

PROFESSIONAL CONSULTANT SERVICES AGREEMENT

HINDERLITER, DE LLAMAS & ASSOCIATES

Cannabis Management Services

THIS PROFESSIONAL CONSULTANT SERVICES AGREEMENT ("Agreement") is made and entered into this 15 day of February, 2022 ("Effective Date"), by and between the CITY OF RIVERSIDE, a California charter city and municipal corporation ("City"), and HINDERLITER, DE LLAMAS & ASSOCIATES, a California corporation ("Consultant").

1. **Scope of Services.** City agrees to retain and does hereby retain Consultant and Consultant agrees to provide the services more particularly described in Exhibit "A," "Scope of Services" ("Services"), attached hereto and incorporated herein by reference, in conjunction with Cannabis Management Services ("Project").

2. **Term.** This Agreement shall be effective on the date first written above and shall remain in effect for one (1) year from the Effective Date of this Agreement, with a single option to extend for an additional two (2) year term, unless otherwise terminated pursuant to the provisions herein.

3. **Compensation/Payment.** Consultant shall perform the Services under this Agreement for the total sum not to exceed Twenty-Five Thousand Dollars (\$25,000.00), payable in accordance with the terms set forth in Exhibit "B." Said payment shall be made in accordance with City's usual accounting procedures upon receipt and approval of an itemized invoice setting forth the services performed. The invoices shall be delivered to City at the address set forth in Section 4 hereof.

4. **Notices.** Any notices required to be given, hereunder shall be in writing and shall be personally served or given by mail. Any notice given by mail shall be deemed given when deposited in the United States Mail, certified and postage prepaid, addressed to the party to be served as follows:

To City

Finance Department
City of Riverside
Attn: Edward Enriquez
3900 Main Street
Riverside, CA 92522

To Consultant

Hinderliter, DeLlamas & Associates
Attn: David McPherson
120 S. State College Blvd., Suite 200
Brea, CA 92821

5. **Prevailing Wage.** If applicable, Consultant and all subcontractors are required to pay the general prevailing wage rates of per diem wages and overtime and holiday wages determined by the Director of the Department of Industrial Relations under Section 1720 et seq. of the California Labor Code and implemented by Resolution No. 13346 of the City Council of the City of Riverside. The Director's determination is available on-line at www.dir.ca.gov/dlsr/DPreWageDetermination.htm and is referred to and made a part hereof; the wage rates therein ascertained, determined, and specified are referred to and made a part hereof as though fully set forth herein.

6. **Contract Administration.** A designee of the City will be appointed in writing by the City Manager or Department Director to administer this Agreement on behalf of City and shall be referred to herein as Contract Administrator.

7. **Standard of Performance.** While performing the Services, Consultant shall exercise the reasonable professional care and skill customarily exercised by reputable members of Consultant's profession practicing in the Metropolitan Southern California Area, and shall use reasonable diligence and best judgment while exercising its professional skill and expertise.

8. **Personnel.** Consultant shall furnish all personnel necessary to perform the Services and shall be responsible for their performance and compensation. Consultant recognizes that the qualifications and experience of the personnel to be used are vital to professional and timely completion of the Services. The key personnel listed in Exhibit "C" attached hereto and incorporated herein by this reference and assigned to perform portions of the Services shall remain assigned through completion of the Services, unless otherwise mutually agreed by the parties in writing, or caused by hardship or resignation in which case substitutes shall be subject to City approval.

9. **Assignment and Subcontracting.** Neither party shall assign any right, interest, or obligation in or under this Agreement to any other entity without prior written consent of the other party. In any event, no assignment shall be made unless the assignee expressly assumes the obligations of assignor under this Agreement, in a writing satisfactory to the parties. Consultant acknowledges that any assignment may, at the City's sole discretion, require City Manager and/or City Council approval. Consultant shall not subcontract any portion of the work required by this Agreement without prior written approval by the responsible City Contract Administrator. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement, including without limitation, the insurance obligations set forth in Section 12. The Consultant acknowledges and agrees that the City is an intended beneficiary of any work performed by any subcontractor for purposes of establishing a duty of care between any subcontractor and the City.

10. **Independent Contractor.** In the performance of this Agreement, Consultant, and Consultant's employees, subcontractors and agents, shall act in an independent capacity as independent contractors, and not as officers or employees of the City of Riverside. Consultant acknowledges and agrees that the City has no obligation to pay or withhold state or federal taxes or to provide workers' compensation or unemployment insurance to Consultant, or to Consultant's employees, subcontractors and agents. Consultant, as an independent contractor, shall be responsible for any and all taxes that apply to Consultant as an employer.

11. Indemnification.

11.1 Design Professional Defined. For purposes of this Agreement, “Design Professional” includes the following:

- A. An individual licensed as an architect pursuant to Chapter 3 (commencing with Section 5500) of Division 3 of the Business and Professions Code, and a business entity offering architectural services in accordance with that chapter.
- B. An individual licensed as a landscape architect pursuant to Chapter 3.5 (commencing with Section 5615) of Division 3 of the Business and Professions Code, and a business entity offering landscape architectural services in accordance with that chapter.
- C. An individual registered as a professional engineer pursuant to Chapter 7 (commencing with Section 6700) of Division 3 of the Business and Professions Code, and a business entity offering professional engineering services in accordance with that chapter.
- D. An individual licensed as a professional land surveyor pursuant to Chapter 15 (commencing with Section 8700) of Division 3 of the Business and Professions Code, and a business entity offering professional land surveying services in accordance with that chapter.

11.2 Defense Obligation For Design Professional Liability. Consultant agrees, at its cost and expense, to promptly defend the City, and the City’s employees, officers, managers, agents and council members (collectively the “Parties to be Defended”) from and against any and all claims, allegations, lawsuits, arbitration proceedings, administrative proceedings, regulatory proceedings, or other legal proceedings to the extent the same arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of Consultant, or anyone employed by or working under the Consultant or for services rendered to the Consultant in the performance of the Agreement, notwithstanding that the City may have benefited from its work or services and whether or not caused in part by the negligence of an Indemnified Party. Consultant agrees to provide this defense immediately upon written notice from the City, and with well qualified, adequately insured and experienced legal counsel acceptable to City. Consultant will reimburse City for reasonable defense costs for claims arising out of Consultant’s professional negligence based on the percentage of Consultant’s liability. This obligation to defend as set forth herein is binding on the successors, assigns and heirs of Consultant and shall survive the termination of Consultant’s Services under this Agreement.

11.3 Indemnity For Design Professional Liability. When the law establishes a professional standard of care for Consultant’s services, to the fullest extent permitted by law, Consultant shall indemnify, protect and hold harmless the City and the City’s employees, officers, managers, agents, and Council Members (“Indemnified Parties”) from and against any and all claim for damage, charge, lawsuit, action, judicial, administrative, regulatory or arbitration proceeding, damage, cost, expense (including counsel and expert fees), judgment, civil fines and penalties,

liabilities or losses of any kind or nature whatsoever to the extent the same arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of Consultant, or anyone employed by or working under the Consultant or for services rendered to the Consultant in the performance of the Agreement, notwithstanding that the City may have benefited from its work or services and whether or not caused in part by the negligence of an Indemnified Party.

11.4 Defense Obligation For Other Than Design Professional Liability.

Consultant agrees, at its cost and expense, to promptly defend the City, and the City's employees, officers, managers, agents and council members (collectively the "Parties to be Defended") from and against any and all claims, allegations, lawsuits, arbitration proceedings, administrative proceedings, regulatory proceedings, or other legal proceedings which arise out of, or relate to, or are in any way connected with: 1) the Services, work, activities, operations, or duties of the Consultant, or of anyone employed by or working under the Consultant, or 2) any breach of the Agreement by the Consultant. This duty to defend shall apply whether or not such claims, allegations, lawsuits or proceedings have merit or are meritless, or which involve claims or allegations that any or all of the Parties to be Defended were actively, passively, or concurrently negligent, or which otherwise assert that the Parties to be Defended are responsible, in whole or in part, for any loss, damage or injury. Consultant agrees to provide this defense immediately upon written notice from the City, and with well qualified, adequately insured and experienced legal counsel acceptable to City. This obligation to defend as set forth herein is binding on the successors, assigns and heirs of Consultant and shall survive the termination of Consultant's Services under this Agreement.

11.5 Indemnity For Other Than Design Professional Liability. Except as to the sole negligence or willful misconduct of the City, Consultant agrees to indemnify, protect and hold harmless the Indemnified Parties from and against any claim for damage, charge, lawsuit, action, judicial, administrative, regulatory or arbitration proceeding, damage, cost, expense (including counsel and expert fees), judgment, civil fine and penalties, liabilities or losses of any kind or nature whatsoever whether actual, threatened or alleged, which arise out of, pertain to, or relate to, or are a consequence of, or are attributable to, or are in any manner connected with the performance of the Services, work, activities, operations or duties of the Consultant, or anyone employed by or working under the Consultant or for services rendered to Consultant in the performance of this Agreement, notwithstanding that the City may have benefited from its work or services. This indemnification provision shall apply to any acts, omissions, negligence, recklessness, or willful misconduct, whether active or passive, on the part of the Consultant or anyone employed or working under the Consultant.

12. Insurance.

12.1 General Provisions. Prior to the City's execution of this Agreement, Consultant shall provide satisfactory evidence of, and shall thereafter maintain during the term of this Agreement, such insurance policies and coverages in the types, limits, forms and ratings required herein. The rating and required insurance policies and coverages may be modified in writing by the City's Risk Manager or City Attorney, or a designee, unless such modification is prohibited by law.

12.1.1 Limitations. These minimum amounts of coverage shall not constitute any limitation or cap on Consultant's indemnification obligations under Section 11 hereof.

12.1.2 **Ratings.** Any insurance policy or coverage provided by Consultant or subcontractors as required by this Agreement shall be deemed inadequate and a material breach of this Agreement, unless such policy or coverage is issued by insurance companies authorized to transact insurance business in the State of California with a policy holder's rating of A or higher and a Financial Class of VII or higher.

12.1.3 **Cancellation.** The policies shall not be canceled unless thirty (30) days' prior written notification of intended cancellation has been given to City by certified or registered mail, postage prepaid.

12.1.4 **Adequacy.** The City, its officers, employees and agents make no representation that the types or limits of insurance specified to be carried by Consultant pursuant to this Agreement are adequate to protect Consultant. If Consultant believes that any required insurance coverage is inadequate, Consultant will obtain such additional insurance coverage as Consultant deems adequate, at Consultant's sole expense.

12.2 **Workers' Compensation Insurance.** By executing this Agreement, Consultant certifies that Consultant is aware of and will comply with Section 3700 of the Labor Code of the State of California requiring every employer to be insured against liability for workers' compensation, or to undertake self-insurance before commencing any of the work. Consultant shall carry the insurance or provide for self-insurance required by California law to protect said Consultant from claims under the Workers' Compensation Act. Prior to City's execution of this Agreement, Consultant shall file with City either 1) a certificate of insurance showing that such insurance is in effect, or that Consultant is self-insured for such coverage, or 2) a certified statement that Consultant has no employees, and acknowledging that if Consultant does employ any person, the necessary certificate of insurance will immediately be filed with City. Any certificate filed with City shall provide that City will be given ten (10) days' prior written notice before modification or cancellation thereof.

12.3 **Commercial General Liability and Automobile Insurance.** Prior to City's execution of this Agreement, Consultant shall obtain, and shall thereafter maintain during the term of this Agreement, commercial general liability insurance and automobile liability insurance as required to insure Consultant against damages for personal injury, including accidental death, as well as from claims for property damage, which may arise from or which may concern operations by anyone directly or indirectly employed by, connected with, or acting for or on behalf of Consultant. The City, and its officers, employees and agents, shall be named as additional insureds under the Consultant's insurance policies.

12.3.1 Consultant's commercial general liability insurance policy shall cover both bodily injury (including death) and property damage (including, but not limited to, premises operations liability, products-completed operations liability, independent contractor's liability, personal injury liability, and contractual liability) in an amount not less than \$1,000,000 per occurrence and a general aggregate limit in the amount of not less than \$2,000,000.

12.3.2 Consultant's automobile liability policy shall cover both bodily injury and property damage in an amount not less than \$1,000,000 per occurrence and an aggregate limit of not less than \$1,000,000. All of Consultant's automobile and/or commercial general liability

insurance policies shall cover all vehicles used in connection with Consultant's performance of this Agreement, which vehicles shall include, but are not limited to, Consultant owned vehicles, Consultant leased vehicles, Consultant's employee vehicles, non-Consultant owned vehicles and hired vehicles.

12.3.3 Prior to City's execution of this Agreement, copies of insurance policies or original certificates along with additional insured endorsements acceptable to the City evidencing the coverage required by this Agreement, for both commercial general and automobile liability insurance, shall be filed with City and shall include the City and its officers, employees and agents, as additional insureds. Said policies shall be in the usual form of commercial general and automobile liability insurance policies, but shall include the following provisions:

It is agreed that the City of Riverside, and its officers, employees and agents, are added as additional insureds under this policy, solely for work done by and on behalf of the named insured for the City of Riverside.

12.3.4 The insurance policy or policies shall also comply with the following provisions:

- a. The policy shall be endorsed to waive any right of subrogation against the City and its sub-consultants, employees, officers and agents for services performed under this Agreement.
- b. If the policy is written on a claims made basis, the certificate should so specify and the policy must continue in force for one year after completion of the services. The retroactive date of coverage must also be listed.
- c. The policy shall specify that the insurance provided by Consultant will be considered primary and not contributory to any other insurance available to the City and Endorsement No. CG 20010413 shall be provided to the City.

12.4 **Errors and Omissions Insurance.** Prior to City's execution of this Agreement, Consultant shall obtain, and shall thereafter maintain during the term of this Agreement, errors and omissions professional liability insurance in the minimum amount of \$1,000,000 to protect the City from claims resulting from the Consultant's activities.

12.5 **Subcontractors' Insurance.** Consultant shall require all of its subcontractors to carry insurance, in an amount sufficient to cover the risk of injury, damage or loss that may be caused by the subcontractors' scope of work and activities provided in furtherance of this Agreement, including, but without limitation, the following coverages: Workers Compensation, Commercial General Liability, Errors and Omissions, and Automobile liability. Upon City's request, Consultant shall provide City with satisfactory evidence that Subcontractors have obtained insurance policies and coverages required by this section.

13. **Business Tax.** Consultant understands that the Services performed under this Agreement constitutes doing business in the City of Riverside, and Consultant agrees that Consultant will register for and pay a business tax pursuant to Chapter 5.04 of the Riverside Municipal Code and keep such tax certificate current during the term of this Agreement.

14. **Time of Essence.** Time is of the essence for each and every provision of this Agreement.

15. **City's Right to Employ Other Consultants.** City reserves the right to employ other Consultants in connection with the Project. If the City is required to employ another consultant to complete Consultant's work, due to the failure of the Consultant to perform, or due to the breach of any of the provisions of this Agreement, the City reserves the right to seek reimbursement from Consultant.

16. **Accounting Records.** Consultant shall maintain complete and accurate records with respect to costs incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

17. **Confidentiality.** All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other materials either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant, except as otherwise directed by City's Contract Administrator. Nothing furnished to Consultant which is otherwise known to the Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use City's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production, website, or other similar medium without the prior written consent of the City. This provision shall survive the expiration or termination of this Agreement.

18. **Ownership of Documents.** All reports, maps, drawings and other contract deliverables prepared under this Agreement by Consultant shall be and remain the property of City. Consultant shall not release to others information furnished by City without prior express written approval of City. This provision shall survive the expiration or termination of this Agreement.

19. **Copyrights.** Consultant agrees that any work prepared for City which is eligible for copyright protection in the United States or elsewhere shall be a work made for hire. If any such work is deemed for any reason not to be a work made for hire, Consultant assigns all right, title and interest in the copyright in such work, and all extensions and renewals thereof, to City, and agrees to provide all assistance reasonably requested by City in the establishment, preservation and enforcement of its copyright in such work, such assistance to be provided at City's expense but without any additional compensation to Consultant. Consultant agrees to waive all moral rights relating to the work developed or produced, including without limitation any and all rights of identification of authorship and any and all rights of approval, restriction or limitation on use or

subsequent modifications. This provision shall survive the expiration or termination of this Agreement.

20. **Conflict of Interest.** Consultant, for itself and on behalf of the individuals listed in Exhibit "C," represents and warrants that by the execution of this Agreement, they have no interest, present or contemplated, in the Project affected by the above-described Services. Consultant further warrants that neither Consultant, nor the individuals listed in Exhibit "C" have any real property, business interests or income interests that will be affected by this project or, alternatively, that Consultant will file with the City an affidavit disclosing any such interest.

21. **Solicitation.** Consultant warrants that Consultant has not employed or retained any person or agency to solicit or secure this Agreement, nor has it entered into any agreement or understanding for a commission, percentage, brokerage, or contingent fee to be paid to secure this Agreement. For breach of this warranty, City shall have the right to terminate this Agreement without liability and pay Consultant only for the value of work Consultant has actually performed, or, in its sole discretion, to deduct from the Agreement price or otherwise recover from Consultant the full amount of such commission, percentage, brokerage or commission fee. The remedies specified in this section shall be in addition to and not in lieu of those remedies otherwise specified in this Agreement.

22. **General Compliance With Laws.** Consultant shall keep fully informed of federal, state and local laws and ordinances and regulations which in any manner affect those employed by Consultant, or in any way affect the performance of services by Consultant pursuant to this Agreement. Consultant shall at all times observe and comply with all such laws, ordinances and regulations, and shall be solely responsible for any failure to comply with all applicable laws, ordinances and regulations. Consultant represents and warrants that Consultant has obtained all necessary licenses to perform the Scope of Services and that such licenses are in good standing. Consultant further represents and warrants that the services provided herein shall conform to all ordinances, policies and practices of the City of Riverside.

23. **Waiver.** No action or failure to act by the City shall constitute a waiver of any right or duty afforded City under this Agreement, nor shall any such action or failure to act constitute approval of or acquiescence in any breach thereunder, except as may be specifically, provided in this Agreement or as may be otherwise agreed in writing.

24. **Amendments.** This Agreement may be modified or amended only by a written agreement and/or change order executed by the Consultant and City.

25. **Termination.** City, by notifying Consultant in writing, shall have the right to terminate any or all of Consultant's services and work covered by this Agreement at any time. In the event of such termination, Consultant may submit Consultant's final written statement of the amount of Consultant's services as of the date of such termination based upon the ratio that the work completed bears to the total work required to make the report complete, subject to the City's rights under Sections 15 and 26 hereof. In ascertaining the work actually rendered through the termination date, City shall consider completed work, work in progress and complete and incomplete reports and other documents only after delivered to City.

25.1 Other than as stated below, City shall give Consultant thirty (30) days' prior written notice prior to termination.

25.2 City may terminate this Agreement upon fifteen (15) days' written notice to Consultant, in the event:

25.2.1 Consultant substantially fails to perform or materially breaches the Agreement; or

25.2.2 City decides to abandon or postpone the Project.

26. **Offsets.** Consultant acknowledges and agrees that with respect to any business tax or penalties thereon, utility charges, invoiced fee or other debt which Consultant owes or may owe to the City, City reserves the right to withhold and offset said amounts from payments or refunds or reimbursements owed by City to Consultant. Notice of such withholding and offset, shall promptly be given to Consultant by City in writing. In the event of a dispute as to the amount owed or whether such amount is owed to the City, City will hold such disputed amount until either the appropriate appeal process has been completed or until the dispute has been resolved.

27. **Successors and Assigns.** This Agreement shall be binding upon City and its successors and assigns, and upon Consultant and its permitted successors and assigns, and shall not be assigned by Consultant, either in whole or in part, except as otherwise provided in paragraph 9 of this Agreement.

28. **Venue.** Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in the Superior Court, County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county. In the event either party hereto shall bring suit to enforce any term of this Agreement or to recover any damages for and on account of the breach of any term or condition of this Agreement, it is mutually agreed that each party will bear their own attorney's fees and costs.

29. **Nondiscrimination.** During Consultant's performance of this Agreement, Consultant shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical disability, mental disability, medical condition, including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sex, genetic information, gender, gender identity, gender expression, or sexual orientation, military and veteran status, in the selection and retention of employees and subcontractors and the procurement of materials and equipment, except as provided in Section 12940 of the California Government Code. Further, Consultant agrees to conform to the requirements of the Americans with Disabilities Act in the performance of this Agreement.

30. **Severability.** Each provision, term, condition, covenant and/or restriction, in whole and in part, of this Agreement shall be considered severable. In the event any provision, term, condition, covenant and/or restriction, in whole and/or in part, of this Agreement is declared invalid, unconstitutional, or void for any reason, such provision or part thereof shall be severed from this Agreement and shall not affect any other provision, term, condition, covenant and/or restriction of this Agreement, and the remainder of the Agreement shall continue in full force and effect.

31. **Authority.** The individuals executing this Agreement and the instruments referenced herein on behalf of Consultant each represent and warrant that they have the legal power, right and actual authority to bind Consultant to the terms and conditions hereof and thereof.

32. **Entire Agreement.** This Agreement constitutes the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the subject matter of this Agreement, and supersedes all prior and contemporaneous understandings or agreements of the parties. Neither party has been induced to enter into this Agreement by and neither party is relying on, any representation or warranty outside those expressly set forth in this Agreement.

33. **Interpretation.** City and Consultant acknowledge and agree that this Agreement is the product of mutual arms-length negotiations and accordingly, the rule of construction, which provides that the ambiguities in a document shall be construed against the drafter of that document, shall have no application to the interpretation and enforcement of this Agreement.

33.1 Titles and captions are for convenience of reference only and do not define, describe or limit the scope or the intent of the Agreement or any of its terms. Reference to section numbers, are to sections in the Agreement unless expressly stated otherwise.

33.2 This Agreement shall be governed by and construed in accordance with the laws of the State of California in effect at the time of the execution of this Agreement.

33.3 In the event of a conflict between the body of this Agreement and Exhibit "A" - Scope of Services hereto, the terms contained in Exhibit "A" shall be controlling.

34. **Exhibits.** The following exhibits attached hereto are incorporated herein to this Agreement by this reference:

Exhibit "A" - Scope of Services


Exhibit "B" - Compensation

Exhibit "C" - Key Personnel

IN WITNESS WHEREOF, City and Consultant have caused this Agreement to be duly executed the day and year first above written.

CITY OF RIVERSIDE, a California
charter city and municipal corporation

HINDERLITER, DE LLAMAS &
ASSOCIATES, a California corporation

By: 
Al Zelinka (Feb 14, 2022 13:55 PST)
City Manager

By: *R. Andrew Nickerson*
R. Andrew Nickerson (Jan 18, 2022 16:23 PST)

R. Andrew Nickerson

[Printed Name] President/CEO


[Title]

Attest: *Eva Araso*
City Clerk

Certified as to Availability of Funds:

By: *Richard Park*

Richard Park

By: 
Chief Financial Officer

[Printed Name]
CFO

[Title]

Approved as to Form:


By: 
Senior Deputy City Attorney

EXHIBIT “A”

SCOPE OF SERVICES

II. PROPOSED SCOPE OF SERVICES

Section 19.342.010 of the Riverside Municipal Code (RMC) establishes a prohibition on all commercial and non-commercial cannabis processing, delivery, cultivation, sale and distribution within the City. This prohibition specifically exempts cannabis testing laboratories, which are allowed and regulated under Chapter 5.77; Cannabis Testing Laboratories.

The City anticipates that there may be interest in re-examining the current prohibition on other cannabis business types over the course of the next year, and is seeking technical assistance and subject matter expertise to help guide discussion and consideration of options for amending the current ordinance to allow, permit and regulate additional cannabis business types, as well as developing a cannabis tax measure to be placed before the voters as a means of generating additional revenues for the City.

To aid in this discussion, City staff is requesting a scope of work from HdL to provide attendance and support at a number of public meetings or workshops, to develop a draft cannabis regulatory ordinance, cannabis tax ordinance and associated ballot measure, and to provide additional hours of technical assistance and subject matter expertise to be used as needed or requested by the City. These objectives are described in more detail below.

Objective 1: Attendance, Support or Presentations at Meetings or Workshops

HdL shall provide attendance or presentations at up to 5 meetings or workshops to help inform discussion and development of a potential cannabis ordinance and associated regulatory program, as well as cannabis tax measure to be placed before the voters. It is anticipated that this objective may include attendance and support at a number of meetings of the City Council to provide policy direction, to review the draft regulatory ordinance, and to discuss a cannabis tax measure, as well as support at a Planning Commission hearing and attendance at a public workshop to gather input or to present the draft regulatory and tax program to the community.

- A presentation at a public meeting of the City Council to provide an overview of what a regulated cannabis industry might look like for the City, including revenue projections. This meeting would also provide an opportunity for the City Council to provide policy direction to staff for development of a regulatory ordinance.
- Attendance and support at a Planning Commission hearing to present the draft cannabis regulatory ordinance and to answer any questions.
- Attendance and support at the first reading of the draft cannabis regulatory ordinance before the City Council.
- Attendance and support at a meeting of the City Council for discussion and consideration of a cannabis tax ordinance and associated ballot measure.
- Attendance and presentation at a community workshop which could be used to gather public input or to present the draft cannabis regulatory and tax program to the community.

The use and scheduling of all of these meetings would be determined in consultation with City staff. This objective assumes that all meeting attendance would be virtual. Physical attendance would incur an additional travel charge.

Objective 2: Develop Draft Cannabis Regulatory Ordinance

HdL shall develop a draft commercial cannabis regulatory ordinance that is consistent with State laws and reflects industry best practices. HdL will work with City staff to identify local concerns and priorities, including land use issues and sensitive uses, and to design appropriate regulatory processes and mitigations as necessary to protect the health, safety and welfare of the community. The ordinance will allow the City to specify the number and types of businesses to be permitted, application and renewal procedures, location requirements, site security measures, inspections and enforcement protocols, operational procedures, and other requirements specific to each allowable type of cannabis business.

Objective 3: Develop Draft Cannabis Tax Ordinance

HdL shall develop a draft commercial cannabis tax ordinance to generate City revenues from licensed cannabis businesses. The ordinance will set maximum tax rates for each type of cannabis business permitted by the City and will allow the City Council to set the rates as desired up to the maximum rate. The ordinance shall also specify the schedule and procedures for remitting taxes and shall allow the City to conduct audits of cannabis businesses to ensure they are reporting and remitting the proper amounts of revenue.

HdL shall also provide the ballot resolution as necessary to place the tax measure on the ballot and shall provide revenue projections as required for the ballot statement.

Objective 4: Technical Assistance and Subject Matter Expertise

HdL will provide up to 10 hours of general consulting to be utilized on an as-needed basis at the City's request. Such assistance may include technical assistance, subject matter expertise, education, monitoring of changes to State laws and regulations, participation in conference calls, responding to staff inquiries via phone and email, reviewing staff reports to the City Council, assisting with responses to inquiries from the public, or other issues yet to be determined as requested by the City.

EXHIBIT "B"
COMPENSATION

III. COST

The proposed services are broken down into specific line items in the cost table below. This proposal does not include any additional items that are not contemplated by this scope of services. Any additional services requested by the City will be billed at HdL's hourly rate.

Prices are valid for 90 days from the date of this proposal to allow time for consideration and negotiating a service agreement. Once under contract, prices shall be honored for the first full year, with successive years subject to an annual increase based upon the Consumer Price Index for the Los Angeles-Long Beach-Anaheim region.

Scope of Service Objectives	Estimated Cost
Objective 1: Attendance or Presentations at Meetings or Workshops Assumes 5 remote meetings @ \$1,500 each	\$7,500
Objective 2: Develop Draft Cannabis Regulatory Ordinance	\$7,500
Objective 3: Develop Draft Cannabis Tax Ordinance	\$7,500
Objective 4: Technical Assistance and Subject Matter Expertise Assumes 10 hours at \$250/hr	\$2,500
Travel (if and as needed for meeting attendance)	\$300 per day
TOTAL NOT TO EXCEED	\$25,000
All City costs may be fully recoverable from applicants or permittees	

Drafts and Final Work Products

All work products assume one initial draft for review and comment, one iterative draft to incorporate any desired changes, and one final draft for presentation or publication. Additional drafts requested by the client may result in additional charges at HdL's hourly rate.


EXHIBIT “C”

KEY PERSONNEL

David McPherson, Compliance Director
Matt Eaton, Deputy Compliance Director
Ajay Kolluri, Deputy Director of Policy and Audits
Mark Lovelace, Senior Policy Advisor
David Ross, Senior Compliance Inspector
Michelle Shaw, Compliance Inspector
Jeff Burris, Background Investigator/Compliance Inspector
Elizabeth Eumurian, Senior Auditor
Valerie Carter, Auditor
Eric Magana, Auditor
Odette Mikhail, Auditor
Tao Lu, Auditor
Teresa Schneider, Background Investigator/Compliance Inspector
Cheryl Lee-Steele, Business Application Reviewer
Lisa Davis, Business Application Reviewer
Kristi Lervold, Administrative Assistant

DEPARTMENT HEAD APPROVAL FORM
Contracts/AgreementsDATE: 1/19/2022 PARTIES: HdL COMPANIESPROJECT DESCRIPTION: Cannabis Management Services

SCOPE OF CONTRACT/SERVICE: _____

IF AN AMENDMENT, REASON FOR AMENDMENT (e.g., more time needed, additional scope added, extension permitted from original contract, etc.):
_____DEPARTMENT: FINANCE DEPT. HEAD APPROVAL: BUDGET ACCOUNT (GL Key and Object): 7211200-450247

() CIO APPROVAL*: _____

(N/A: NEMs, grants, deeds, Property/Easement Purchase/Sale agreements, Disposition/Development agreements)

PROCUREMENT:

Verification that procurement of goods, services, construction, etc., was done in conjunction with the City's purchasing policies and procedure:

() Formal Procurement (Bid #, RFP #, panel etc.): _____

() Informal Procurement (3 quotes, single/sole source, under non-bidding threshold, etc.): Single Source- Purchasing Resolution 23812 Section 702(d)

() Emergency Procurement (date, event, etc.): _____

() Requisition Number: Y220580

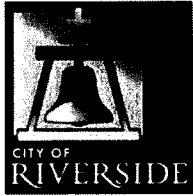
() Date Approved by City Council/Board: _____

Purchasing Division Validation:  Date: 1/24/2022**Budget Office Notes:**

Effective: NTP - 2 years; NTE: \$25,000; YTD Available: \$54,149.77 as of 01/24/21

Purchasing Notes:

Please allow 2 - 3 full business days for the Department Head Approval Form to route digitally before initiating digital contract signature process. Check DHA form progress through the audit feature.



City of Arts & Innovation

CITY COUNCIL HOUSING AUTHORITY MINUTES

TUESDAY, MAY 18, 2021, 1 P.M.

VIRTUAL MEETING

PUBLIC COMMENT IN PERSON/TELEPHONE

ART PICK COUNCIL CHAMBER

3900 MAIN STREET

and economic impacts of an inclusionary housing program for \$73,000 with a contingency of \$7,300 for a total budget of \$80,300 for a one year term with an option to extend for one additional one year period; (3) authorized the Executive Director, or designee, to execute the Professional Consultant Services Agreement with Economic and Planning Systems, Inc., including making any minor non-substantive changes.

AGREEMENT AMENDMENT - STATE LOBBYIST SERVICES

The City Council (1) approved the Fourth Amendment to Professional Consultant Services Agreement with Arc Strategies, LLC, for State Lobbyist Services in the amount of \$80,000 annually; and (2) authorized the City Manager, or his designee, to execute the Fourth Amendment to Professional Consultant Services Agreement with Arc Strategies, LLC, including making minor and non-substantive changes, and to execute the remaining optional one-year extension in the amount of \$80,000 annually.

DESIGNATION OF PARTIES AUTHORIZED TO EXAMINE SALES AND USE TAX RECORDS - RESOLUTION

The City Council (1) adopted a Resolution designating Hinderliter, De Llamas and Associates and certain City officials and employees as the authorized City representatives to examine sales and use tax records and repealing Resolution Nos. 1449, 17297, 22482, and 23138; and (2) authorized the City Manager or Chief Financial Officer/City Treasurer to execute any documents required to effectuate the resolution; whereupon, the title having been read and further reading waived, Resolution No. 23708 of the City Council of the City of Riverside, California, Designating Hinderliter, De Llamas and Associates, and Certain City Officials and Employees, as Authorized City Representatives to Examine Sales and Use Tax Records, and Repealing Resolutions No. 1449, 17297, 22482, and 23138, was presented and adopted.

BID 7798 - FIRST RESPONDER PERSONAL PROTECTIVE EQUIPMENT - SUPPLEMENTAL APPROPRIATION - FUNDS TRANSFER

The City Council (1) awarded Bid 7798 for Personal Protective Equipment to multiple vendors for a total cost of \$79,978.80; (2) with at least five affirmative votes, authorized a transfer in the amount of \$7,270.80 from Special Deposits Fund to Grants and Restricted Programs Fund; (3) with at least five affirmative votes, authorized increase in revenue and appropriated expenditures in an equal amount of \$79,978.80 in the Grants and Restricted Programs Fund AFG Program-COVID-19; and (4) authorized the City Manager, or his



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

5/25/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Woodruff Sawyer 2 Park Plaza, Suite 500 Irvine CA 92614	CONTACT NAME: Audrey Curtis	FAX (A/C, No): 949.476.3118	
	PHONE (A/C, No, Ext): 949.435.7345	E-MAIL ADDRESS: acurtis@woodrufflawyer.com	
INSURED Hinderliter de Llamas & Associates HdL Software, LLC. 120 S State College Blvd., Suite 200 Brea CA 92821	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A : National Fire Insurance Company of Hartford		20478
	INSURER B : Continental Insurance Company		35289
	INSURER C : Continental Casualty Company		20443
	INSURER D : Lloyds of London		
	INSURER E : Federal Insurance Company		20281
	INSURER F : Valley Forge Insurance Company		20508

COVERAGES**CERTIFICATE NUMBER:** 1102984301**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
F	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:	Y	Y	6056953483	5/26/2021	5/26/2022	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 15,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	Y	Y	6056953466	5/26/2021	5/26/2022	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			6056953502	5/26/2021	5/26/2022	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$
B B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y	N/A	6056953497 6056677063	5/26/2021 5/26/2021	5/26/2022 5/26/2022	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D C E	Professional Liability/Claim Made Cyber Liability Crime			MPL1007921 6078657761 82556901	5/26/2021 5/26/2021 5/26/2021	5/26/2022 5/26/2022 5/26/2022	Each Claim/Aggregate \$2,000,000 Cyber Limit \$2,000,000 Crime Limit \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

The City of Riverside, their officers and employees are included as additional insured to the extent provided in the attached forms.

Waiver of Subrogation applies to the extent of the attached forms and as permitted by law.

Notice of Cancellation included to the extent provided in the attached forms.

CERTIFICATE HOLDER**CANCELLATION**City of Riverside, their officers and employees
3900 Main Street
Riverside, CA 92522

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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POLICY NUMBER: 6056953466

COMMERCIAL AUTO
CA 04 44 10 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION)

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: Hinderliter de Llamas & Associates

Endorsement Effective Date: 5/25/2021

SCHEDULE

Name(s) Of Person(s) Or Organization(s):

City of Riverside, their officers and employees

3900 Main Street

Riverside,, CA 92522

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The **Transfer Of Rights Of Recovery Against Others To Us** condition does not apply to the person(s) or organization(s) shown in the Schedule, but only to the extent that subrogation is waived prior to the "accident" or the "loss" under a contract with that person or organization.