with bringing a  
14 case -- individual cases is the statute of  
15 limitations, which doesn't apply on behalf of  
16 governmental entities, the two-year statute of  
17 limitations.

18 Normally, most jurisdictions around the  
19 country have found that the two-year statute of  
20 limitation begins to run the first time the  
21 individual plaintiff seeks drug rehab.

22 What happens is most of them go in, and  
23 they fail. They go back, and they fail several  
24 times. And it goes on for years, and by that time  
25 the statute of limitations has run.

1           So yes, it will be an indirect benefit, but  
2   I think depending on, you know, each county  
3   commission's political decision on how to spend  
4   those resources, each county could benefit their  
5   citizens the way they see fit. Again, that's a  
6   political decision. That's not our, you know,  
7   purview.

8           CHAIRMAN SCHARMANN: Right. Is there any  
9   other --

10          UNIDENTIFIED SPEAKER: I have a question.  
11   To keep this case in Churchill County, would you  
12   have to find a local target to be part of the  
13   lawsuit?

14          MR. EGLET: No. It just has to be some  
15   entity within the state. So yeah, we would -- we  
16   would be able to keep it in Churchill County.

17          CHAIRMAN SCHARMANN: Are similar lawsuits  
18   happening throughout the country in other states?

19          MR. EGLET: So yes. In fact, it was just  
20   on the news. We were in Salt Lake City last night,  
21   and we saw on the news that a county -- first  
22   county in Salt Lake City has filed.

23                 And they filed in state court, didn't they?

24                 So what's happening there is -- I put it on  
25   the screen a list of all the cities and counties



1 around the country has filed over 350 lawsuits.  
2 Most of those cases have been filed in federal  
3 court in what's called an MDL, which is a  
4 multidistrict litigation that's been created in the  
5 Northern District of Ohio. Those cases have been  
6 shipped off from the various federal courts into  
7 those district -- into that district up there.

8 So -- and that's not uncommon when you have  
9 a lot of lawsuits like this that are filed in  
10 federal court. You'll have an MDL that's created  
11 to manage the entire lawsuit.

12 But what really drives these cases and the  
13 settlements of these cases are cases that are filed  
14 in state court and pursued in state court because  
15 that federal MDL is going to drag on for years.

16 What drives the settlement is firms like  
17 ours -- we did this in the Actos litigation, which  
18 was a diabetes drug that caused about six or seven  
19 thousand Americans to get bladder cancer. There  
20 was an MDL going on. We represented almost  
21 everybody in Southern Nevada who got bladder cancer  
22 from this drug.

23 We filed and kept our cases in state court,  
24 went and tried a couple cases, got verdicts, and  
25 drove the national settlement.

1           So we can get cases to trial a lot faster  
2 here in our district courts, our county district  
3 courts in Nevada, than they ever can in federal  
4 court. So what happens is we do that -- there's a  
5 couple other states that do that as well -- and  
6 then that drives the entire national settlement to  
7 resolve the entire thing.

8           MR. SHAWCROFT: Just a couple of questions.  
9 I've also heard that there was a settlement  
10 conference recently in Ohio involving all the  
11 different plaintiffs' groups. I believe that was  
12 first week in March. Have you heard anything that  
13 came out of that?

14           MR. EGLET: So we're working -- you should  
15 know, we're working hand in hand extensively with  
16 the firms who are bringing the cases in federal  
17 court. We had a meeting that lasted four days in  
18 Miami in the first of February. Super Bowl  
19 weekend, I remember. We met down there on this  
20 very issue. And so we're working together, sharing  
21 experts, sharing information. It's a coordinated  
22 effort.

23           The judge who was assigned to be the MDL  
24 judge in Ohio was very ambitious and was talking,  
25 "I'm going to get this case settled." Well, he has

1 soon realized that that's not going to happen like  
2 that with these pharmaceutical companies. They  
3 don't settle cases until they get hit with a couple  
4 of verdicts.

5 So yes, there was a so-called settlement  
6 conference that went absolutely nowhere, and it's  
7 not going anywhere. And everybody knows that  
8 what's going to drive the federal settlements, the  
9 national settlements, is us and maybe a couple  
10 other states getting some verdicts in our state  
11 courts.

12 MR. SHAWCROFT: Have there been any  
13 successful verdicts on these type of issues?

14 MR. EGLET: There has not been any of these  
15 go to trial to date. We actually think that in  
16 Nevada, because of the efficiency of our district  
17 courts here, that we will try the first case in the  
18 country here in one of our counties. It will be  
19 here.

20 MR. SHAWCROFT: I had also read that there  
21 was a case, and I believe it was maybe Chicago or  
22 New York, where a case had actually been dismissed  
23 maybe on motion for summary judgment or something  
24 for this exact issue, which is suing a  
25 pharmaceutical company for opioids.

1 MR. ADAMS: If I could jump in. This is  
2 Robert Adams, for the record.

3 The case you're talking about was a New  
4 York case. And primarily, in New York, what they  
5 were looking for, because it was a case that  
6 happened a couple of years ago, they were just  
7 primarily looking for injunctive relief to get the  
8 drug companies to stop their marketing scheme, and  
9 they actually prevailed on that. The remainder of  
10 the case was actually dismissed.

11 Chicago has sort of led the way, if you  
12 will, initially with all the information that was  
13 discovered about the drug companies. Their case is  
14 still out there and ongoing.

15 And you asked an earlier question about:  
16 Has there been any case to trial? No. They got  
17 them up to the doorstep in Kentucky and West  
18 Virginia, and those settled. Not for very much  
19 money, though.

20 MR. EGLET: One thing I might add, too -- I  
21 I'm surprised I haven't gotten this question  
22 because we've gotten it from at least one member of  
23 every county commission we've appeared in front of:  
24 Well, what about the State? How is this going to  
25 affect the State's case?



1           So we've been working on this for well over  
2   two years, and General Laxalt met with us in  
3   earlier part of 2017, last year, and he had us --  
4   brought everybody from up north and all his  
5   deputies, and we did about a two-hour presentation  
6   in the Sawyer Building down in North Las Vegas on  
7   this issue, and they were looking at retaining us.  
8   And then we discovered that in --

9           (AUDIO ENDS AT 1:11:49)

1 STATE OF NEVADA )  
2 ) ss.  
3 COUNTY OF CHURCHILL )

4 I, Stephani L. Loder, do hereby certify:

5 That I transcribed from audio recording the  
6 proceedings had in the above-entitled matter;

7 That the appearances noted are from this  
8 transcriber's understanding of who was present  
9 during the proceeding;

10 That speaker identification was made to the  
11 best of my ability through voice recognition;

12 That the foregoing transcript, consisting  
13 of pages 1 through 36, inclusive, is a full, true  
14 and correct transcription of said proceeding to the  
15 best of my ability.

16 Dated at Reno, Nevada, this 15th day of  
17 March, 2019.

18   
19  
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21 STEPHANI L. LODER  
22  
23  
24  
25

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Discussion of Opioids Lawsuit March 21, 2018

Discovery Legal Services, LLC 702-353-3110 production@discoverylegal.net

# EXHIBIT D

The Honorable Board of Lyon County Commissioners met this day in regular session with the following present: Chairman Bob Hastings, Vice-Chairman Joe Mortensen, Commissioners Greg Hunewill, Don Alt and Ken Gray. Also present: County Manager Jeff Page, District Attorney Steve Rye, Clerk and Treasurer Nikki Bryan and Deputy Clerk Donna MacGill.

**1. Roll Call**

Present: Bob Hastings, Joe Mortensen, Greg Hunewill, Don Alt and Ken Gray

**2. Invocation by Bob Wiser**

Pastor Bob Wiser of the Yerington Methodist Church gave the Invocation.

**3. Pledge of Allegiance**

**4. Time Certain**

**4.a. TIME SPECIFIC AT 9:30 AM: Presentation and possible action regarding the Opioid Epidemic in Nevada and Options for Counties to Engage in Legal Action Against Opioid Manufacturers, Robert Eglet, Partner, Eglet Prince.**

County Manager Jeff Page said this was discussed at NACO and wanted it brought forward to our board.

Robert Eglet of Eglet Prince Law Firm read a quote from the U.S. Surgeon General in August 2016. He said the opioid epidemic started about 20 years ago. He explained that the drug companies spent large sums of money to market the distribution of the drugs. He discussed the control substance act that was enacted. There have been considerable fines for improper reporting. There has been a 450% increase in opioid prescription sales since 1999. Over two million people are addicted to opiates in America. This has increased the heroin epidemic that America is now facing. He talked about the number of heroin overdoses in the United States. He said that drug overdose deaths are now the leading cause of injury and death in the United States. Over 340,000 Americans have died since 2000 from opiate overdoses. Nevada has the 4<sup>th</sup> highest drug overdose mortality rate in the United States. Drug overdose deaths have increased tremendously since 1999. Drug companies were aware of the addictive qualities these drugs carried. He explained the Nevada law with settlements in these lawsuits. He talked about the drug Narcon to reverse the effects of opiate overdose. The cost for Narcon is from \$150 per dose up to \$4,000 per dose. He said his law firm had been retained by Clark County and Washoe County to handle the cases that have been filed against the drug companies. They are also talking with other cities and counties in the state of Nevada. He said his firm obtained the largest injury verdicts in the country in 2010 and 2013. He talked about the reputation of his law firm. He talked about the cost of inpatient treatment for drug addiction. He discussed how the counties and cities would distribute the money. He said that staff time spent while gathering information is a recoverable cost.

Comm. Alt and Comm. Gray had questions and comments.

Comm. Hunewill asked Edrie LaVoie how much of the opioid problem comes through her department in Human Services.

Human Services Director Edrie LaVoie said it is a high majority but she does not have those numbers. It would take some staff time to come up with that information.

County Manager Jeff Page explained that if the commissioners decided to go down that path, they would work with the firm to get all of the numbers together. He discussed the various local entities that would be involved in any settlement. He proposed not taking any action for two weeks to give him time to come back with a resolution.

Comm. Gray moved to direct the county manager to move forward and to prepare a resolution with regard to moving forward with litigation on identifying litigants within the county. Comm. Mortensen seconded and the motion passed 5 – 0.



**4.b. TIME SPECIFIC AT 10:00 AM: Presentation from Nevada Copper as the progress and potential growth of the Pumpkin Hollow Mining Project.**

Tim Dyer of Nevada Copper and Pumpkin Hollow Mining Project said he is in charge of external relations. He showed a slide presentation on underground mining. He discussed the buildout of the project. They acquired an additional 10,059 acres from recent land transfers. They will be able to move more quickly on the reclamation project. Since 2006 they have done 1.2 to 1.3 million feet of drilling. He showed pictures of the current workings. He discussed the production shaft that is currently in place. They currently have drill rigs on site. He described the tailing that will come from the operation. He said it will be approximately 26% copper concentrate. He discussed the financing and marketing of the project. Their goal is to get the project into production. They will have about \$200 million available to execute the project. They are looking at a 3 year contract for the underground operation. They hope to draw a number of experienced miners. They hope to be a full operating mine by the end of 2019 to the beginning of 2020. There will be 300 plus people on the work force when they get to full operation. He discussed the future open pit operation.

**4.c. TIME SPECIFIC AT 10:30 AM: For Possible Action - Consider a request from Darrell Schue to extend a water rights Settlement Agreement dated February 5, 2009 for a period of 5 years. Mr. Schue's written request is included as an attachment.**

**Letter from Darrell Schue**  
**Schue Settlement Agreement 2009**

Mike Workman said this is a request from Darrell Schue to extend the settlement agreement for five years. He said he could not support the request. He recommended letting the agreement expire when the ending date comes around. There were others that moved forward with their projects on Dayton Valley Road. He said there is water and sewer available.

Darrell Schue said they purchased the property approximately 11 years ago. He discussed the zoning of the property. He doesn't feel they have enough time to develop the property. He explained some of the limitations on the property. He would like to build duplexes and triplexes.

Comm. Mortensen had questions regarding the infrastructure.

Comm. Mortensen moved to deny the request from Darrell Schue to extend the water rights Settlement Agreement dated February 5, 2009 for a period of 5 years. Comm. Gray seconded and the motion passed 5 – 0.

**5. Public Participation**

There was no public participation.

**6. For Possible Action: Review and adoption of agenda**

Comm. Alt asked that Item #17.e. be removed since this was resolved with a phone call.

Comm. Gray asked that Item 17.h. be removed due to the conflict of the budget hearings.

County Manager Jeff Page said the 10:00 A.M. public hearing may be a little late because Nevada Copper had a conflicting appointment.

Comm. Mortensen moved to approve the agenda as presented with the removal of Items 17.e. and 17.h. Comm. Gray seconded and the motion passed unanimously 5 – 0.

**7. Presentation of awards and/or recognition of accomplishments**

There were no presentations of awards or recognitions of accomplishments.

**8. Commissioners/County Manager reports**

Comm. Alt went to Salt Lake City and met with people from Nevada, Wyoming, Idaho and commissioners from Utah. They met with the Chairman from the House Committee from Washington D.C. regarding the redistricting of the Western United States. He also attended the State Land Use Planning Advisory Council (SLUPAC) meeting in Las Vegas where they discussed the RS2477 roads. He also commented on the electric highway where they intend to have hookups every 100 miles to charge the electric cars.

Comm. Mortensen commented on the joint informational workshop held in Churchill County that he attended. He was extremely impressed with Mike Workman's presentation on the water situation and refreshed his memory on the central corridor in regard to water concerns. Comm. Mortensen felt very proud that Lyon County has knowledgeable people like Mike Workman and Jeff Page on staff.

Comm. Gray attended Roy Edgington's State of the City in Fernley with the Fernley Chamber of Commerce. He was very impressed with the presentation. He also attended another marijuana workshop regarding marijuana in the workplace. He felt the meeting was very informative. He also expressed condolences for the heinous act at the Florida high school. He discussed fencing along Highway 50 to attempt to mitigate the accidents involving wild horses.

Comm. Hastings also commented on the workshop in Churchill County and thanked Churchill County for putting it on.

County Manager Jeff Page said the Governor and the EP administrator were here and signed an historical deferral document to take the Anaconda Mine Site off of the National Priorities List and turn it over to the State of Nevada to supervise the cleanup in conjunction with the number of land owners in the area. Atlantic Richfield said they are putting up hundreds of millions of dollars for the cleanup of the site and get it back into working order. He said the tailings will not be going away. He also was impressed with the joint workshop held in Fallon. He hopes to work with surrounding counties to begin discussions regarding transportation issues and a reasonable growth plan over the next 25 years. Fernley has requested sales tax discussions if they were to open a shop. There are challenges regarding recreational marijuana. The utility director position has been advertised since Mike Workman is retiring at the end of May. He also commented on fencing on Highway 50 to deal with the issue of wild horses causing accidents. He also recommended that our number one priority should be the hiring of a code enforcement officer in our next budget.

## **9. Elected Official's reports**

Sheriff Al McNeil commented on the abandoned vehicles in Lyon County. He has directed his staff to work with the advisory boards and prioritize what they would like to have the sheriff's department help them with. He talked about enacting a training review board in October. He said the Dayton cemetery wild horse feeder has been caught and was issued a warning. If she is caught again, she will be arrested and transported to the county jail.

District Attorney Steve Rye said that February 2018 is Teen Dating Awareness Month. He presented facts that included males and females who have experienced sexual dating violence. 22 percent of women and 15 percent of men first experienced some sort of partner violence between 11 and 17 years of age. He discussed the rates of assault and sexual abuse in young people. These incidents have a significant impact on our youth and this does happen in Lyon County. He wanted to make the public aware of this issue. The sheriff's office takes these issues very seriously.

## **10. Appointed Official's reports**

Comm. Alt had questions for Edrie LaVoie regarding bullying or inappropriate advances.

Edrie LaVoie said there are Resource Coordinators in the schools and the work with Healthy Communities. There is also family support staff working in the schools. She and the District Attorney feel there is a lot more that can be done. She was also hoping to introduce John Kerwin who is the new Division Manager for Senior Services. He has a considerable level of educational accomplishments and much experience in working with systems used by Lyon County. He is helping Lyon County look into additional opportunities.

- 11. **Advisory Board reports**
  - 11.a. **Silver City Advisory Board Minutes**
  - 11.b. **Silver Springs Advisory Board Citizen Letter Minutes**
  - 11.c. **Smith Valley Park & Recreation Advisory Board SV Park Draft Minutes November 2017.pdf**
  - 11.d. **Stagecoach Advisory Board Minutes**
  - 11.e. **Wildlife Advisory Board Minutes**

**CONSENT AGENDA**

- 12. **Assessor's Corrections**
  - 12.a. **For Possible Action: Approval of changes on Assessor’s tax roll due to correction in assessments and review of tax roll changes.**  
Comm Delete 2-15-18 Secured

Secured Property factual corrections totaled \$422.58.

- 13. **For Possible Action: Approve County Commission Minutes**
  - 13.a. **For Possible Action: Approve Minutes Minutes for February 1, 2018.**
- 14. **Contracts**
  - 14.a. **For Possible Action: Approve four year contract with The Center for Ethical Leadership Educational Software in the amount of \$40,000.**  
Contract with Readiness Network
- 15. **Grants**
  - 15.a. **For Possible Action: Accept grant award from State of Nevada Department of Health and Human Services, Division of Public & Behavioral Health, for FY2018 Reproductive Health Services, in the amount of \$117,530.**  
Family Planning Services Grant
  - 15.b. **For Possible Action: Accept grant from the Nevada Public Agency Insurance Pool in the amount of \$30,000 for Leadership Training in the Sheriff's Office. NV POOL Grant Approval Email**  
NV POOL Grant
- 16. **Other Consent Items**
  - 16.a. **For Possible Action: Review and accept claims and financial reports.**  
Claims Report 1-16-18 to 1-31-18  
Cash Report 1-31-18

The cash balance as of January 31, 2018 totaled \$54,829,986.11. Claims totaled \$908,751.41 and payroll totaled \$956,825.16.

- 16.b. **For Possible Action: Review and accept travel claims.**  
Travel Report 1-16-18 to 1-31-18

Travel claims totaled \$8,663.39.

- 16.c. **For Possible Action: To remove Commissioner Alt from the Nevada WORKS Board and appoint Commissioner Hastings to the Nevada WORKS Board.**

- 16.d. **For Possible Action: To remove Commissioner Hastings from the Carson Area Metropolitan Planning Organization (CAMPO) and appoint Commissioner Alt to CAMPO.**
  
- 16.e. **For Possible Action: Discussion and possible action to strike taxes and penalties on parcels 21-103-42 and 21-103-43 because of acquisition by the City of Fernley.**  

**Strike**
**Taxes**
**Fernley**
  
- 16.f. **For Possible Action: Approve Detention Facilities Inspection Report from Bob Hastings.**  

**Detention**
**Facilities**
**Inspection**
**Report**

Comm. Mortensen moved to approve the consent agenda, Items #12 through #16.f., as presented.  
Comm. Gray seconded and the motion passed 5 – 0.

**\*\*END OF CONSENT AGENDA\*\***

**REGULAR AGENDA**

- 17. **County Manager**
  - 17.a. **For Possible Action: Authorize the County Manager to submit and sign a grant application to the Federal Aviation Administration for the amount of \$422,667.00 for the purpose of installing weather reporting equipment and installing an automated gate at the Silver Springs Airport.**  

**2018**
**FAA**
**Grant**
**Application**
**-**
**Silver**
**Springs**
**Compiled**

County Manager Jeff Page said this is an annual process the county goes through for the Silver Springs Airport. The airport is requesting to update and upgrade the existing system. They will come back to the board for approval once the grant application is approved by FAA.

Comptroller Josh Foli said this grant will require a county match of \$27,667 that would come out of the Capital Improvements Fund.

Comm. Mortensen moved to authorize the County Manager to submit and sign a grant application to the Federal Aviation Administration for the amount of \$422,667.00 for the purpose of installing weather reporting equipment and installing an automated gate at the Silver Springs Airport. Comm. Gray seconded the motion.

Bill Miles said he owns property to the west of the airport. He was wondering if Lyon County has a Compatible Land Use Plan in effect since it is required by the FAA. He asked that we correct the airport master plan and not to spend any county money on the airport until it is fixed. He would like to see funds going to a compliance officer to fix these issues. He does not like to see money coming out of Lyon County General Fund for an airport that does not produce any income for the county.

Rob Pyzel explained the zoning around the airport. He said there is not an AI zoning district in Title 10 nor is it proposed in Title 15. The master plan does have land uses that are appropriate within the critical areas of the airstrips. They are not residential uses or high intensity, such as hospitals. They do work in cooperation with the FAA.

Comm. Hastings called for the vote and the motion passed 5 – 0.

- 17.b. **For Possible Action: Approve the 2018-2023 Airport Capital Improvement Plan (ACIP).**  

**Airport**
**Capital**
**Improvement**
**Plan**

County Manager Jeff Page explained the changes in the Airport Capital Improvement Plan.

Comm. Mortensen moved to approve the 2018-2023 Airport Capital Improvement Plan (ACIP) as presented. Comm. Alt seconded the motion.



Bill Miles said he is currently working with a developer on the adjoining parcel. The website for the Silver Springs Airport currently states they are currently in the process of expanding the facility with plans for new hangers and expanding the runway to 8,480 feet. He appreciates that the runway extension is not being addressed at the present time. He was wondering if the airport will be master planned in the as is condition.

County Manager Jeff Page addressed some of the “as is” in the master plan. He said the board did approve the master plan “as is” and a couple of other options.

Comm. Hastings called for the vote and the motion passed 5 – 0.

**17.c. For Possible Action: Approve Attachment E to Professional Services Agreement Between Lyon County and Armstrong Consultants, INC to provide professional engineering services for the installation of AWOS and Automated Gate at the Silver Springs Airport for \$60,370.00 with funding being provided by a grant from the Federal Aviation Administration.**

<b>Silver Springs Gate Agreement</b>				
<b>Detailed</b>	<b>Engineering</b>	<b>Fee</b>	<b>Breakout</b>	

County Manager Jeff Page said now that the grant application has been approved, it will give him the authority to sign the agreement with Armstrong to do the work.

Comm. Mortensen moved to approve attachment E to the Professional Services Agreement Between Lyon County and Armstrong Consultants, INC to provide professional engineering services for the installation of AWOS and Automated Gate at the Silver Springs Airport for \$60,370.00 with funding being provided by a grant from the Federal Aviation Administration as presented. Comm. Gray seconded the motion.

Bill Miles expressed concerns regarding the spending of Lyon County money on the airport with no benefit to Lyon County.

Comm. Hastings called for the vote and the motion passed 5 – 0.

**17.d. For Possible Action: Provide the County Manager and staff direction on the proposed Title 15 section 336.12 Concentrated Animal Feeding Operations.**

<b>Title</b>	<b>15</b>	<b>-</b>	<b>Concentrated</b>	<b>Animal</b>	<b>Feeding</b>	<b>Operations</b>
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County Manager Jeff Page presented changes. They will only address large CAFO operations. He discussed the boundaries for a feeding operation. He feels we need to protect the agricultural producers to the best of our ability. There could be challenges if someone wants to build a subdivision next to a feeding operation.

Planner Rob Pyzel said the county manager explained it quite thoroughly. He talked about setbacks and working with people before implementation.

**PUBLIC COMMENT:**

Lucy Rechel of Snyder Livestock was wondering what the distance would be and the number of houses that would be permitted in a particular area. She suggested ¼ mile or less and said single homes are more palatable than a subdivision next to a feeding operation. She was speaking on her own behalf. She also invited the board to the March 10<sup>th</sup> seminar on the sustainability of beef production.

Darrell Pursel, President of Lyon County Farm Bureau and a local farmer, discussed livestock feeding in Clark County from recycled food products from the casinos. He would like to see an operation like that in Lyon County and Washoe County.

David Stix said his family has a feedlot in Lyon County. He hopes Lyon County will remain an agricultural county. He wants to continue doing their job to help feed the nation. He would like staff to work with the growers and feeders.

Doug Busselman, Executive Vice President of the Nevada Farm Bureau, said the CAFOs are very highly regulated and the county should be sure the regulations they are working on will follow federal code.

Emily Fulstone of RN Fulstone Company would like some changes to Title 15 as to how it is currently written. She said we need to look to the future and address the needs for feeding future population growth. We should not have to go out of the state or country for beef or milk. We should be able to provide people with locally grown food.

Nat Lommori said he was sad to hear there would not be another dairy in Lyon County. He felt we should encourage agricultural businesses to come to Lyon County.

Comm. Mortensen said that setbacks are an issue. He does not want to pass an ordinance that would immediately place some of the farmers in noncompliance. He discussed people moving within the setbacks. He suggested areas where a dairy would work in Lyon County.

Comm. Hunewill had questions regarding requirements of a Special Use Permit and existing feedlots.

Comm. Gray moved to propose a resolution that CAFO be removed from Title 15 and deal with it as a separate issue. Comm. Mortensen seconded the motion.

Comm. Alt would like the motion amended to just eliminate CAFO from Title 15 and not deal with it as a separate issue. He felt the businesses already have a lot to handle with state a federal law.

Comm. Gray is not willing to accept the amendment that Comm. Alt suggested. He would like to see staff continue to work on CAFO.

Comm. Hastings called for the vote and the motion passed 4 – 1. Comm. Alt was opposed.

**17.e. For Possible Action: Approve staff to compose a letter of protest regarding BLM operational changes. (Requested by Commissioner Don Alt)**

Item #17.e. was removed from the agenda.

**17.f. For Possible Action: Propose an Ordinance amending Lyon County Code Title 5 by adding Chapter 10 pertaining to Licensing of Marijuana and Medical Marijuana Establishments; and providing for the severability, constitutionality and effective date thereof; and other matters properly relating thereto.**

**5.10**

**Marijuana**

County Manager Jeff Page said there were some corrections that needed to be made before the ordinance could be proposed.

Comm. Hunewill had questions.

District Attorney Steve Rye said the commissioners proposed another ordinance that also contained administrative processes. This ordinance will be handled the same as any other business. There will be special fees relating to these business licenses.

Comm. Gray proposed the ordinance as presented.

**17.g. FOR POSSIBLE ACTION: TO APPROVE A RESOLUTION OF THE LYON COUNTY BOARD OF COMMISSIONERS DIRECTING THE COUNTY MANAGER TO INITIATE PROCESSES AND PROCEDURES TO ASSUME THE MANAGEMENT AND OPERATIONS OF THE YERINGTON SENIOR CENTER AS REQUESTED BY THE OLDER AMERICANS OF LYON COUNTY.**

**Resolution**

**18-02**

County Manager Jeff Page presented and explained the reasons they have requested that the county take over the management of the Yerington Senior Center. Older Americans of Lyon County have been managing the center for a number of years. Lyon County has maintained and managed the centers in Silver Springs, Dayton and Fernley. The senior services will not go away. Staff may be doing things a little differently but the services will still be there. The centers provide the ability for people to live independently. He recommended approving the resolution. He said the county owns the building. He feels that insufficient management and oversight has resulted in a \$40,000 deficit. It is intended that we take \$40,000 from the Senior Fund to catch up all of the outstanding bills. Any grant funds that have been allocated for the Yerington Senior Center will be forwarded to the county.

Josh Foli explained that it will take about \$125 thousand per year to run the senior center and will cost the county additional funds.

Edrie LaVoie said the revenues from the Yerington Senior Center do not cover the expenses. They do not have any other outside support. The other centers do benefit from outside resources.

Comm. Mortensen said he realizes it will be an additional expense taking on the operation of the Yerington Senior Center but it is a necessary obligation. He thanked the volunteers at the senior centers.

County Manager Jeff Page commented on the grant funding.

Comm. Alt moved to approve a resolution of the Lyon County Board of Commissioners directing the county manager to initiate processes and procedures to assume the management and operations of the Yerington Senior Center as requested by the Older Americans of Lyon County, as presented. Comm. Mortensen seconded the motion.

#### **Public Participation:**

Susan Cottingham said the center serves 75 to 80 meals on wheels. They also transport seniors to the center and to their doctor appointments. Between 50 and 97 people are served at the center on a daily basis. She explained the services provided by the center and is pleased that the reaction has been so positive. There have been some donations to help in purchasing some needed items.

Comm. Hastings called for the vote and the motion passed 5 – 0.

#### **17.h. FOR POSSIBLE ACTION: To conduct the April 5, 2018 Meeting in Stagecoach, NV or conduct a special meeting in Stagecoach to address a proposed development (Requested by Commissioner Gray)**

Item #17.h. was removed from the agenda.

#### **17.i. For Possible Action: Approve a four year contract with Government Software Assurance, Corp. for Assessor and Clerk-Treasurer software, with a purchase and implementation cost of \$1,025,000 and ongoing licensing fees after implementation of \$136,000 per year.**

**GSA Master Agreement**

**GSA Work Plan**

**GSA**

**Service**

**Level**

**Agreement**

County Manager Jeff Page explained the process the county has been going through changing the various programs. The current company that has been serving Lyon County is going out of business.

Comptroller Josh Foli said about \$40,000 will come from the Assessor's Technology fees this year. There will be approximately \$372 thousand for the next fiscal year and the remainder in the year after. Those amounts will be budgeted for future years.

Comm. Mortensen moved to approve a four year contract with Government Software Assurance, Corp. for Assessor and Clerk-Treasurer software, with a purchase and implementation cost of

\$1,025,000 and ongoing licensing fees after implementation of \$136,000 per year. Comm. Hunewill seconded and the motion passed 5 – 0.

**18. Comptroller**

Comptroller Josh Foli said we are full on the disaster recovery site. He will be coming back with a proposal from contingency for replacement of the existing server. He also said the budget is approximately \$1.6 million short for the next fiscal year. He feels we can trim that amount by about \$1 million. A considerable amount will come from the Sheriff’s Department budget. He will have better revenue projections in the next day or so. He said this will not be the easiest budget year.

**19. Sheriff**

**19.a. For Possible Action: Approve reimbursement to Employee #3318 for Excess Vacation Accrual of 48.064 hours in the amount of \$1,788.98.  
Employee Reimbursement Request**

Comm. Hunewill recused himself from this item since the employee is his uncle and they have a very close relationship.

Sheriff Al McNeil said this employee is not part of any collective bargaining agreements. He has lost time in the past and feels he should be reimbursed. He is one of the hardest working employees on his staff.

County Manager Jeff Page said this employee has never been denied a request for vacation. Other employees have been denied similar requests in the past. Mr. Page would not recommend approval. He feels he needs to take vacation time.

Comptroller Josh Foli said there is no way to budget for this request. This is not a personal issue but there are policies and practices for all employees.

Comm. Gray moved to approve the reimbursement to Employee #3318 for Excess Vacation Accrual of 48.064 hours in the amount of \$1,788.98 to come from the contingency fund.

The motion died for lack of a second.

Comm. Mortensen moved to deny reimbursement to Employee #3318 for Excess Vacation Accrual of 48.064 hours in the amount of \$1,788.98. Comm. Alt seconded and the motion passed 3 – 1. Comm. Gray was opposed. Comm. Hunewill recused himself.

Andy Sichak said vacation time is for the health of the employee.

**RECESS TO RECONVENE AS WILLOWCREEK GENERAL IMPROVEMENT DISTRICT BOARD**

**20. Public Participation**

There was no public participation.

**21. For Possible Action: Review and Accept Claims and Financial Report**

**21.a. For Possible Action: Review and accept claims and financial reports.  
Claims Report 1-16-18 to 1-31-18  
Cash Report 1-31-18**

The cash balance as of January 31, 2018 was \$329,916.62. There were no claims or payroll.

Comm. Mortensen moved to approve the claims and financial report as presented. Comm. Gray seconded and the motion passed 5 – 0.

**22. Public Participation**

There was no public participation.



**ADJOURN TO RECONVENE AS MASON VALLEY MOSQUITO ABATEMENT DISTRICT BOARD**

**23. Public Participation**

There was no public participation.

**24. For Possible Action: Review and Accept Claims and Financial Report**

- 24.a. For Possible Action: Review and accept claims and financial reports.**  
**Claims Report 1-16-18 to 1-31-18**  
**Cash Report 1-31-18**

The cash balance as of January 31, 2018 was \$377,479.44. There were no claims and payroll totaled \$3,103.15.

Comm. Gray moved to approve the claims and financial report as presented. Comm. Mortensen seconded and the motion passed 5 – 0.

**25. Public Participation**

There was no public participation.

**ADJOURN TO RECONVENE AS WALKER RIVER WEED CONTROL DISTRICT BOARD**

**26. Public Participation**

There was no public participation.

**27. For Possible Action: Review and Accept Claims and Financial Report**

- 27.a. For Possible Action: Review and accept claims and financial reports.**  
**Claims Report 1-16-18 to 1-31-18**  
**Cash Report 1-31-18**

The cash balance as of January 31, 2018 was \$136,343.37. There were no claims or payroll.

Comm. Mortensen moved to approve the claims and financial report as presented. Comm. Gray seconded and the motion passed 5 – 0.

**28. Public Participation**

There was no public participation.

**ADJOURN TO RECONVENE AS CENTRAL LYON COUNTY VECTOR CONTROL DISTRICT BOARD**

**29. Public Participation**

There was no public participation.

**30. For Possible Action: Review and Accept Claims and Financial Report**

- 30.a. For Possible Action: Review and accept claims and financial reports.**  
**Claims Report 1-16-18 to 1-31-18**  
**Cash Report 1-31-18**

The cash balance as of January 31, 2018 was \$321,826.17. There were no claims or payroll.

Comm. Gray moved to approve the claims and financial report as presented. Comm. Mortensen seconded and the motion passed 5 – 0.

**31. Public Participation**

There was no public participation.

**ADJOURN TO RECONVENE AS SILVER SPRINGS GENERAL IMPROVEMENT DISTRICT BOARD**

**32. Public Participation**

There was no public participation.

- 33. For Possible Action: Review and Accept Claims and Financial Report**  
**33.a. For Possible Action: Review and accept claims and financial reports.**  
**Claims Report 1-16-18 to 1-31-18**  
**Cash Report 1-31-18**

The cash balance as of January 31, 2018 was \$1,811,481.69. Claims totaled \$3,989.78; there was no payroll.

Comm. Alt moved to approve the claims and financial report as presented. Comm. Gray seconded and the motion passed 5 – 0.

**34. Public Participation**

There was no public participation.

**ADJOURN TO RECONVENE AS THE LYON COUNTY BOARD OF COMMISSIONERS**

**35. Commissioner Comments**

There were no commissioner comments.

- 36. Closed Session pursuant to NRS 241.015(3)(b)(2) - Closed Session to receive information from the District Attorney regarding potential or existing litigation involving a matter over which the Board has supervision, control, jurisdiction or advisory power, and to deliberate toward a decision on the matter (requested by District Attorney)**
- 37. Public Participation**

Sally Elloyan was recently appointed to serve on the Dayton Regional Advisory Board and wanted to introduce herself to the county commissioners.

**38. Adjourn**

The meeting was adjourned.

**LYON COUNTY BOARD OF COMMISSIONERS**

\_\_\_\_\_  
**BOB HASTINGS, Chairman**

**ATTEST**

\_\_\_\_\_  
**NIKKI BRYAN, Lyon County Clerk/Treasurer**

# EXHIBIT E

Notice of Public Meeting  
 HUMBOLDT COUNTY BOARD OF COMMISSIONERS  
 Humboldt County Board of Commissioners/Golconda Water District/Paradise Valley Sewer  
 District/McDermitt General Improvement District Regular Meeting  
**Monday, March 19, 2018**  
9:30 AM:

Humboldt County Courthouse Meeting Room 201  
 50 West Fifth Street, Winnemucca, Nevada 89445

All times on this agenda are approximate. Consideration of items may require more or less time than is scheduled. Items on the agenda may be taken out of order; the public body may combine two or more agenda items for consideration; and the public body may remove an item from the agenda or delay discussion relating to an item on the agenda at any time. Public comment is designated for discussion only. The public has the opportunity to address the Commission on any matter not appearing on the agenda; however, no action may be taken on Matter raised until the matter itself has been specifically included on the agenda as an item upon which action may be taken. Additionally, public comment may be heard on any item listed on the Agenda. Persons are invited to submit comments in writing and/or attend and make comments on any agenda item at the Commission meeting. All public comment may be limited to three (3) minutes per person, at the discretion of the Commission.

**Agenda - Monday, March 19, 2018**

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. PUBLIC COMMENT - General public comment is designated for discussion only. The public has the opportunity to address the Commission on any matter not appearing on this agenda; however, no action may be taken on a matter raised until the matter itself has been specifically included on the agenda as an item upon which action may be taken.
4. APPROVAL OF MINUTES (FOR POSSIBLE ACTION) - Discussion and action on correction/approval of minutes for February 1, 2016; March 28-29, 2016; April 4, 2016; April 18, 2016; May 2, 2016; June 6, 2016; July 11, 2016; August 1, 2016; August 15, 2016; October 3, 2016; October 17, 2016; October 27, 2016 (Special-Liquor License); November 15, 2016; November 28, 2016; December 12, 2016 (Joint); January 3, 2017; January 17, 2017 (Joint); January 30, 2017 (Retreat); February 6, 2017 (Special); February 21, 2017; March 6, 2017; March 20, 2017; March 27, 2017 (Budget Hearing); April 3, 2017; April 10, 2017 (Special/6th Judicial); April 17, 2017; May 1, 2017 (Joint); May 15, 2017; June 5, 2017; June 19, 2017; July 10, 2017; August 7, 2017 (Joint); August 21, 2017; September 18, 2017; October 9, 2017; December 11, 2017 (Joint); January 16, 2018; January 29, 2018 (Retreat); February 5, 2018 and March 5, 2018. Discussion and Possible Action.

5. APPROVAL OF EXPENDITURES FOR HUMBOLDT COUNTY FOR MARCH 3, 2018 THROUGH MARCH 16, 2018 (FOR POSSIBLE ACTION)
  - 5.A. Expenditures  
Utility Run 03-09-18.pdf
6. GOLCONDA GENERAL IMPROVEMENT DISTRICT MATTERS (FOR POSSIBLE ACTION) - Consideration of, discussion and possible approval of expenses for the time period from March 3, 2018 through March 16, 2018 related to the operation of the Golconda General Improvement District (GID) for the express purpose of maintaining and improving the water system. (Discussion and possible action).
7. MCDERMITT GENERAL IMPROVEMENT DISTRICT MATTERS (FOR POSSIBLE ACTION) - Consideration of, discussion and possible approval of expenses for the time period from March 3, 2018 through March 16, 2018 related to the operation of the McDermitt General Improvement District (GID) for the express purpose of maintaining and improving the water or sewer systems. (Discussion and possible action).
8. PARADISE VALLEY SEWER DISTRICT MATTERS (FOR POSSIBLE ACTION) - Consideration of, discussion and possible approval of expenses for the time period March 3, 2018 through March 16, 2018 related to the operation of the Paradise Valley Sewer District for the express purpose of maintaining and improving the sewer system. (Discussion and possible action).
9. MISCELLANEOUS REPORTS AND CORRESPONDENCE -
  - 1)Other information and upcoming meetings  
  
April 9, 2018 Humboldt County Commission Meeting  
April 12, 2018 Regional Planning Commission Meeting  
April 9, 2018 Regional Airport Board
  - 2)Reports from Commissioners regarding other Boards and Committees on which they serve including National Wild Horse & Burro Advisory Board, Nevada Association of Counties (NACO), Regional Airport Board, Humboldt River Basin Water Authority (HRBWA), Western Interstate Region (WIR), Legislative Interim Land Council, Humboldt Development Authority (HDA), Winnemucca Visitors & Convention Authority (WCVA), Hospital Board, Humboldt Foundation, Northeastern Nevada Regional Development District (NNRDA), Humboldt County Elk Planning Steering Committee, Paradise Conservation District and the State Land Use Planning Advisory Council (SLUPAC).
10. INDIGENT SERVICES: NOTIFICATION OF AWARD FOR EMERGENCY SOLUTION GRANT (FOR POSSIBLE ACTION) - Consideration, discussion and possible approval for Indigent Services to apply for, be awarded and accept a \$10,000 Emergency Solutions Grant to assist the County in preventing homelessness. Discussion and possible action.
  - 10.A. Indigent Services
11. DISTRICT COURT CONTRACT WITH HEALTH & HUMAN SERVICES (FOR POSSIBLE ACTION) - Consideration, discussion and possible approval of a contract between the Sixth



Judicial District Court of the State of Nevada in and for Humboldt County and the State of Nevada Department of Health & Human Services, Division of Welfare and Supportive Services per NRS 277.180 to provide Court Master services for child support cases for the district court for a period of four years in an amount not to exceed \$232,904 (\$56,508 in FY19;\$57,638 in FY20;\$58,791 in FY21 and \$59,967 in FY22). Discussion and possible action.

11.A. Court Master-Child Support  
DHH Child Support Contract.pdf

12. REQUEST TO ALLOW R.E.DY. TO OCCUPY AN OFFICE IN A VACANT COUNTY OFFICE (FOR POSSIBLE ACTION) - Consideration, discussion and possible action regarding a request from Rehabilitation and Empowering Disadvantaged Youth (REDY) to occupy one of Humboldt County's vacant office spaces to operate this new service to disadvantaged youth and parents in the community for \$1 per year. REDY is a non-profit 501 (c) (3) that will be working with the District Court in providing mentoring for individuals and families in Humboldt County. Discussion and possible action.

12.A. REDY  
REDY MS.pdf

2018 REDY Office Lease.pdf

13. LIBRARY: APPROVAL OF HVAC PURCHASE FOR DENIO LIBRARY (FOR POSSIBLE ACTION) - Consideration, discussion and possible approval to purchase a Heating Ventilation and Air Conditioning (HVAC) system for the new Denio library from Ham's Mechanical Group in an amount not to exceed \$16,989. Discussion and possible action.

13.A. Library  
HAMS.pdf

14. PUBLIC WORKS/ROAD DIVISION MATTERS (FOR POSSIBLE ACTION) -

A)Consideration, discussion and possible action regarding the use of gravel that was crushed specifically to repair damaged roads as part of the FEMA reimbursement following flooding in 2017 on other Humboldt County roads. Discussion and possible action.

B)Presentation by Humboldt County Public Works Director Ben Garrett to update the Board on Road projects within Humboldt County, however, no action may be taken on a matter raised until the matter itself has been specifically included on the agenda as an item upon which action may be taken. Information only.

14.A. Public Works

15. SHERIFF: LIQUOR BOARD/GRANT APPROVAL/WAIVER OF ATTRITION POLICY/AGREEMENTS APPROVAL (FOR POSSIBLE ACTION) -

A)Liquor Board - Sheriff Allen would like to request on March 19, 2018, the Humboldt County Liquor Board be convened for consideration for a new Liquor License.

A)New Liquor License:

1)Kirandeep Kaur, Owner and Manjinder Singh, Manager for A-1 Fuel Stop, Inc.

B)Consideration, discussion and possible approval of a Grant Award Letter from the NRA for Search and Rescue in the amount of \$3,700 and will pay for equipment updates. Discussion and possible action.

C)Consideration, discussion and possible action to waive the County attrition policy for a vacant Dispatch Operator position. Discussion and possible action.

D)Consideration, discussion and possible action regarding an agreement between the Humboldt County Sheriff's office and Fastcase in an amount not to exceed \$1500.00 per year for an online legal research system to provide access to legal information to the Inmates in the Humboldt County Detention Center. Discussion and possible action to allow the Sheriff to sign the agreement.

E)Consideration, discussion and possible action regarding a Cooperative Law Enforcement Agreement and a Cooperative Law Enforcement Annual Operating Plan and Financial plan between the Humboldt County Sheriff's Office and the USDA Forest Service, Humboldt Toiyabe. Possible authorization for Sheriff to sign. Discussion and possible action.

F)Consideration, discussion and possible action regarding an interlocal agreement between the State of Nevada, acting by and through its Department of Transportation and Humboldt County, acting by and through the Humboldt County Sheriff's Office, for a grant totaling \$30,000 to update/replace the Brazo hardware. The total cost of the project is not to exceed \$30,449 with the cost to the County of \$1,522 (in-kind match) through personnel costs. The funds have been approved by the Federal Highway Safety funding. Discussion and possible action.

15.A. Sheriff

[Liquor Board 3-19-18.pdf](#)

[NRA Grant Award Letter 3-2018.pdf](#)

[MEMO-Waiver Dispatch 3-19-18.pdf](#)

16. OPIOID PRESENTATION BY THE EGLET-PRINCE LAW FIRM (FOR INFORMATION ONLY) - Presentation regarding potential litigation against opioid manufacturers. Mr. Robert Eglet, Senior Partner, and Mr. Robert Adams, Partner Eglet Law. Informational Only.
  - 16.A. Opioid Presentation  
[Veterans for Action Letter-Support Eglet-Prince Lawsuit.pdf](#)
17. COUNTY MANAGER: APPROVAL OF ENGAGEMENT LETTER TO UTILIZE ALLISON-MCKENZIE LAW FIRM FOR LAW ENFORCEMENT NEGOTIATIONS (FOR POSSIBLE ACTION)  
- Consideration, discussion and possible action to approve an engagement letter with Jordan Walsh, Esq., Allison McKenzie Law Firm, to act as lead negotiator for the upcoming Humboldt County Law Enforcement Association negotiations at a cost not to exceed \$10,000. An engagement letter will be presented to the Commission upon approval to enter into an engagement letter. Discussion and possible authorization for Chairman to sign engagement letter.
  - 17.A. Engagement Letter
18. CLOSED SESSION WITH HUMBOLDT COUNTY LEGAL COUNSEL (FOR INFORMATION ONLY) - A presentation and discussion with Humboldt County District Attorney and outside counsel regarding the upcoming Collective Bargaining negotiations scheduled to begin in April. Informational Only.

19. SET TO PUBLIC HEARING: AMENDMENT TO HUMBOLDT CODE REGARDING PERMITTING FEES FOR PHOTOVOLTAIC PROJECTS (FOR POSSIBLE ACTION) - Set to Public Hearing an Ordinance amending Provisions in Humboldt County Code, Title 15 Buildings & Construction, Chapter 15.04 Building Codes, Section 010 International Building Code to include a new Section (I) which will provide that all permits for Photovoltaic production fields with valuations up to \$25,000,000 shall be based on the Table 3-A of the 1991 Uniform Building Code plus an increase of 1 percent (15%) plus 65% plan review fee as prescribed in the 2012 International Building Code; Photovoltaic production fields with a valuation of more than \$25,000,000 shall be set at a standard fee of \$150,000 which includes the plan review fees as prescribed in the 2012 International Building Code and other matters properly related thereto.  
19.A. Set To  
[Solar Project Ordinance Fees 2018.pdf](#)
20. CLERK: APPROVAL OF CONTRACT WITH VOTEC CORPORATION (FOR POSSIBLE ACTION)  
- Consideration , discussion and possible approval of an agreement between Votec Corporation to provide Elections/Voter Registration software in an amount not to exceed \$13,900 in year one and a maintenance fee of \$1800.00 annually. Discussion and possible action.  
20.A. VOTEC  
[7221 Agreement.pdf](#)  
  
[Humboldt County NV VoteSafe Software and Services Contract 20180312.pdf](#)
21. ADMINISTRATOR: RE-APPROVAL OF 2018 COUNTY CALENDAR (FOR POSSIBLE ACTION)  
- Consideration of, discussion, and possible approval of the 2018 County Calendar of Events, including dates for County Commission meetings and other important events. Discussion and Possible Action.  
21.A. Calendar  
[2018 Admin Calendar.pdf](#)
22. FUTURE AGENDA ITEMS
23. PUBLIC COMMENT: - Public Comments: General public comment is designated for discussion only. The public has the opportunity to address the Commission on any matter not appearing on this agenda; however, no action may be taken on a matter raised until the matter itself has been specifically included on the agenda as an item upon which action may be taken.
24. ADJOURNMENT

**NOTICE:** The County Commission may close the meeting to receive information from legal counsel pursuant to Nevada Revised Statutes 241.015

**CERTIFICATE OF POSTING**

PLACES POSTED: Humboldt Co. Courthouse, 50 W. 5th St. Rooms 201, 205, & 207 at \_\_\_\_\_ A.M. By: \_\_\_\_\_  
Humboldt County Library: 85 E. 5th St. at \_\_\_\_\_ A.M. By: \_\_\_\_\_  
County Annex: 4th & Bridge St. at \_\_\_\_\_ A.M. By: \_\_\_\_\_  
Winnemucca City Hall: 4th & Melarkey St. at \_\_\_\_\_ A.M. By: \_\_\_\_\_  
Humboldt County Website: [www.hcnv.us](http://www.hcnv.us) at \_\_\_\_\_ A.M. By: \_\_\_\_\_  
State of Nevada Website: [www.notice.nv.gov](http://www.notice.nv.gov) at \_\_\_\_\_ A.M. By: \_\_\_\_\_

MEETING DATE: March 19, 2018

POSTED BY: \_\_\_\_\_

Karen Bannister, Administrative Assistant

DATE POSTED: March 14, 2018

**NOTE FOR SUPPORTING MATERIAL:** A copy of the supporting material for the meeting may be obtained at Commissioner meeting/agendas on the Humboldt County website: [www.hcnv.us](http://www.hcnv.us) or by contacting Dave Mendiola, County Administrator, at 50 W. Fifth Street, Winnemucca, Nevada 89445, (775) 623-6300

**NOTICE TO PERSONS WITH DISABILITIES** - Reasonable efforts will be made to assist and accommodate physically disabled persons desiring to attend the meeting. Please call the Humboldt County Administrator's Office at 623-6300 in advance so that arrangements may be conveniently made.

**EQUAL OPPORTUNITY NOTICE** - Humboldt County is an Equal Opportunity Employer and will not discriminate against employees or applicants for employment or services in an unlawful manner.

**NON-DISCRIMINATION STATEMENT** - In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should Contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-9339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

- (1) Mail: U.S. Department of Agriculture  
Office of the Assistant Secretary for Civil Rights  
1400 Independence Avenue, SW  
Washington, D.C. 20250-9410;
- (2) fax: (202) 690-7422; or
- (3) email: [program.intake@usda.gov](mailto:program.intake@usda.gov)

USDA is an equal opportunity provider, employer, and lender.

# EXHIBIT F



# EGLET PRINCE

April 4, 2018

**Via Hand Delivery**

Carolyn G. Goodman  
Las Vegas City Council - Mayor  
City of Las Vegas  
495 S. Main Street  
Las Vegas, Nevada 89101

**RECEIVED**

**APR 04 2018**

**Office of the Mayor**

Re: City of Las Vegas Potential Opioid Litigation

Dear Mayor Goodman:

At Councilman Seroke's request, we provided the city clerk with a color copy of the PowerPoint presentation I was led to believe I would be allowed to present today at the city council meeting. In light of my inability to orally give the presentation, I prepared this letter which provides you the content of what I would have said as each of the PowerPoint slides were displayed to you. Looking at the PowerPoint slides in a vacuum without the narrative context I would have given makes them difficult to comprehend. I hope this will assist you in getting the full flavor of the PowerPoint presentation.

- Slide 1: Opioid Epidemic in Las Vegas
- Slide 2: Our communities, our cities, and our country is facing the worst domestic crisis of our generation.
- Slide 3: This crisis was caused by the opioid manufacturers and distributors.
- Slide 4: The opioid manufacturers and distributors had the motive and they had the means to cause this crisis.
- Slide 5: The motive was exorbitant profits.
- Slide 6: The means was prescription opioids.
- Slide 7: And when you add the drug companies' motive to their means, the result is the largest drug epidemic in our country's history.
- Slide 8: Two decades ago, they began the most aggressive pharmaceutical marketing campaign in U.S. history to dupe the American public and the medical community into believing that opioids were safe to prescribe for chronic pain.

4th Floor, 400 South 7th Street, Las Vegas, Nevada 89101  
(702) 450-5400 Fax (702) 450-5451 [www.egletlaw.com](http://www.egletlaw.com)  
Tax I.D. # 46-2057340

Submitted after meeting  
Date 4/4/18 Item 39

- Slide 9: Before the mid 1990's, opioids were only prescribed under 3 very narrow circumstances-
- Slide 10: (1) End of life care for very painful terminal diseases –
- Slide 11: (2) Severe acute injury and pain, but only for short periods, and –
- Slide 12: (3) Very rare and unique cases of extreme chronic pain.
- Slide 13: In the mid 1990's, the opioid drug manufacturers started convincing doctors that opioids should be prescribed for everyday chronic pain because they claimed: -
- Slide 14: (1) That less than 1% of patients would become addicted; -
- Slide 15: (2) That the addiction could be easily managed; and –
- Slide 16: (3) That as long as the patients pain was real, they would not become addicted.
- Slide 17: All of this was a lie.
- Slide 18: In august 2016, the u.s. surgeon general wrote a letter that stated “nearly two decades ago, we were encouraged to be more aggressive about treating pain, often without enough training and support to do so safely. This coincided with heavy marketing of opioids to doctors. Many of us were even taught – incorrectly – that opioids are not addictive when prescribed for legitimate pain.”
- Slide 19: Drug manufacturers know that doctors rely on the information that the drug companies provide.
- Slide 20: So, the opioid manufacturers developed the most aggressive drug marketing scheme ever seen to persuade doctors and patients to use opioids for everyday chronic pain.
- Slide 21: This scheme allowed the opioids to be prescribed to a much larger group of patients, exponentially increasing the size of the market.
- Slide 22: Drug companies spent tens of millions of dollars in marketing to provide false information about the benefits of long term opioid use by:
- Slide 23: (1) Overstating the information about the benefits of opioids for chronic pain;
- Slide 24: (2) Claiming that opioid dependence and withdrawal are easily managed; and -
- Slide 25: (3) Downplaying the risk of addiction.

- Slide 26: unfortunately, their scheme worked. In the last 2 decades, the amount of opioids sold in the U.S. has more than quadrupled.
- Slide 27: Over 300 million prescriptions for opioids were written in 2016.
- Slide 28: That's more opioid prescriptions than the total number of adult Americans.
- Slide 29: There has been a 450% increase in opioid prescription sales since 1999 without any overall change in reported pain.
- Slide 30: Opioids are now the most commonly prescribed medication in the U.S.
- Slide 31: Chances of addiction increased significantly after the 3<sup>rd</sup> day of the prescription.
- Slide 32: As many as 1 in 4 receiving long-term opioid therapy in primary care settings struggle with opioid addiction.
- Slide 33: Fatally injured drivers who tested positive for opioids rose 700% from 1995 to 2015.
- Slide 34: Now, over 2 million people in America are addicted to prescription opioids which is significantly contributing to increased heroin use.
- Slide 35: Nearly 80% of new heroin users took prescription opioids before starting heroin.
- Slide 36: "People addicted to prescription opioids are 40 times more likely to become addicted to heroin."
- Slide 37: And in 2015, there were nearly 13,000 heroin overdose deaths in the U.S.
- Slide 38: The most recent figures from the CDC suggest that over 175 Americans die every day from an opioid overdose.
- Slide 39: Drug overdose deaths are now the leading cause of injury and death in the U.S.
- Slide 40: in 2016 alone, the number of overdose deaths in the U.S. was higher than the number of Americans that died in the Vietnam war.
- Slide 41: And the number of overdose deaths increased in 2017.
- Slide 42: Since 2000, over 340,000 Americans have died from opioid overdoses.
- Slide 43: And, opioid addiction impacts all people, regardless of race, gender, socio-economic background or political affiliation.
- Slide 44: What's very disturbing is that the opioid drug companies targeted our Veterans.

- Slide 45: A book called “exit wounds” published in 2009 was written, sponsored and distributed by an opioid drug company, Purdue pharmaceuticals.
- Slide 46: It was written as a personal narrative of a Veteran.
- Slide 47: It describes opioids as the “gold standard of pain medication” and that it “increases a person’s level of functioning”.
- Slide 48: It also minimizes the risk of opioid addiction.
- Slide 49: The drug company propaganda in, “Exit Wounds” is contrary to scientific and medical evidence.
- Slide 50: According to a published study in the 2013 journal of American medicine, veterans returning from Iraq and Afghanistan who were prescribed opioids had higher incidences of adverse clinical outcomes, overdoses, and self-inflicted injuries.
- Slide 51: Report published in November 2017 by the president’s economic advisory council concluded that –
- Slide 52: In 2015 alone, the estimated economic impact of the opioid crisis was \$504 billion, or 2.8% of the U.S.’s gross domestic product for that same year.
- Slide 53: According to the Nevada substance abuse working group 2017 report, there were “94 painkiller prescriptions for every 100 Nevada residents.
- Slide 54: That’s up from 87.5 per 100 in 2016, 81 per 100 in 2015, and 78.1 in 2013.
- Slide 55: And Nevada ranks  
2<sup>nd</sup> highest for hydrocodone,  
2<sup>nd</sup> highest for oxycodone,  
4<sup>th</sup> highest for methadone, and 7<sup>th</sup> highest for codeine.
- Slide 56: Nevada has the 4<sup>th</sup> highest drug overdose mortality rate in the United States.
- Slide 57: County and city governments and the services they provide their citizens have been strained to the breaking point by this public health crisis.
- Slide 58: Human services, social services, court services, law enforcement services, the office of the coroner/medical examiner and health services, including hospital, emergency and ambulatory services, have all been severely impacted by the crisis.

- Slide 59: From 2013-2015 there were over 1,700 ER visits and over 1,700 inpatient hospitalizations annually for opioid related issues in southern Nevada, costing \$107 million per year.
- Slide 60: \$107 million per year would provide 4,200 people with inpatient treatment at an average-priced 28-day drug rehab facility.
- Slide 61: The drug companies knew their marketing and the way opioids were prescribed was contrary to the scientific and medical evidence.
- Slide 62: And their misrepresentations have been confirmed by the FDA and the CDC.
- Slide 63: The opioid drug distributors are equally responsible and legally liable for the opioid drug epidemic.
- Slide 64: In 1970, Congress enacted the controlled substance act –
- Slide 65: - that created a “closed system” for distribution of controlled substances.
- Slide 66: This law prevents drug manufacturers from selling directly to pharmacies and retailers.
- Slide 67: This law requires that drug distributors act as the “gatekeeper” –
- Slide 68: - between the manufacturer and the pharmacies and retailers.
- Slide 69: Under this law, drug distributors have a legal duty to identify, investigate and report suspicious orders of opioids.
- Slide 70: Suspicious orders include: (1) unusual size of the order; -
- Slide 71: (2) Unusual frequency of the order; and –
- Slide 72: (3) Unusual pattern of the order.
- Slide 73: There are over 800 registered drug distributors in the U.S., -
- Slide 74: - however, only 3 of these companies control 85% of the market.
- Slide 75: “The Big 3” are: (1) McKesson; –
- Slide 76: - (2) Cardinal Health; -
- Slide 77: - and (3) Ameri-Source Bergen.
- Slide 78: For several years, “The Big 3” have failed their gatekeeper duty –



- Slide 79: - because they have not been reporting suspicious opioid orders to the authorities.
- Slide 80: In January 2017, McKesson, the largest drug distributor in the nation, was fined \$150 million dollars by the federal government –
- Slide 81: - for its blatant failure to report suspicious orders in violation of federal law.
- Slide: 82: Cardinal Health, another member of the “Big 3”, was fined \$44 million dollars –
- Slide 83: - for its own failures to report suspicious opioid orders to the DEA.
- Slide 84: Not only have they failed to report, but they continue to ship millions of pills –
- Slide 85: - into U.S. communities, including Nevada communities.
- Slide 86: Each of the “Big 3” opioid distributors generate over \$100 billion in annual revenue.
- Slide 87: The opioid manufacturers and distributors had the motive and the means to cause this crisis –
- Slide 88: - however, our cities, our counties, and our states have the motive and the means to solve the crisis.
- Slide 89: Over 400 lawsuits have been filed by various cities, counties and states around the country.
- Slide 90: Each Nevada city and county is wise to bring its own case to Nevada state courts –
- Slide 91: - because (1) We have a more favorable forum in our state district courts, where jurisdiction for these cases reside –
- Slide 92: - (2) Each city will have more control over the litigation –
- Slide 93: - (3) The city council will have discretion over how settlement proceeds are allocated –
- Slide 94: - and (4) The city is likely to have a larger settlement amount.
- Slide 95: Nevada has the best pharmaceutical liability laws in the country for plaintiffs. For example: -
- Slide 96: Nevada has not adopted the learned intermediary doctrine, which allows the drug companies in many states to simply blame the prescribing doctors –

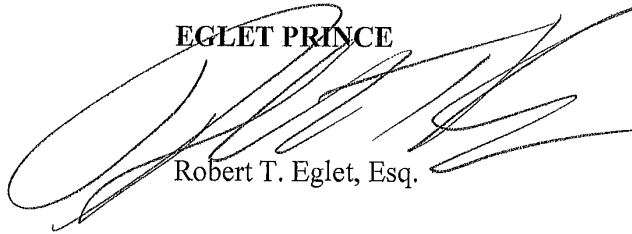
- Slide 97: - and Nevada had no cap on punitive damages in pharmaceutical liability cases.
- Slide 98: Las Vegas should hire outside counsel and file its own case in our state courts.
- Slide 99: Causes of action include: (1) Public nuisance; –
- Slide 100: - (2) Unjust enrichment; –
- Slide 101: - (3) Restitution; –
- Slide 102: - (4) Negligence; and –
- Slide 103: - (5) Engaging in abnormally dangerous activity.
- Slide 104: Damages for Nevada cities include past damages for the money that the city has already expended to combat the opioid epidemic -
- Slide 105: - including EMS and first responders expenses, including Narcan.
- Slide 106: Narcan is a drug that reverses the effects of an opioid overdose.
- Slide 107: The cost of Narcan varies from \$150 to \$4,000 per dose.
- Slide 108: The city is also entitled to recoup expenses for law enforcement and jailing; -
- Slide 109: - drug courts; -
- Slide 110: - substance abuse programs; -
- Slide 111: - increased expenses associate with child welfare; -
- Slide 112: - as well as any other expenses the city has incurred associated with the opioid epidemic.
- Slide 113: Future Damages include: (1) Education; -
- Slide 114: - (2) Drug rehabilitation; -
- Slide 115: - (3) Medical Monitoring for its citizens; -
- Slide 116: - (4) Future costs to continue to provide services and programs associated with the health consequences of the opioid epidemic; -
- Slide 117: - (5) Punitive damages; and -

April 4, 2018  
Page 8 of 8

- Slide 118: - (6) An order restricting future marketing practices.
- Slide 119: The city of Las Vegas is not at risk, nor will any of its resources have to be used to prosecute this case.
- Slide 120: Outside counsel will normally advance all costs for the litigation, work on a contingency fee, and take all the risk.
- Slide 121: Thank you.

Sincerely,

**EGET PRINCE**

A large, stylized handwritten signature in black ink, appearing to read 'Robert T. Eglet', is written over the printed name and title.

Robert T. Eglet, Esq.

# EXHIBIT G

# **OPIOID EPIDEMIC IN NEVADA'S COUNTIES**



## LETTER FROM THE SURGEON GENERAL

August 2016

Dear Colleagues,

I am asking for your help to solve an urgent health crisis facing America: the opioid epidemic. Everywhere I travel, I see communities devastated by opioid overdoses. I meet families too ashamed to seek treatment for addiction. And I will never forget my own patient whose opioid use disorder began with a course of morphine after a routine procedure.

Nearly two decades ago, we were encouraged to be more aggressive about treating pain, often without enough training and support to do so safely. This coincided with heavy marketing of opioids to doctors. Many of us were even taught – incorrectly – that opioids are not addictive when prescribed for legitimate pain.

have a prescription opioid use disorder, contributing to increased heroin use and the spread of HIV and hepatitis C.

I know solving this problem will not be easy. We often struggle to balance reducing our patients' pain with increasing their risk of opioid addiction. But, as clinicians, we have the unique power to help end this epidemic. As cynical as times may seem, the public still looks to our profession for hope during difficult moments. This is one of those times.

That is why I am asking you to pledge your commitment to turn the tide on the opioid crisis. Please take the pledge. Together, we will build a national movement of clinicians to do three things:

First, we will educate ourselves to treat pain safely and effectively. A good place to start is the TurnTheTideRx pocket guide with the CDC Opioid Prescribing Guideline. Second, we will screen our patients for opioid use disorder and provide or connect them with evidence-based treatment. Third, we can shape how the rest of the country sees addiction by talking about and treating it as a chronic illness, not a moral failing.

Years from now, I want us to look back and know that, in the face of a crisis that threatened our nation, it was our profession that stepped up and led the way. I know we can do more than an occupation to us. It is a calling rooted in empathy, science, and compassion that will unite us. They remain our greatest strength.

Thank you for your leadership.



Vivek H. Murthy, M.D., M.B.A.  
19th U.S. Surgeon General

**MORE OPIOID PRESCRIPTIONS  
THAN THE NUMBER OF ADULT  
AMERICANS.**

**400%**

**INCREASE**

**IN OPIOID PRESCRIPTION  
SALES SINCE 1999**

**WITHOUT OVERALL CHANGE IN REPORTED PAIN**

Dear Colleagues,

## LETTER FROM THE SURGEON GENERAL

August 2016

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It is important to recognize that we arrived at this place on a path paved with good intentions. Nearly two decades ago, we were encouraged to be more aggressive about treating pain, often without enough training and support to do so safely. This coincided with heavy marketing of opioids to doctors. Many of us were even taught – incorrectly – that opioids are not addictive when prescribed for legitimate pain.

The results have been devastating. Since 1999, opioid overdose deaths have quadrupled and opioid

Now, nearly 2 million people in America have a prescription opioid use disorder, contributing to increased heroin use

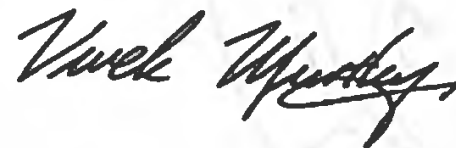
I know solving this problem will not be easy. We often struggle to balance reducing our patients' pain with increasing their risk of opioid addiction. But, as clinicians, we have the unique power to help end this epidemic. As cynical as times may seem, the public still looks to our profession for hope during difficult moments. This is one of those times.

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Thank you for your leadership.



Vivek H. Murthy, M.D., M.B.A.  
19th U.S. Surgeon General



**National Institute  
on Drug Abuse**  
*Advancing Addiction Science*

Prescription opioid use is a risk factor for

## Prescription opioid use is a risk factor for heroin use

Pooling data from 2002 to 2012, the incidence of heroin initiation was 19 times higher among those

In 2008 and 2009 found that 86 percent had used opioid pain relievers nonmedically prior to using heroin, and their initiation into nonmedical use was characterized by three main sources of opioids: family, friends, or personal prescriptions

percent reported that their first opioid use was from a prescription drug. Amongst national-level general population heroin data (including those in and not in treatment), nearly 80 percent of heroin users reported using prescription opioids prior to heroin (Jones, 2013; Muhuri et al., 2013).

- **Nearly 80% of new heroin users took prescription opioids before starting heroin.**
- **In 2015, there were 12,990 heroin overdose deaths in the U.S.**



## FACT SHEET >>>

# OPIOID EPIDEMIC IN SOUTHERN NEVADA

### SCOPE OF THE OPIOID PROBLEM IN SOUTHERN NEVADA

Since 2008, more Clark County residents have died each year from opioid overdoses than firearms or motor vehicle traffic accidents. In 2012-2014, the mortality rate from opioid overdoses in Clark County was almost 70% higher than the national rate.

**"Our nation is struggling with a prescription drug epidemic and we must take advantage of every tool at our disposal to address this public health and safety crisis."**

R. Gil Kerlikowske — Director, White House Office of National Drug Control Policy

Opioids are a class of narcotics prescribed to treat moderate to severe pain.

Common examples include: codeine, morphine, Lortab (hydrocodone), OxyContin (oxycodone). More potent preparations include Dilaudid (hydromorphone) and fentanyl, used for severe pain or for anesthesia. Heroin is an illicit opioid that is procured on the streets. It may be used to supplement or replace prescribed opioids.

### RISK FACTORS

Opioid pain relievers, even when legally prescribed, are highly addictive substances putting consumers at risk for addiction. According to the CDC, there are four major risk factors that make someone particularly vulnerable to prescription opioid abuse and overdose, including:

### COST

The opioid epidemic creates substantial burden on health care utilization and expenditures. In Clark County, opioid use and misuse were implicated in over 1,700 emergency visits and 1,700 inpatient hospitalizations annually 2013-2015.

**\$13 MILLION**  
EMERGENCY DEPT.  
DISCHARGE CHARGES  
(SOUTHERN NEVADA, 2013)



**\$94 MILLION**  
INPATIENT  
DISCHARGE CHARGES  
(SOUTHERN NEVADA, 2013)

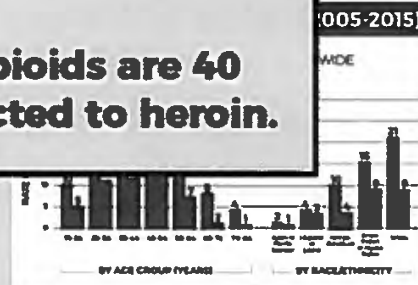
**IS EQUIVALENT TO**

**COST OF PROVIDING MORE THAN 4,200 PEOPLE WITH INPATIENT TREATMENT AT AN AVERAGE-PRICED 30-DAY DRUG AND ALCOHOL REHAB FACILITY**

## FACT

**People addicted to prescription opioids are 40 times more likely to become addicted to heroin.**

Although partial agonists (drugs that only have partial efficacy relative to full agonists, such as buprenorphine) may carry a lower risk of dependence, prescription opioids that are full opioid-receptor agonists (nearly all the products on the market) are no less addictive than heroin.



# Nevada Substance Abuse Working Group 2017 Report



cription drug that was not specifically written for them. Ms. Peek testified that Nevada received a large grant from the Center for Disease and Control (CDC) to aid in prevention efforts. One million dollars will be received through 2019 to help gather drug related abuse data.

October 5, 2016 Meeting

## High Intensity Drug Trafficking Area Report (HIDTA) (Colorado)

94 painkiller prescriptions for every 100 Nevada residents, 1 in 5 high school students self-reported that they had used a prescription drug that was not specifically written for them.

January 15, 2017

Adam Paul Laxalt  
Attorney General  
Chairman

It was 74% higher than the national average. The number of highway patrol interdiction seizures of Colorado Marijuana increased 37% since the recreational use of marijuana was approved. In terms of budget data, medical and recreational revenue only accounted for 0.5% of the budget. In all, there are 424 retail marijuana stores in Colorado compared to 202 McDonald's and 322 Starbucks. DA Jackson testified that it is likely Nevada will see similar increases in marijuana and driving fatalities if recreational marijuana is approved by the voters.

## Report on Recreational Marijuana and its Impact on the State

The Honorable Pat Hickey with Nevadaans for Responsible Drug Policy, testified about the numerous unforeseeable consequences the passage of Initiative Two would have on the state. First, he reported that pursuant to the initiative, schools are third in line to receive funding which will mean they will receive a very small portion of the tax revenue. Second, the language of the petition is nothing to curb the sale, advertisement or use of edible marijuana for youth in Nevada. In Colorado, 45% of marijuana is in edible form. Third, the petition fails to take into account issues in the work force related to testing. Mr. Hickey reported



National Governors Association Policy Academy on  
Prescription Drug Abuse Prevention

Nevada ranks:

- 2nd highest for hydrocodone (Vicodin and Lortab);
- 2nd highest for oxycodone (Percodan and Percocet);
- 4th highest for methadone;
- 7th highest for codeine.

Furthermore, Nevada consistently has some of the highest rates of drug

Heroin-Related Deaths in Nevada, 2009 - 2013

## Nevada has the 4<sup>th</sup> highest drug overdose mortality rate in the United States

was 11.5 per 100,000. There has been a substantial increase in heroin-related deaths in Nevada between 2009 and 2013, with over double the number of cases between those years.

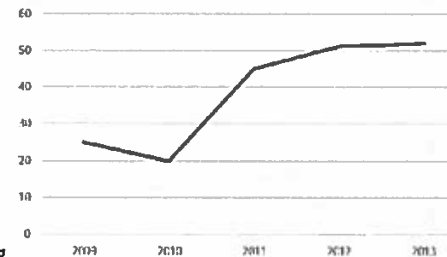
As these data illustrate, Nevada is clearly experiencing problems related to prescription drug abuse despite many efforts to prevent and intervene. It is also clear that progress can only be made by working comprehensively and in partnership. There needs to be a systematic and collaborative effort made across disciplines if Nevada wants to see true change in the state.

As a result of the 2014 NGA Prescription Drug Abuse Reduction Policy Academy, the Governor developed a core team to create a plan that would improve community health by reducing prescription drug abuse by 18% by 2018. To achieve this, the core team's plan would change attitudes and behaviors of Nevadans through better coordinate efforts and statewide leadership. In order to accomplish this, the team will hold two stakeholder meetings in 2015 to solicit feedback from all disciplines to identify current efforts, determine ways to prevent duplication of efforts, and establish an effective statewide leadership role focused on four key areas: education,

5 | Page

Furthermore, Nevada consistently has some of the highest rates of drug overdose mortality in the country. Nevada has the 4<sup>th</sup> highest drug overdose mortality rate in the United States, with 20.7 per 100,000 people suffering drug overdose fatalities, according to a *Prescription Drug Abuse: Strategies to Stop the Epidemic*. According

Heroin-Related Deaths in Nevada, 2009 - 2013



The number of drug overdose deaths - a majority of which are from prescription drugs - in Nevada increased by 80 percent since 1999 those years.

As these data illustrate, Nevada is clearly experiencing problems related to prescription drug abuse despite many efforts to prevent and intervene. It is also clear that progress can only be made by working comprehensively and in partnership. There needs to be a systematic and collaborative effort made across disciplines if Nevada wants to see true change in the state.

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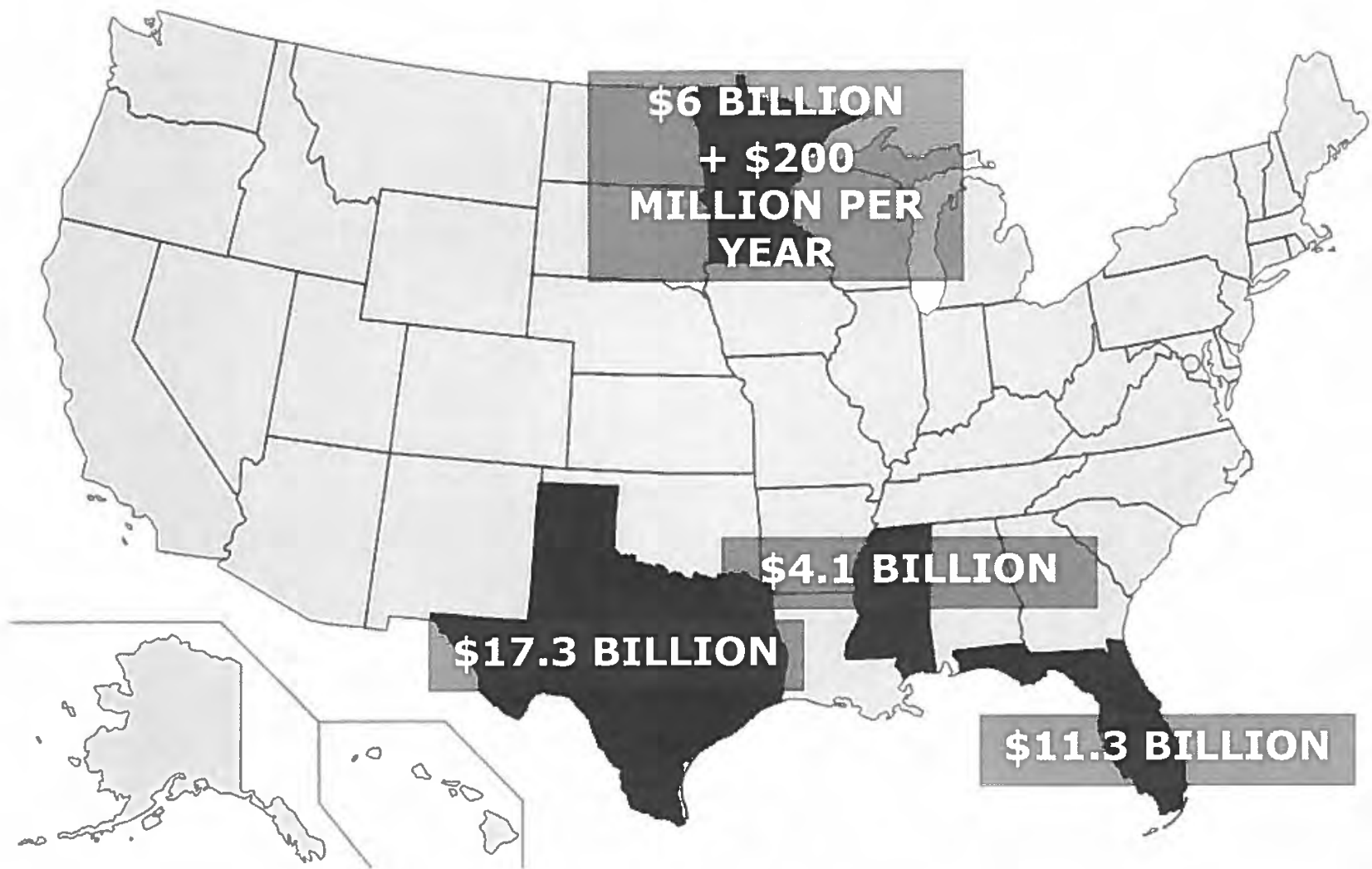


# COUNTIES THAT HAVE ALREADY FILED CIVIL LAWSUITS



# NEVADA RECEIVED LESS IN THE TOBACCO LITIGATION





## PUBLIC HEALTH INTERVENTIONS AND BEST PRACTICES

In 2015, the Nevada legislature passed the Good Samaritan Drug Overdose Act that requires all prescribers to register and query the state prescription drug monitoring program (PDMP), grants protection for those distributing and administering naloxone (e.g., Narcan) to reverse the life-threatening effects of an opioid overdose, and provides immunity for people who witness an overdose and call emergency services.

### CDC GUIDELINES

A comprehensive, evidence-based guideline exists from the Centers for Disease Control and Prevention (<http://www.cdc.gov/drugoverdose/prescribing/guideline.html>) and includes many of the following recommendations covering responsible practices for dealing with the opioid epidemic:

**Recommendation:** Enhance public protection through active evaluation of prescribing behavior.

- Currently, licensing boards lack authority to initiate investigations based on prescribing data alone.
- There is an average of 94 painkiller prescriptions per 100 people in Nevada.
- A higher opioid prescribing rate is linked to an increase

### AN OPIOID ANTAGONIST

Naloxone, also commonly known by the trade name Narcan<sup>®</sup> or EVZIO<sup>®</sup> is an opioid antagonist that rapidly reverses the effects, including respiratory depression, of opioid drugs by competitively occupying the opioid receptor site. Naloxone has been used in healthcare facilities for decades, and it is increasingly being used in community settings as an antidote to opioid overdoses.

**Recommendation:** Establish and consider reimbursement for non-opioid treatments for pain.

- Non-pharmacologic therapies can reduce chronic pain while posing substantially less risk to patients. In some instances, other therapies result in better outcomes than opioids.
- Evidence-based therapies may include: exercise therapy, weight loss, acupuncture, cognitive behavioral therapy, interventions to improve sleep, and other procedures.

**Recommendation:** Reduce the price of naloxone for public insurance (e.g., Medicare, Medicaid) in Nevada.

- Good Samaritan Drug Overdose Act covers the use of

**Price of naloxone (2016): Naloxone varied from \$150-\$4,000 per dose.**

and 63% fewer visits after 1 year compared with patients who did not receive naloxone.

- The American Medical Association (AMA) recommends co-prescribing it is already in practice by many health systems, including the Veteran's Administration.

### FACT

A recent *Health Affairs* article found there is no evidence to support the claim that policies to curb opioid prescribing are leading to heroin overdoses. These policies may in fact reduce the number of people initiating heroin use in the longer term by reducing the number of people exposed to opioids both for use as prescribed and for nonmedical use.

Rev 1/2017

Correspondence for data and citations can be submitted to Jessica Johnson at [johnsorge@snhdmail.org](mailto:johnsorge@snhdmail.org)

This opioid fact sheet is supported by the Southern Nevada Community Health Improvement Plan, a group of over 500 community agencies. Special thanks to the following agency champions:







## EXHIBIT H

ADAM PAUL LAXALT  
*Attorney General*



NICHOLAS A. TRUTANICH  
*Chief of Staff*

KETAN D. BHIRUD  
*General Counsel*

STATE OF NEVADA  
OFFICE OF THE ATTORNEY GENERAL

100 North Carson Street  
Carson City, Nevada 89701

November 8, 2017

Via Electronic Mail: [schieveh@reno.gov](mailto:schieveh@reno.gov)

Hillary Schieve, Mayor  
City of Reno  
1 E. First Street  
City of Reno, Nevada 89501

**Re: City of Reno Potential Opioid Litigation by Contingency  
Plaintiff's Counsel**

Dear Mayor Schieve:

Thank you for your email on November 6, 2017 in response to the Attorney General's Office's inquiry regarding the City of Reno's discussion and presentation concerning potential litigation against the opioid industry. As you know, the State of Nevada, through key stakeholders including the Governor, the Attorney General, and numerous agencies at the State and local levels are committed—like you—to addressing the opioid crisis in Nevada. As we speak, coordinated action is taking place at the appropriate statewide level—to balance and utilize all resources in a manner that benefits all Nevadans, municipalities, counties, and the State.

The opioid epidemic, like fire, recognizes no city, county, or state boundaries; it threatens all residents of Nevada. Governor Sandoval's opioid taskforce has brought public agencies and private organizations together in a manner that demonstrates the unity that has strengthened Nevada from its battle-born inception in 1864. We invite you, in that spirit of strength, to commit to battle Nevada's opioid crisis with our office, in a unified front, not separately.

This is what Nevada law provides. The Legislature granted the Attorney General primary jurisdiction to investigate and litigate deceptive trade practices, claims, and violations. *See* NRS 598. For that reason, among others,

the Office of Attorney General represents all Nevadans in this area. This is doubly true when it comes to bipartisan multistate litigation, where this office is particularly experienced. The Attorney General's Office, through its Bureau of Consumer Protection, has successfully resolved hundreds of deceptive trade practice investigations and lawsuits in Nevada, for the benefit of all Nevadans. These include global resolutions in the National Tobacco Settlement, the National Mortgage Settlement, and, most recently, the Volkswagen Emissions Settlement. In each case, court-ordered injunctive relief stopped deceptive conduct against all Nevadans. And money awarded helped establish programs that continue to benefit constituents statewide, including (i) the Millennium Scholarship, which has been awarded to thousands of Nevada's students, (ii) the Home Again Program, which benefited the entire State during the housing crisis, and (iii) the Prescription for Addiction initiative, which brings together law enforcement, non-profits, and victim-service providers from throughout the State, respectively.

Having one entity – the Office of the Nevada Attorney General – take the lead on deceptive trade cases for the entire State is not only consistent with the longstanding legislative intent of the Nevada's Deceptive Trade Practices Act, but it has ensured that lawyers in our office have developed unrivaled expertise and institutional knowledge to best serve all Nevadans. The law in other states may differ. For instance, Ohio's Deceptive Trade Practices Act expressly allows a "government subdivision," like a city, to bring a deceptive trade practices suit. See <http://codes.ohio.gov/orc/4165>. Likewise, in the State of Washington, recent case law permits cities and counties to sue for deceptive trade practices. Nevada's deceptive trade practices law has no such provision. Therefore, Reno's ability to file a meritorious suit under this statute – the most powerful legal theory available in Nevada – is dubious. See NRS 0.039. Although there may be other novel legal theories available to the City, including public nuisance claims, the consequence of asserting those actions has the potential to harm the bipartisan multistate investigation that is currently underway.

Practically speaking, the Nevada Attorney General has been actively involved in its bipartisan multistate investigation against manufacturers and distributors in the opioid industry for more than a year. Like other multistate investigations, the bipartisan coalition of states involved in this investigation has the resources to handle this type of investigation. Included in the investigation is significant pre-complaint discovery, ongoing review of millions

Hillary Schieve, Mayor  
Page 3  
November 8, 2017

of documents, nationally coordinated subpoenas, and multiple interviews. This coalition has leverage that individual cities, alone, may not. The ultimate goal behind the investigation is to find a global resolution. This would impose injunctive relief to keep the opioid crisis from getting worse, as well as assist with funding to help the State of Nevada as a whole, and each of its residents, municipalities, and counties, address the crisis.

This office commends your determination to protect the futures of the residents of Reno. You are right to consider all possible measures. Your initiative is a credit to all Nevadans.

And of course, we share your goals. That's why we want to tell you that our office is convinced that the City of Reno's initiation of litigation may, unintentionally, undermine Nevada's position in the multistate investigation our office has been actively participating in for over a year. More specifically, we believe that a lawsuit by the City of Reno could thwart our office's ongoing investigation, any potential discussions with opioids manufacturers, and any potential agreements that could uniformly address the opioid crisis in Nevada. We are sure you intend no such consequences, which is what prompts us to write.

Another potential unintended consequence of retaining outside counsel, as you are considering, may be that the City of Reno remains mired in costly litigation long after the Attorney General's Office resolves its claims on behalf of the rest of the State. In other words, this means the City of Reno could be expressly excluded by the targets of the investigation in any settlement with the multistate. Such patchwork litigation has never been attempted in Nevada and I am sure we agree that the stakes are too high to start now. For instance, one danger is that the City of Reno, even if successful in its own behalf, could undermine a full and fair recovery for the rest of the State.

We understand that the City of Reno is concerned about recovery for its constituents, but as public servants we owe it to Nevada's families to speak with one voice. We should avoid actions that would let the companies under investigation pit Nevadans against Nevadans. For that reason, we want to assure you that a full and fair recovery by the Attorney General's Office will vindicate the rights of all Nevadans, stopping deceptive conduct in its tracks and potentially resulting in future funding for statewide programs, just as it has in the past. This will benefit the City of Reno and its residents. We look

Hillary Schieve, Mayor  
Page 4  
November 8, 2017

forward to working with you to maintain a unified front through the ongoing bipartisan multistate investigation into the opioid industry.

Sincerely,

/s/ Adam Paul Laxalt  
Adam Paul Laxalt  
Nevada Attorney General

/s/ Ernest D. Figueroa  
Ernest D. Figueroa  
Nevada Consumer Advocate  
Chief of Consumer Protection



# EXHIBIT I

**DECLARATION OF PAT LUNDVALL**

I, Pat Lundvall, declare under penalty of perjury as follows:

1. I am over the age of 18 years. I have personal knowledge of the facts stated in this declaration. I am competent to testify to these facts.

2. I am an attorney with McDonald Carano LLP. We are co-counsel of record for defendants Endo Health Solutions Inc. and Endo Pharmaceuticals Inc. (collectively, "Endo"). I make this declaration in support of the Reply in Support of Manufacturer Defendants' Joint Motion to Dismiss First Amended Complaint ("Reply").

3. Attached to the Reply as Exhibit B is a true and correct copy of the documentary presentation provided by the law firm Eglet Prince during the March 21, 2018 meeting for the Board of County Commissioners for Churchill County. The documentary presentation was and may be found at <https://churchillconv.civicclerk.com/Web/GenFile.aspx?ad=2849>.

4. On March 11, 2019, I sought an audio recording and requested a transcription from Discovery legal Services, LLC of the audio recording of the March 21, 2018 meeting for the Board of County Commissioners for Churchill County. The audio recording was and may be found at <https://churchillconv.civicclerk.com/Web/Player.aspx?id=653&key=-1&mod=-1&mk=-1&nov=0>. On March 15, 2019, I received the transcript of the audio recording titled "Discussion of Opioids Lawsuit" from Discovery Legal Services, LLC. A true and correct copy of the transcript is attached to the Reply as Exhibit C.

5. Attached to the Reply as Exhibit D is a true and correct copy of the February 15, 2018 Meeting Minutes for the Lyon County Board of County Commissioners. The February 15, 2018 Meeting Minutes for the Lyon County Board of County Commissioners was and may be found by clicking the following link <https://www.lyon-county.org/AgendaCenter> and selecting the year 2018.

6. Attached to the Reply as part of Exhibit E is a true and correct copy of the March 19, 2018 Meeting Minutes for the Board of County Commissioners for Humboldt County. The March 19, 2018 Meeting Minutes for the Board of County Commissioners for Humboldt County was and may be found by clicking the following link <https://www.hcnv.us/AgendaCenter/Board-of-Commissioners-2> and selecting the year 2018.

Dated: May 28, 2019.

  
Pat Lundvall