

**CITY OF ISSAQUAH
City Council Regular Meeting**

7:00 PM
August 11, 2025

MINUTES

Council Chambers, 135 E.
Sunset Way, Issaquah WA

COUNCIL AND ADMINISTRATION ATTENDANCE

Present: Mayor Mary Lou Pauly, Deputy Council President Barbara de Michele, Councilmember Zach Hall, Councilmember Kelly Jiang, Councilmember Russell Joe, Councilmember Tola Marts, Councilmember Chris Reh, and Council President Lindsey Walsh

Excused Absence:

Staff Present: Wally Bobkiewicz, City Administrator; Andrea Snyder, Deputy City Administrator; Rachel Bender Turpin, City Attorney; Cassidy Mueller, Deputy City Clerk

CALL TO ORDER

Mayor Pauly called the meeting to order at 7:00 PM.

PLEDGE OF ALLEGIANCE

Mayor Pauly led the Pledge of Allegiance.

SPECIAL BUSINESS

a) ID 1883 - Recognition of Tina Eggers

Mayor Pauly recognized Tina for her 21 years of service as City Clerk and Chief of Staff to the Mayor.

b) ID 1820 - Informational Update: Economic Development Update

Economic Development Coordinator Jack Pedlow provided the report and introduced incoming Economic Development Manager Alexis Fitzsimmons.

AUDIENCE COMMENTS

The following public comment was provided:

- Steve Pereira, resident, made comments regarding the public comment process.

CONSENT CALENDAR

Items listed were distributed to Councilmembers in advance for study and were enacted with one motion.

It was moved by Council President Walsh, seconded by Council Deputy President de Michele, to approve the consent agenda as presented. Motion Carried (7-0).

a) ID 1796 - Accounts: Payables and Payroll of Aug. 11, 2025, \$8,729,475.98

MOTION: Approved.

b) **Minutes: City Council Regular Meeting, July 21, 2025**

MOTION: Approved.

c) **AB 8960 - Municipal Court Lease Agreement with King County**

MOTION: Authorized the Mayor to enter into and execute the Municipal Court Lease Agreement with King County in substantially the same form as the attached agreement (Exhibit A), as approved by the City Attorney; and authorized the Mayor to enter into a Memorandum of Understanding with the King County Sheriff's Office in a form acceptable to the Mayor and City Attorney.

d) **AB 9035 - Vacation of a Portion of 12th Avenue Northwest**

MOTION: Adopted Ordinance No. 3111, vacating and authorizing the quit claim of a portion of street right-of-way adjacent to property located along the western side of 12th Avenue NW south of Lake Drive, waiving the filing fee, waiving the appraisal fee, waiving the compensation to be paid for such vacation; directing that a copy of this ordinance be recorded with the King County Office of Records and Elections; and establishing an effective date.

e) **AB 9048 - Microsoft Teams Phone Migration Agreement**

MOTION: Authorized the Mayor to enter into and execute a Master Service Agreement (MSA) and Customer Service Order (CSO) with Momentum Telecom, Inc to provide voice telephony service via the Microsoft Teams platform in substantially the same form as the attached agreement (Exhibit A), as approved by the City Attorney.

f) **AB 9049 - NeoGov Contract Renewal**

MOTION: Authorized the Mayor to allow the NEOGOV agreement to continue via automatic annual renewal for a period of up to five (5) additional years, with the option to terminate with at least thirty (30) days written notice, consistent with the terms of the original executed agreement.

g) **AB 9055 - Clean Buildings Incentive Program Contract Extension**

MOTION: Authorized the Mayor to execute an amendment to the MacDonald Miller Facilities Services contract for implementation of the Clean Buildings Incentive Program to extend the contract through December 31, 2025.

REGULAR BUSINESSa) **ID 1903 - Informational Update: Mid-Year Financial Update**

Introduced by Mayor Pauly and presented by Finance Director Kristin Garcia.

b) **ID 1870 - Informational Update: Citywide Work Plan and Capital Projects Second Quarter 2025 Update**

Introduced by Mayor Pauly and presented by Management Analyst Gillian Straub, Utility Engineering Manager Matt Ellis, and Human Resources Director Stephanie Johnson.

- c) **AB 9046 - Interlocal Agreement with Lake Sammamish State Parks for Sports Field Use**
 Introduced by Mayor Pauly and presented by Parks & Community Services Director Jeff Watling.

Councilmember Marts, Chair of the Safety, Services, and Parks Committee, summarized the Committee's recommendation on this item.

It was moved by Councilmember Marts, seconded by Councilmember Reh, to:

MOTION: Authorize the Mayor to enter into an Agreement with Washington State Parks to maintain and manage a portion of the sports fields within Lake Sammamish State Park in a form acceptable to the Mayor and City Attorney for the City.

RESULT:	Carried 7-0
IN FAVOR:	Deputy Council President de Michele, Councilmember Hall, Councilmember Jiang, Councilmember Joe, Councilmember Marts, Councilmember Reh, and Council President Walsh
OPPOSED:	None

- d) **AB 9054 - Naming of East Sunset Way Trailhead to Bill Ramos Trailhead**

It was moved by Council President Walsh, seconded by Deputy Council President de Michele, to:

MOTION: Approve Resolution No. 2025-16, naming the East Sunset Way Trailhead for the late Bill Ramos.

RESULT:	Carried 7-0
IN FAVOR:	Deputy Council President de Michele, Councilmember Hall, Councilmember Jiang, Councilmember Joe, Councilmember Marts, Councilmember Reh, and Council President Walsh
OPPOSED:	None

COMMITTEE / REGIONAL REPORTS

Councilmember Jiang:

King County Cities Climate Collaboration (K4C) Elected Outreach Committee - Made report.

Councilmember Joe:

Greater Issaquah Chamber of Commerce - Announced upcoming meeting.

Cascade Water Alliance Board - August meeting canceled.

Cascade Water Alliance Public Affairs Committee - Announced upcoming meeting.

Lodging Tax Advisory Committee - August meeting canceled. Announced September meeting. Made report.

Councilmember Marts:

Sound Cities Association Public Issues Committee - Made report.

Services, Safety & Parks Committee - Announced upcoming meeting.

Deputy Council President de Michele:

Regional Transit Committee - Made report. The August meeting is canceled. Will bring a letter from regional partners for Council approval regarding FIFA World Cup transportation.

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King County Board of Health - Made report.

Eastside Human Services Forum - Made report. Announced upcoming meeting.

MAYOR'S REPORT

The Mayor reported on the following topics:

- Executive Session: There will be an Executive Session this evening to discuss pending or potential litigation per RCW 42.30.110(1)(i) and this is expected to take 15 minutes.
- Issaquah's Sister Cities Commission Recognized by Sister Cities International for Innovation in Humanitarian Assistance
- Municipal Court Lease for King County District Court Facility
- Upcoming Events: Final Concerts on the Green; Confluence Music Festival

GOOD OF THE ORDER*Mayor Pauly:*

Upcoming Council Meetings - Announced anticipated agenda items.

Council President Walsh:

Sound Cities Association Appointments – Reply to staff and Council President, especially if not planning to reapply.

Farmer's Market – City Council scheduled for Sept. 27 Farmers Market booth. Will coordinate shifts.

Councilmember Joe:

Farmer's Market – Recognized 35th anniversary of the Issaquah Farmers Market.

Councilmember Jiang:

Pickering Barn – Use as a roller-skating rink is a community resource.

Deputy Council President de Michele:

Issaquah Film Festival – Reception well attended. Appreciative to staff and community members supporting and making it happen.

EXECUTIVE SESSION

At 8:50, a 5-minute break was called. At 8:55 PM, Council moved into Executive Session for the purpose of discussing pending/potential litigation per RCW 42.30.110(1)(i). The item was expected to take approximately 15 minutes. The Executive Session was extended by 5 minutes.

- a) **ID 1910 - Executive Session - Pending/Potential Litigation per RCW 42.30.110(1)(i)**

OPEN SESSION

The regular meeting reconvened at 9:14 PM.

- a) **Action following Executive Session**

No action was taken.

ADJOURNMENT

There being no further business to come before the Council, the meeting was adjourned at 9:14 PM.

Mary Lou Pauly, Mayor

T. Cassidy Mueller, Deputy City Clerk



**CITY COUNCIL
AGENDA BILL**

City Council Regular Meeting - Sep 15 2025

NEW
AB 9059 -

Consent Calendar

**Opioid Settlement Agreements: Purdue Pharma &
Generic Manufacturers**

**Proposed Council Action:
Approve**

DEPARTMENT OF	City Clerk's Office Tisha Gieser
OTHER COUNCIL MEETINGS	n/a
COMP PLAN POLICY NOS.	n/a
OTHER POLICIES	n/a
EXHIBITS	A. Allocation Agreement B. Participation Form (Exhibit K to Agreement)
City Attorney Review	Ann Marie Soto
City Attorney Review Date:	August 15, 2025

SUMMARY STATEMENT

Introduction

This agenda bill seeks City Council action to participate in the Purdue Pharma Washington State-Wide Opioid Allocation Agreement by authorizing the Mayor to enter into and execute the required Allocation Agreement and Participation Forms (Exhibits A, B).

Background

Washington State recently entered into an opioid settlement with Purdue Pharma that eligible Washington cities and counties can join. In order to obtain the benefits provided in the agreement, agencies must submit the required participation forms by Sept. 30, 2025.

The City has previously entered into opioid settlement participation agreements with Walmart, Teva, Allergan, CVS, and Walgreens (AB 8548); Johnson & Johnson (AB 8835); and Kroger (AB 8865). The initial lump sum of settlement funds are being used for Human Services Grants for Behavioral Health Programs for 2025-2026. (approx. \$130,000 per year). Use of the remaining annual funds and additional settlements, such as the Purdue Pharma settlement, are still being explored. City staff will be meeting with the Opioid Abatement Council and area cities on September 29, 2025 to discuss other funding possibilities, including regional options.

Proposal

The total Purdue Pharma settlement is \$7.4 billion. The Attorney General's Office estimates Washington state and its local governments will receive as much as \$105.6 million from this settlement over the next 15 years. The rate of Issaquah's share will be allocated in the same manner as past settlements, as listed in the [One Washington MOU](#), provided there is same level of participating cities and counties.

Most of the settlement funds are expected to be distributed in the first three years. The funds must be split evenly between state and local governments and must be used to fund programs that combat the opioid epidemic.

Next Steps

After Council approval is provided, the Administration will execute the required participation forms and file them with the authorized agency.

Financial Information

n/a

Administration's Recommendation

The Administration recommends authorizing the Mayor to enter into and execute the required Allocation Agreement and Settlement Participation Forms in order to participate in the Purdue Bankruptcy, Sacklers and Certain Opioid Manufacturers (Purdue Pharma) State-Wide Opioid Settlement Agreement.

Update

n/a

Alternative(s)

Do not authorize. (Impact: The City will not be eligible to receive funds.)

RECOMMENDATION

Administration / Executive Department:

MOVE TO: Approve and authorize the Mayor to enter into and execute the required Allocation Agreement and Settlement Participation Forms in order to participate in the Purdue Bankruptcy, Sacklers and Certain Opioid Manufacturers (Purdue Pharma) State-Wide Opioid Settlement Agreement.

**WASHINGTON STATE ALLOCATION AGREEMENT GOVERNING THE
ALLOCATION OF FUNDS PAID BY THE PURDUE BANKRUPTCY, SACKLERS,
AND CERTAIN OPIOID MANUFACTURERS**

JULY 24, 2025

This Washington State Allocation Agreement Governing the Allocation of Funds Paid by the Purdue Bankruptcy, Sacklers, and Certain Opioid Manufacturers (the “Allocation Agreement IV”) governs the distribution of funds obtained from (1) the Purdue Bankruptcy and Sackler Direct Claims Settlement, (2) the Alvogen Settlement, (3) the Amneal Settlement, (4) the Apotex Settlement, (5) the Hikma Settlement, (6) the Indivior Settlement, (7) the Mylan Settlement, (8) the Sun Settlement, and (9) the Zydus Settlement in connection with the resolution of any and all claims by the State of Washington and the eligible counties, cities, and towns in Washington State (“Local Governments”) against the Settling Entities defined in the respective Settlement Agreements via the following settlements and bankruptcy plan of reorganization:

- (1) The 13th Amended Joint Chapter 11 Plan of Reorganization of Purdue Pharma L.P. and its Affiliated Debtors (the “Purdue Plan”), including and amendments thereto and all “Plan Documents” as defined therein, if the “Effective Date” as defined therein has occurred; (2) the Master Settlement Agreement By and Among the Master Disbursement Trust, Each of the Parties Listed On Exhibit A Hereto, Each of the Parties Listed on Exhibit B Hereto, the Sackler Parties’ Representative and PR L.P. and any subsequent amendments, and (3) Government Entity & Shareholder Direct Settlement Agreement and any subsequent amendments (collectively, the “Purdue Bankruptcy and Sackler Direct Claims Settlement”).
- Alvogen Settlement Agreement dated April 4, 2025 and any subsequent amendments (“Alvogen Settlement”).
- Amneal Settlement Agreement dated April 4, 2025 and any subsequent amendments (“Amneal Settlement”).
- Apotex Settlement Agreement dated April 4, 2025 and any subsequent amendments (“Apotex Settlement”).
- Hikma Settlement Agreement dated April 4, 2025 and any subsequent amendments (“Hikma Settlement”).
- Indivior Settlement Agreement dated April 4, 2025 and any subsequent amendments (“Indivior Settlement”).
- Mylan Settlement Agreement dated April 4, 2025 and any subsequent amendments (“Mylan Settlement”).
- Sun Settlement Agreement dated April 4, 2025 and any subsequent amendments (“Sun Settlement”).

- Zydus Settlement Agreement dated April 4, 2025 and any subsequent amendments (“Zydus Settlement”)

Collectively, the Purdue Bankruptcy and Sackler Settlement, Alvogen Settlement, Amneal Settlement, Apotex Settlement, Hikma Settlement, Indivior Settlement, Mylan Settlement, Sun Settlement, and the Zydus Settlement shall be referred to as “the Settlements”. The Settlements can be accessed at <https://nationalopioidsettlement.com/> and the Purdue Plan can be accessed at <https://restructuring.ra.kroll.com/purduepharma/Home-DocketInfo?DocAttribute=4218&DocAttrName=PlanDisclosureStatement&MenuID=9013&Attribute=Plan%20%26%20Disclosure%20Statement>. The terms and definitions of each of the respective Settlements are incorporated into this Allocation Agreement IV, and any undefined terms in this Allocation Agreement IV are as defined in the Settlements.

1. This Allocation Agreement IV is intended to be a State-Subdivision Agreement as defined in the Settlements. This Allocation Agreement IV shall be interpreted to be consistent with the requirements of a State-Subdivision Agreement in the Settlements.
2. This Allocation Agreement IV shall become effective with respect to a Settlement only if all of the following occur:
 - A. The State of Washington joins such Settlement and becomes a Settling State as provided for in the respective Settlement and, with respect to the Purdue Bankruptcy and Sackler Settlement the State of Washington votes in favor of the Purdue Plan or does not vote against the Purdue Plan, and does not object to the confirmation of the Purdue Plan.
 - B. Such Settlement becomes final and effective and a Consent Judgment that applies to Washington is filed and approved as provided for in the respective Settlement. For the Purdue Bankruptcy, the “Effective Date” as defined in the Purdue Plan has occurred.
 - C. The number of Local Governments that execute and return this Allocation Agreement IV satisfies the participation requirements for a State-Subdivision Agreement as specified in such Settlement.
3. *Requirements to become a Participating Local Government.* To become a Participating Local Government that can participate in this Allocation Agreement IV with respect to any one of the Settlements, a Local Government must do all of the following:
 - A. The Local Government must execute and return this Allocation Agreement IV.
 - B. The Local Government must do the following:
 - i. Release its claims against the Settling Entities identified in the respective Settlements and agree to be bound by the terms of the

Settlements by timely executing and returning the Participation Form for that Settlement and any other necessary documents.

- ii. Additionally, for the Purdue Bankruptcy and Sackler Direct Claims Settlement, either (1) vote in favor of or (2) abstain from voting on the Chapter 11 Plan of Reorganization of Purdue Pharma L.P. and its Affiliated Debtors, and (3) not object to the confirmation of the Purdue Plan.
- C. Litigating Subdivisions, also referred to as Litigating Local Governments, must dismiss the Settling Entities identified in the respective Settlement with prejudice from their lawsuits.
- D. Each Local Government that is eligible to participate in this Allocation Agreement IV has previously executed and signed the One Washington Memorandum of Understanding Between Washington Municipalities (“MOU”) agreed to by the Participating Local Governments in Washington State, which is attached hereto as Exhibit 1. By executing this Allocation Agreement IV, the Local Government agrees and affirms that the MOU applies to and shall govern the LG Share, as defined below, as modified by this Allocation Agreement IV for each of the Settlements in which the Local Government participates.

A Local Government that meets all of the conditions in this paragraph for any of the Settlements shall be deemed a “Participating Local Government” for that Settlement. A Local Government can be a “Participating Local Government” for less than all of the Settlements. If a Local Government is a Participating Local Government for less than all of the Settlements, the Local Government can only receive a portion of the Washington Abatement Amount for the specific Settlement(s) for which it is a Participating Local Government.

- 4. The allocations set forth in this Allocation Agreement IV apply to the following, all of which collectively shall be referred to as the “Washington Abatement Amount”:
- A. For the Purdue Bankruptcy and Sackler Settlement, all amounts (collectively, “Washington Distributions”) that are apportioned to Washington as Estate Distributions or from the Shareholder Direct Settlement Portion, including, without limitation, those to Washington’s State Fund, Remediation Accounts Fund, Subdivision Fund, Direct Payment, Earned Direct Payment, and Estate Distributions for Washington and all Participating Local Governments for the Purdue Bankruptcy and Sackler Settlement, *provided*, however, that for the purposes of the allocations set forth in this Allocation Agreement IV, Washington Distributions shall not include State’s Fees and Costs (as defined below). This Allocation Agreement IV shall be considered a State-Subdivision