



## Colorado Opioid Abatement Council (COAC)

### Assistance Committee

### Meeting Minutes #24

September 9<sup>th</sup>, 2025 3:00p– 4:00pm

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**Appointees:** *KC Hume, Terry Hofmeister, Racquel Garcia*

**DOL Staff:** *Jamie Feld, Jack Patterson, Christian Dykson*

**Guests:**

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#### Welcome and Introductions

Opioid Response Unit (ORU) staff welcomed attendees and outlined the agenda.

#### Minutes Approval

ORU staff presented minutes from August 2025 meeting for approval:

*Motion to approve the August 2025 meeting minutes by KC Hume*

*Seconded by Terry Hofmeister*

*Unanimously approved.*

#### Community Inquiry Follow-Up

ORU staff provided updates on inquiries received from community members regarding allowable use of opioid settlement funds. One prominent issue discussed was the eligibility of funding for housing-related projects, specifically the Region 10 funded project for Monarch Recovery Homes.

The committee determined that there were no concerns with the specific proposal, and additional details were provided since by the Region to detail the process by which the Region funded this program. ORU staff confirmed with the Committee that the Committee was comfortable with responding to the community member who inquired about this project to communicate the committee's determination. Committee members expressed support for the draft response.

ORU staff noted the importance of closing the loop with concerns raised by the community and thanked the committee for their engagement.

#### Capital Assets

ORU staff shared that the COAC has previously communicated that capital assets are allowable uses of opioid settlement funds so long as the capital asset is used for Approved Purposes. The COAC has also set a restriction specifically for Infrastructure Share funded projects that require any capital asset financed with opioid settlement funds must be used for a minimum of 7 years for Approved Purposes.

ORU staff noted that this restriction only applies to the Infrastructure Share at this time, and there isn't any current restriction for Regions. As seen with Region 10, Regions are taking different approaches with regard to investing in capital assets.

Region 5 has shared with the Council that they funded a withdrawal management facility that closed within 9 months of opening. The Region was able to be reimbursed for a portion of the funds awarded as the awardee did not complete the terms of the contract with the Region to provide services for 2 years.

ORU staff noted that this highlights potential risks of opioid settlement funds when invested in capital assets, as it's possible that a funded asset may not be used for Approved Purposes for a sufficient amount of time.

Region 3 reached out to ask about using funds to fund a down payment for a recovery sober living home. ORU's initial interpretation is that this would be allowable, as the COAC has funded similar costs for sober living through the Infrastructure Share.

ORU staff noted that the COAC may consider wanting to make additional recommendations to Regions and local governments when investing in capital assets.

Committee members acknowledged the risks associated with capital assets, but noted the importance of ensuring that no unreasonable obstacles are created to prevent local governments and regions from funding critical capital asset projects in their communities. Members noted the unique opportunity these funds create to fund projects that may not be fundable with other sources and recommended including language about the value of investing in capital assets in any responses. Members also emphasized the importance of sustainability planning and involving the community in planning for service implementation.

ORU staff committed to further researching the current lay of the land for capital asset investments with Regions and Local Governments to identify successful strategies to develop potential recommendations from the COAC around capital assets.

### **FAQ Development**

ORU staff shared that work is ongoing on a Frequently Asked Questions (FAQ) document compiled from recent technical assistance sessions and applicant inquiries.

ORU staff noted that a question regarding allowability of putting funds aside for emergency operations has come up. For Regions, they are required to indicate how they plan to spend funds within a 2-year plan, so they may be a challenge from a compliance standpoint as these funds are specifically being set aside for potential spending, not committed spending.

Committee members noted that the primary concern was to ensure funds were used for Approved Purposes, noting that Regions may rollover funds as necessary to subsequent 2-year plans if the emergency funding is not expended.

ORU staff committed to bringing the discussion around emergency funding back for further discussion in COAC committees.

### **Indirect Costs**

ORU staff shared that questions had been raised by Regions regarding indirect costs, specifically how they are distinct from Administrative costs. ORU staff shared that to date the COAC has not delineated Administrative and Indirect costs in Infrastructure Share, but Admin Committee has agreed that they should make these distinct moving forward. The MOU and national settlements are silent as it relates to indirect costs, but the Administrative Committee agreed that indirect costs are an allowable sub-cost of Approved Purpose spending.

Draft language delineating administrative and indirect costs was shared with the Committee for review and feedback. ORU staff shared that a tentative 10% cap on indirect costs for the Infrastructure Share is being proposed. ORU staff noted that administrative costs are more limited per the terms of the MOU, while indirect costs would cover broader operational costs incurred by entities as a result of expending opioid settlement funds.

Committee members noted the importance of allowing for indirect costs as they are actual operational costs incurred by entities.

ORU staff that further discussion would be had at the October COAC meeting to make determinations regarding the upcoming Infrastructure Share launch.

### **Opioid Response Unit Updates**

ORU staff shared that they are currently doing outreach to local governments to collect signature forms for the Purdue and Secondary manufacturer settlements, as well as focused on preparing for the October 27th conference.

### **Public Comment**

ORU staff opened the floor for public comment. No public comments were made.

### **Adjourn**