

## **AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN THE CITY OF SALINAS AND SCI CONSULTING GROUP**

This Agreement for Professional Services (the “Agreement” and/or “Contract”) is made and entered into this 26<sup>th</sup> day of April 2022, between the **City of Salinas**, a California Charter city and municipal corporation (hereinafter “City”), and SCI Consulting Group (hereinafter “Consultant”).

### **RECITALS**

**WHEREAS**, Consultant represents that he, she, or it is specially trained, experienced, and competent to perform the special services which will be required by this Agreement; and

**WHEREAS**, Consultant is willing to render such professional services, as hereinafter defined, on the following terms and conditions.

**NOW, THEREFORE**, City and Consultant agree as follows:

### **TERMS**

**1.Scope of Service.** The project contemplated and the scope of Consultant’s services are described in **Exhibit B**, attached hereto and incorporated herein by reference.

**2.Term; Completion Schedule.** This Agreement shall commence on April 26, 2022, and shall terminate on August 9, 2022, for task 1 and December 31, 2022, for task 2 unless extended in writing by either party upon (30) days written notice. This Agreement may be extended only upon mutual written consent of the parties, and may be terminated only pursuant to the terms of this Agreement.

**3.Compensation.** City hereby agrees to pay Consultant for services rendered the City pursuant to this Agreement on a time and materials basis according to the rates of compensation as set forth in **Exhibit B**. The total amount of compensation to be paid under this Agreement shall not exceed **\$150,000**.

**4.Billing.** Consultant shall submit to City an itemized invoice, prepared in a form satisfactory to City, describing its services and costs for the period covered by the invoice. Except as specifically authorized by City, Consultant shall not bill City for duplicate services performed by more than one person. Consultant’s bills shall include the following information to which such services cost or pertain:

- A. A brief description of services performed;
- B. The date the services were performed;
- C. The number of hours spent and by whom;
- D. A brief description of any costs incurred; and

E. The Consultant's signature.

Any such invoices shall be in full accord with any and all applicable provisions of this Agreement.

City shall make payment on each such invoice within thirty (30) days of receipt; provided, however, that if Consultant submits an invoice which is incorrect, incomplete, or not in accord with the provisions of this Agreement, City shall not be obligated to process any payment to Consultant until thirty (30) days after a correct and complying invoice has been submitted by Consultant. The City shall process undisputed portion immediately.

**5.Meet & Confer.** Consultant agrees to meet and confer with City or its agents or employees with regard to services as set forth herein as may be required by the City to ensure timely and adequate performance of the Agreement.

**6.Additional Copies.** If City requires additional copies of reports, or any other material which Consultant is required to furnish as part of the services under this Agreement, Consultant shall provide such additional copies as are requested, and City shall compensate Consultant for the actual costs related to the production of such copies by Consultant.

**7.Responsibility of Consultant.** By executing this Agreement, Consultant agrees that the services to be provided and work to be performed under this Agreement shall be performed in a fully competent manner. By executing this Agreement, Consultant further agrees and represents to City that the Consultant possesses, or shall arrange to secure from others, all of the necessary professional capabilities, experience, resources, and facilities necessary to provide the City the services contemplated under this Agreement and that City relies upon the professional skills of Consultant to do and perform Consultant's work. Consultant further agrees and represents that Consultant shall follow the current, generally accepted practices in this area to the profession to make findings, render opinions, prepare factual presentations, and provide professional advice and recommendations regarding the projects for which the services are rendered under this Agreement.

**8.Responsibility of City.** To the extent appropriate to the projects to be completed by Consultant pursuant to this Agreement, City shall:

(A) Assist Consultant by placing at its disposal all available information pertinent to the projects, including but not limited to, previous reports and any other data relative to the projects. Nothing contained herein shall obligate City to incur any expense in connection with completion of studies or acquisition of information not otherwise in the possession of City.

(B) Examine all studies, reports, sketches, drawings, specifications, proposals, and other documents presented by Consultant, and render verbally or in writing as may be appropriate, decisions pertaining thereto within a reasonable time so as not to delay the services of Consultant.

(C) Megan Hunter, Community Development Director, or her designee, shall act as City's representative with respect to the work to be performed under this Agreement. Such person shall

have the complete authority to transmit instructions, receive information, interpret and define City's policies and decisions with respect to materials, equipment, elements, and systems pertinent to Consultant's services. City may unilaterally change its representative upon notice to the Consultant.

(D) Give prompt written notice to Consultant whenever City observes or otherwise becomes aware of any defect in a project.

**9. Acceptance of Work Not a Release.** Acceptance by the City of the work to be performed under this Agreement does not operate as a release of Consultant from professional responsibility for the work performed.

**10. Indemnification and Hold Harmless.**

Consultant shall defend, indemnify, and hold harmless the City and its officers, officials, employees, volunteers, and agents from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with Consultant's performance of work hereunder, including the performance of work of any of Consultant's subcontractors or agents, or Consultant's failure to comply with any of its obligations contained in the agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of the City.

**11. Insurance.** Consultant shall procure and maintain for the duration of this Agreement insurance meeting the requirements specified in **Exhibit A** hereto.

**12. Access to Records.** Consultant shall maintain all preparatory books, records, documents, accounting ledgers, and similar materials including but not limited to calculation and survey notes relating to work performed for the City under this Agreement on file for at least three (3) years following the date of final payment to Consultant by City. Any duly authorized representative(s) of City shall have access to such records for the purpose of inspection, audit, and copying at reasonable times during Consultant's usual and customary business hours. Consultant shall provide proper facilities to City's representative(s) for such access and inspection.

**13. Non-Assignability.** It is recognized by the parties hereto that a substantial inducement to City for entering into this Agreement was, and is, the professional reputation and competence of Consultant. This Agreement is personal to Consultant and shall not be assigned by it without express written approval of the City.

**14. Changes to Scope of Work.** City may at any time, and upon a minimum of ten (10) days written notice, seek to modify the scope of services to be provided for any project to be completed under this Agreement. Consultant shall, upon receipt of said notice, determine the impact on both time and compensation of such change in scope and notify City in writing. Upon agreement between City and Consultant as to the extent of said impacts to time and compensation, an amendment to this Agreement shall be prepared describing such

changes. Execution of the amendment by City and Consultant shall constitute the Consultant's notice to proceed with the changed scope.

**15. Ownership of Documents.** Title to all final documents, including drawings, specifications, data, reports, summaries, correspondence, photographs, computer software (if purchased on the City's behalf), video and audio tapes, software output, and any other materials with respect to work performed under this Agreement shall vest with City at such time as City has compensated Consultant, as provided herein, for the services rendered by Consultant in connection with which they were prepared. City agrees to hold harmless and indemnify the Consultant against all damages, claims, lawsuits, and losses of any kind including defense costs arising out of any use of said documents, drawings, and/or specifications on any other project without written authorization of the Consultant.

**16. Termination.**

A. City shall have the authority to terminate this Agreement, upon ten days written notice to Consultant, as follows:

1. If in the City's opinion the conduct of the Consultant is such that the interest of the City may be impaired or prejudiced, or

2. For any reason whatsoever.

B. Upon termination, Consultant shall be entitled to payment of such amount as fairly compensates Consultant for all work satisfactorily performed up to the date of termination based upon the Consultant's rates shown in **Exhibit B** and/or Section 3 of this Agreement, except that:

1. In the event of termination by the City for Consultant's default, City shall deduct from the amount due Consultant the total amount of additional expenses incurred by City as a result of such default. Such deduction from amounts due Consultant are made to compensate City for its actual additional costs incurred in securing satisfactory performance of the terms of this Agreement, including but not limited to, costs of engaging another consultant(s) for such purposes. In the event that such additional expenses shall exceed amounts otherwise due and payable to Consultant hereunder, Consultant shall pay City the full amount of such expense.

C. In the event that this Agreement is terminated by City for any reason, Consultant shall:

1. Upon receipt of written notice of such termination promptly cease all services on this project, unless otherwise directed by City; and

2. Deliver to City all documents, data, reports, summaries, correspondence, photographs, computer software output, video and audio tapes, and any other materials provided to Consultant or prepared by or for Consultant or the City in connection with

this Agreement. Such material is to be delivered to City in completed form; however, notwithstanding the provisions of Section 15 herein, City may condition payment for services rendered to the date of termination upon Consultant's delivery to the City of such material.

D. In the event that this Agreement is terminated by City for any reason, City is hereby expressly permitted to assume the projects and complete them by any means, including but not limited to, an agreement with another party.

E. The rights and remedy of the City and Consultant provided under this Section are not exclusive and are in addition to any other rights and remedies provided by law or appearing in any other section of this Agreement.

**17.Compliance with Laws, Rules, and Regulations.** Services performed by Consultant pursuant to this Agreement shall be performed in accordance and full compliance with all applicable federal, state, and City laws and any rules or regulations promulgated thereunder.

**18.Exhibits Incorporated.** All exhibits referred to in this Agreement and attached to it are hereby incorporated in it by this reference. In the event there is a conflict between any of the terms of this Agreement and any of the terms of any exhibit to the Agreement, the terms of the Agreement shall control the respective duties and liabilities of the parties.

**19.Independent Contractor.** It is expressly understood and agreed by both parties that Consultant, while engaged in carrying out and complying with any of the terms and conditions of this Agreement, is an independent contractor and not an employee of the City. Consultant expressly warrants not to represent, at any time or in any manner, that Consultant is an employee or servant of the City.

**20.Integration and Entire Agreement.** This Agreement represents the entire understanding of City and Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters contained herein. This Agreement may not be modified or altered except by amendment in writing signed by both parties.

**21.Jurisdiction and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of California, County of Monterey, and City of Salinas. Jurisdiction of litigation arising from this Agreement shall be in the State of California, in the County of Monterey or in the appropriate federal court with jurisdiction over the matter.

**22.Severability.** If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of the Agreement shall continue to be in full force and effect.

**23.Notices.**

(A)Written notices to the City hereunder shall, until further notice by City, be addressed to:

Courtney Grossman  
City of Salinas  
65 W. Alisal Street, Suite 201  
Salinas, California 93901

With a copy to:

City Attorney  
City of Salinas  
200 Lincoln Avenue  
Salinas, California 93901

(B)Written notices to the Consultant shall, until further notice by the Consultant, be addressed to:

SCI Consulting Group  
4745 Mangels Boulevard  
Fairfield, CA 94534

(C)The execution of any such notices by the City Manager shall be effective as to Consultant as if it were by resolution or order of the City Council, and Consultant shall not question the authority of the City Manager to execute any such notice.

(D)All such notices shall either be delivered personally to the other party's designee named above, or shall be deposited in the United States Mail, properly addressed as aforesaid, postage fully prepaid, and shall be effective the day following such deposit in the mail.

**24. Nondiscrimination.** During the performance of this Agreement, Consultant shall not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age (over 40 years) or disability. Consultant shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age (over 40 years) or disability.

**25. Conflict of Interest.** Consultant warrants and declares that it presently has no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, in any manner or degree which will render the services required under the provisions of this Agreement a violation of any applicable local, state or federal law. Consultant further declares that, in the performance of this Agreement, no subcontractor or person having such an interest shall be employed. In the event that any conflict of interest should nevertheless hereinafter arise, Consultant shall promptly notify City of the existence of such conflict of interest so that City may determine whether to terminate this Agreement. Consultant further warrants its compliance with the Political Reform Act (Government Code section 81000 et seq.) and Salinas City Code Chapter 2A that apply to Consultant as the result of Consultant's performance of the work or services pursuant to the terms of this Agreement.

**26. Headings.** The section headings appearing herein shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning or intent of the provisions of this Agreement.

**27. Attorneys' Fees.** In case suit shall be brought to interpret or to enforce this Agreement, or because of the breach of any other covenant or provision herein contained, the prevailing party in such action shall be entitled to recover their reasonable attorneys' fees in addition to such costs as may be allowed by the Court. City's attorneys' fees, if awarded, shall be calculated at the market rate.

**28. Non-Exclusive Agreement.** This Agreement is non-exclusive and both City and Consultant expressly reserves the right to contract with other entities for the same or similar services.

**29. Rights and Obligations Under Agreement.** By entering into this Agreement, the parties do not intend to create any obligations express or implied other than those set out herein; further, this Agreement shall not create any rights in any party not a signatory hereto.

**30. Licenses.** If a license of any kind, which term is intended to include evidence of registration, is required of Consultant, its representatives, agents or subcontractors by federal, state or local law, Consultant warrants that such license has been obtained, is valid and in good standing, and that any applicable bond posted in accordance with applicable laws and regulations.

**31. Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute a single agreement.

**32. Legal Representation.** Each party affirms that it has been represented, if it so chose, by legal counsel of its own choosing regarding the preparation and the negotiation of this Agreement and the matters and claims set forth herein, and that each of them has read this Agreement and is fully aware of its contents and its legal effect. Neither party is relying on any statement of the other party outside the terms set forth in this Agreement as an inducement to enter into this Agreement.

**33. Joint Representation.** The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any party. No presumptions or rules of interpretation based upon the identity of the party preparing or drafting the Agreement, or any part thereof, shall be applicable or invoked.

**34. Warranty of Authority.** Each party represents and warrants that it has the right, power, and authority to enter into this Agreement. Each party further represents and warrants that it has given any and all notices, and obtained any and all consents, powers, and authorities, necessary to permit it, and the persons entering into this Agreement for it, to enter into this Agreement.

**35. No Waiver of Rights.** Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement. The failure to provide notice of any breach of this Agreement or failure to comply with any of the terms of this Agreement shall not constitute a waiver thereof. Failure on the part

of either party to enforce any provision of this Agreement shall not be construed as a waiver of the right to compel enforcement of such provision or any other provision. A waiver by the City of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement.

**IN WITNESS WHEREOF**, the parties hereto have made and executed this Agreement on the date first written above.

**CITY OF SALINAS**

DocuSigned by:

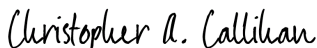


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Kimbley Craig  
Mayor

**APPROVED AS TO FORM:**

DocuSigned by:



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Christopher A. Callihan  
City Attorney

**ATTEST:**

DocuSigned by:



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Patricia Barajas  
City Clerk

**CONSULTANT**

DocuSigned by:



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John Bliss, P.E., President  
SCI Consulting Group



## **Exhibit A**

### **Insurance Requirements**

Consultant shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Consultant, his agents, representatives, employees, or subcontractors. With respect to General Liability and Professional Liability, coverage should be maintained for a minimum of five (5) years after Agreement completion.

### **MINIMUM SCOPE AND LIMIT OF INSURANCE**

Coverage shall be at least as broad as:

- A. **Commercial General Liability** ("CGL"): Insurance Services Office Form ("ISO") CG 00 01 covering CGL on an occurrence basis, including products and completed operations, property damage, bodily injury, and personal & advertising injury with limits no less than **\$1,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
- B. **Automobile Liability**: ISO Form CA 0001 covering any auto, or if Consultant has no owned autos, hired and non-owned, with limits no less than **\$1,000,000** per accident for bodily injury and property damage.
- C. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with a limit of no less than **\$1,000,000** per accident for bodily injury or disease.
- D. **Professional Liability** (also known as Errors and Omissions) insurance appropriate to the work being performed, with limits no less than **\$1,000,000** per occurrence or claim, **\$2,000,000** aggregate per policy period of one year.

If the Consultant maintains broader coverage and/or higher limits than the minimums shown above, the City of Salinas requires and shall be entitled to the broader coverage and/or higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

### **OTHER INSURANCE PROVISIONS**

**The insurance policies are to contain, or be endorsed to contain, the following provisions:**

#### ***Additional Insured Status***

**The City of Salinas, its officers, officials, employees, and volunteers are to be covered as additional insureds** on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Consultant including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form

of an endorsement to the Consultant's insurance (at least as broad as ISO Form CG 20 10, CG 11 85, or **both** CG 20 10, CG 20 26, CG 20 33, or CG 20 38; **and** CG 20 37 forms if later revisions used).

### ***Primary Coverage***

For any claims related to this Agreement or the project described within this Agreement, the **Consultant's insurance coverage shall be primary coverage** at least as broad as ISO Form CG 20 01 04 13 as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

### ***Notice of Cancellation***

Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the City.

### ***Waiver of Subrogation***

Consultant hereby grants to City a waiver of any right to subrogation which any insurer of said Consultant may acquire against the City by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City of Salinas for all work performed by the Consultant, its employees, agents, and subcontractors.

### ***Self-Insured Retentions***

Self-insured retentions must be declared by Consultants and approved by the City. At the option of the City, Consultant shall provide coverage to reduce or eliminate such self-insured retentions as respects the City, its officers, officials, employees, and volunteers; or the consultant shall provide evidence satisfactory to the City guaranteeing payment of losses and related investigations, claim administrations, and defense expenses. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City.

### ***Acceptability of Insurers***

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City.

### ***Claims Made Policies***

If any of the required policies provide coverage on a claims-made basis:

1. The Retroactive Date must be shown and must be before the date of this Agreement or the beginning of Agreement work.
2. Insurance must be maintained, and evidence of insurance must be provided *for at least five (5) years after completion of the Agreement of work.*
3. If coverage is canceled or non-renewed, and not *replaced with another claims-made policy form with a Retroactive Date* prior to the Agreement effective date, the Consultant must purchase “extended reporting” coverage for a minimum of *five (5) years* after completion of Agreement work.
4. A copy of the claims reporting requirements must be submitted to the City for review.

### ***Verification of Coverage***

Consultant shall furnish the City with original certificates and amendatory endorsements or copies of the applicable insurance language effecting coverage required by this Agreement. All certificates and endorsements are to be received and approved by the City before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant’s obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

### ***Subcontractors***

Consultant shall require and verify that all sub-consultants and/or subcontractors maintain insurance meeting all the requirements stated herein, and Consultant shall ensure that Entity is an additional insured on insurance required from such sub-consultants and/or subcontractors.

### ***Special Risks or Circumstances***

City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

### ***Maintenance of Insurance***

Maintenance of insurance by Consultant as specified shall in no way be interpreted as relieving Consultant of its indemnification obligations or any responsibility whatsoever and the Consultant may carry, at its own expense, such additional insurance as it deems necessary.



Proposal

## CITY OF SALINAS

### In Response to:

Request for Proposal – Commercial Cannabis Tax  
Assessments

Submitted By:

**SCIConsultingGroup**

Public Finance Consulting Services

4745 Mangels Boulevard  
Fairfield, California 94534  
707.430.4300

[www.sci-cg.com](http://www.sci-cg.com)

**Exhibit** B

March 28, 2022

**Submitted via electronically**

mairaf@ci.salinas.ca.us

Maira Robles,  
Administrative Aide, Community Development Department  
City of Salinas

**Subject: Response to Request for Proposals  
Commercial Cannabis Tax Assessments**

Dear Maira:

SCI Consulting Group ("SCI") and The Pun Group LLP, (collectively known as "the SCI Team") are pleased to submit this proposal in response to the City of Salinas' ("City") March 10, 2022, Request for Proposal for cannabis-related consulting and compliance services. The SCI Team has reviewed the RFP and relevant information and proposes to comprehensively provide the cannabis-related services, as fully described in the Scope of Services:

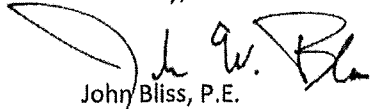
1. Commercial Cannabis Tax Assessments
2. Compliance Inspections and Reporting
3. Cannabis Taxation Recommendation Report

SCI is one of California's top local cannabis policy consulting firms as well as one of the State's top firms for implementing revenue programs in general (*fire services, parks and recreation, storm drainage, local infrastructure, etc. – in fact, we are currently working with the City of Salinas on dedicated funding for storm drainage*)

We have assisted with regulated cannabis policy and implementation for over 30 California municipalities over the past five years. We believe our expert knowledge of the local California cannabis industry coupled with our broad experience providing municipalities with regulation, implementation, tax consulting, public opinion research (polling) and tax-related community outreach consulting services, will serve the City well.

We look forward to the opportunity to assist the City with this important project. If you have any questions or require additional information, please do not hesitate to contact me. I can be reached via e-mail at [john.bliss@sci-cg.com](mailto:john.bliss@sci-cg.com) or on my cell phone at (707) 208-0940.

Sincerely,



John Bliss, P.E.  
President, SCI Consulting Group

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## Executive Summary

### SCI Consulting Group

SCI is a public finance and urban economic consulting firm with over 35 years of expertise in assisting public agencies in California with developing policy, and planning, justifying, and successfully establishing new revenues (taxes, fees, assessments, regulations) for their service and capital improvement needs and objectives and managing special levies.

We were the very first consulting firm to provide a full suite of local cannabis policy implementation services to California municipalities and developed the "6 Key Elements of Cannabis Implementation" approach that is the standard of the industry today:

1. Community Research and Outreach (Meetings & Surveys)
2. Health and Safety & Land Use Regulations (Ordinance(s))
3. Full Cost Recovery (Regulatory Fees)
4. Revenue (Taxation Ballot Measures)
5. Local Industry Selections (Application and Selection Process)
6. Monitoring and Compliance

*as well as more recently adding...*

7. Social Equity

Our core philosophy and approach towards the implementation of local cannabis policy is more broadly balanced than that of our competitors. Our philosophy comes from our genesis as a solution-based engineering firm that has evolved and developed in-house expertise in public policy, community outreach, and social equity. Although our quantitative and regulatory rigor, and attention to detail are unsurpassed, we balance this with realistic approaches to a real-world challenge, fully understanding and supporting the City's challenging transition into a regulated and legal cannabis business arena. Hence, SCI balances enforcement of local and State code along with the need to support viable cannabis businesses and to shepherd non-compliant businesses into a safe and regulated environment.

We have assisted with regulated cannabis policy and implementation for over 30 California municipalities over the past five years. We believe our expert knowledge of the local California cannabis industry coupled with our broad experience providing municipalities with regulation, implementation, tax consulting, public opinion research (polling) and tax-related community outreach consulting services, will serve the City well.

Additionally, we have assisted with the successful implementation of funding (fees, taxes and assessments) in Monterey County including:

- City of Salinas (currently assisting with funding for storm drainage)



- Carmel Valley Fire Protection District (voter approved funding measure in 2009)
- Monterey Peninsula Regional Park District (voter approved funding measure in 2016)
- Northern Salinas Mosquito Abatement District (voter approved funding measure in 2015)
- North County Fire Protection District (voter approved funding measure in 2021)
- Spreckels Community Services District (currently assisting with funding for infrastructure)

### **The Pun Group**

The Pun Group LLP, Certified Public Accountants, and Business Advisors, founded in 2012, is a limited liability partnership. We are a full-service accounting firm comprised of forty (40) professionals providing auditing, accounting, and advisory services to our clients. Our Governmental Division consists of thirty-five (35) full-time individuals. The Firm has no part-time employees. The Firm's headquarters located in Orange County, California, with four branches in San Diego (California), Walnut Creek (California), Las Vegas (Nevada), and Phoenix (Arizona).

The combination of our hands-on experience and practical knowledge exercised by our audit professionals makes the Firm unique in our field. Our technical expertise and thorough understanding of current regulations and issues—along with the Firm's commitment to hard work, integrity, and teamwork on every engagement—enable us to help our clients succeed.

Our Partners' Group—which includes Kenneth H. Pun, Coley Delaney, Frances J. Kuo, Kenneth A. Macias, Vanessa I. Burke, John F. Georger, Jr., Gary M. Caporicci, and Heidi K. Chow—provide auditing, accounting, and advisory services to numerous governmental entities throughout the United States. With more than two hundred (200) years of combined experience in the industry, we have become a trusted business partner and are well-respected as leaders in the industry in one of the fastest-growing firms. With nearly 100 government and not-for-profit audit clients, our Partners have a real passion for the industry and believe we are unmatched regarding our municipal experience.

The Pun Group LLP is an independent member of Allinial Global, an association of over 100 independent accounting and consulting firms. Based in North America, Allinial Global offers international support by connecting its member firms to providers and global networks of accounting firms worldwide.

In 2018, The Pun Group teamed up with a Canadian Certified Public Accounting Firm to provide professional auditing services to a Los Angeles base Cannabis business (Cultivator and Distributor) to assist them in their Initial Public Offering (IPO) process. Furthermore, the Cities of Stockton and San Bernardino hired the Pun Group to conduct annual audits of commercial cannabis businesses.

## Lead Project Contact

Kyle Tankard, Senior Consultant  
SCI Consulting Group  
(707) 430-4301 x 103  
kyle.tankard@sci-cg.com

## Project Team

Kyle Tankard, Senior Consultant and Cannabis Services Group Leader at SCI, will serve as the project leader and day-to-day project manager for the SCI portion of the work. Arcelia Herrera and John Bliss will support Kyle's efforts. David Siris, of the Pun Group, will lead the financial audit work with support from Vanessa Burke and Ken Pun.

The SCI Team has a combined staffing level of over 40 employees, including 5-10 employees specializing in cannabis projects. The SCI Team does not have work commitments that would interfere with their ability to successfully complete this project. Each employee is available to focus primarily on this project with 20%-50% of their time.

### SCI Consulting Group

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**John Bliss M.Eng., P.E.,****President**

John Bliss, a professional engineer and President of SCI, specializes in local cannabis policy, and special revenue consulting. He was instrumental in developing the now-standard implementation process used by most municipalities in California to implement local cannabis policy. John has had a long career developing and implementing equity, diversity and inclusion policy reaching back almost 30 years to the ground-breaking implementation for the City of San Francisco public works construction employment following the Rodney King uprising in 1991. He is a graduate of Brown University with a Bachelor of Science Degree in Engineering. He holds a master's degree in Civil Engineering from The University of California, Berkeley, where he was a Regent's Scholar. He is a licensed Professional Civil Engineer in the State of California and is a LEED accredited professional.

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**Kyle Tankard****Senior Consultant – Cannabis Business Leader**

Kyle Tankard serves as the Cannabis Business Leader at SCI providing local cannabis policy expertise in California since 2016. He plays a diverse role, assisting municipalities with all aspects of local cannabis implementation including regulatory and equity program development, taxation policy and cost recovery, cannabis compliance, application review, and cannabis-related public education. Kyle has also established himself as a leader in cannabis equity, assisting with the development and implementation of local cannabis equity programs for the Cities of Richmond, Palm Springs, and Stockton. He currently manages a portfolio of over 15 cannabis clients, providing a variety of ongoing cannabis-related services including application review, plan checks, compliance inspections, and equity analysis and program development.

During his tenure at SCI, Kyle has worked extensively with California cities, counties, and special districts providing local funding and policy solutions. He contributes over 10 years of experience as a results-driven project manager, delivering his projects on time, under tight deadlines and high pressure situations.

Kyle received his bachelor's degree in Environmental Studies from the University of California, Santa Cruz, with emphases in geographic information systems (GIS).

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**Arcelia Herrera****Senior Consultant**

Arcelia Herrera contributes over 14 years of experience in consulting and administration for public agencies and over five years in local cannabis policy in California. She is responsible for the development and management of the cannabis monitoring and compliance program at SCI. She has extensive experience conducting on-site facility inspections, ensuring local and State compliance. In addition, Arcelia has expertise in the creation and administration of assessments and fees, database management, and community educational outreach. She has conducted several Proposition 26 compliant cost recovery fee study analyses for cities and counties to develop fees for commercial cannabis businesses. Her expertise in communication is with local LatinX communities.

**Sub-Contractor (The Pun Group)**

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**Kenneth H. Pun****CPA, CGMA**

With over twenty years of public accounting experience in the State and Local Government sector, Mr. Pun is the Managing Partner and an Assurance Partner at the Firm. Ken specializes in audits and management consulting for governmental organizations and has served as the Contract Deputy Finance Director for the City of San Marino in 2017. Mr. Pun also serves as the Chair of the California Society of CPAs Governmental Auditing Accounting Committee. He has been nominated for this year's Innovative Practitioner of the Year 2020 award by AICPA's CPA.com.

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**David Siris****CPA, Engagement Manager**

David Siris draws more than nine years of governmental accounting experience. Mr. Siris has successfully performed audits and other attestation services for several governmental and non-profit agencies. Working as an Engagement Manager, he will assist Mr. Pun in all issues related to cannabis tax policies, fiscal analysis, compliance reviews, tax audits/assessments, and providing best practices to ensure all state and local laws are followed.

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**Venessa Burke****CPA, CFO**

Vanessa Burke is an Assurance and Consulting Services Partner. She has over 30 years of extensive experience in providing audit and advisory services to federal, state, and local government agencies, including cannabis, public pension plans, state departments, cities, community colleges, hospitals, school districts, county offices of education, special districts, and joint powers insurance authorities. She has previously held positions in the government and private sector as Controller and CFO, where she served on the leadership team and managed budgets and financial reporting for government organizations with budgets in excess of \$650 million and over 100 employees. She is a Certified Public Accountant and a Certified Public Finance Officer. Ms. Burke will function as the Concurring Partner and provide a second partner review of significant high-risk areas, audit reports, and resolution of significant accounting, auditing, and reporting matters.

## Firm Experience and Qualifications

SCI provides cannabis-related advice and broad consulting services to municipalities throughout California, including community support analysis, ordinance development, fee studies, taxation, implementation, application process development, application review and scoring, monitoring and compliance, business tax auditing, community outreach and engagement, and social equity consulting.

Over the last five years, SCI has emerged as one of California's premier local cannabis policy firms offering a full range of "one-stop-shop" services in support of the successful implementation of regulated cannabis business within a City or County. However, as we emphasized above, our approach is different than our competitors as we "balance enforcement of local and State code along with the need to support viable cannabis businesses and to shepherd non-compliant businesses into a safe and regulated environment."

SCI has considerable experience providing cannabis compliance services for local municipalities in California. Beginning in 2017, SCI conducted some of the first onsite cannabis compliance inspections in the State of California for the City of Coalinga. Since then, SCI has expanded its services to the Cities of Colfax, Dunsmuir, Fairfield, Merced, San Bernardino, Shasta Lake, and Woodlake. To date, SCI has conducted over 500 on-site compliance inspections for various cannabis businesses including cultivation, distribution, manufacturing, and retail.

Additionally, The Pun Group LLP has performed numerous audits of organizations subject to financial and compliance audits. These audits were performed under auditing standards generally accepted in the United States, Government Auditing Standards, Uniform Guidance (formerly known as OMB Circular A-133), and its Compliance Supplement (when applicable), Office of the State Controller's Minimum Audit Requirements and Reporting Guidelines. The Pun Group currently provides cannabis business tax audits for the Cities of Chula Vista, Fairfield, San Bernardino, and Stockton.

### Project References

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#### City of Shasta Lake

**Project:** Commercial Cannabis Implementation and Monitoring and Compliance  
**Contact:** Jessaca Lugo, City Manager  
jlugo@cityofshastalake.org; (530) 275-7464  
**Start/End Dates:** December 2017 – Present  
**Description:**

Beginning in 2017, SCI provided cannabis-related implementation services to the City of Shasta Lake. These services included cannabis-related public education and stakeholder/community

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#### City of Salinas

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meetings; ordinance development; development of a regulatory fee program; comprehensive support for the City's cannabis-related local tax measure, and development of an annual monitoring and compliance program. Shasta Lake was one of the State's early adopters and now supports robust and vibrant cannabis industry, with over 20 operational cannabis businesses. SCI continues to assist the City with bi-annual facility compliance inspections and ongoing technical support.

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#### **City of San Bernardino**

**Project:** Commercial Cannabis Monitoring and Financial Audit Services  
**Contact:** Stephanie Sanchez, Economic Development Specialist  
 Sanchez\_Stephanie@sbcity.org; (909) 384-5357  
**Start/End Dates:** December 2019 – Present  
**Description:**

In 2019, the City of San Bernardino engaged SCI and The Pun Group to provide cannabis monitoring and compliance services and annual financial audits. These services include plan checks and review, background checks, annual compliance audits, and annual financial audits. On an annual basis, SCI and the Pun Group provide compliance inspections and financial audits for each commercial cannabis business operating in the City.

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#### **City of Fairfield**

**Project:** Commercial Cannabis Management and Monitoring Services  
**Contact:** David Feinstein, Planning Manager  
 dfeinstein@fairfield.ca.gov; (707) 428-7448  
**Start/End Dates:** September 2021 – Present  
**Description:**

In 2021, the City of Fairfield engaged SCI and The Pun Group to provide commercial cannabis management and monitoring services. To date, SCI has provided the City with pre-operational compliance assistance and inspections and employee background checks for the City's five cannabis businesses that were awarded cannabis business permits in 2021. The Pun Group will kick off their annual financial audits for each operational business.

A full list of our current and past cannabis clients is listed below:

<u>Cities</u>				<u>Counties</u>
Alameda	El Monte	National City	Santa Clara	Alameda San Benito San Luis Obispo Tuolumne
Avalon	Encinitas	Nevada City	Shasta Lake	
Coalinga	Fairfield	Oroville	Stockton	
Colfax	La Mesa	Palm Springs	Vallejo	
Concord	Livingston	Richmond	West Hollywood	
Davis	Lompoc	San Bernardino	Woodlake	
Dunsmuir	Merced	San Carlos	Yreka	

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#### **City of Salinas**

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## Scope of Work

SCI Team will conduct a project kick-off meeting with City staff to establish project priorities and goals, communication protocols, and timelines. Further, we will gather and review all applicable information needed to perform the required tasks. SCI will be available to meet via teleconference call on a regular basis when work is in progress and will be available to attend regularly scheduled coordination meetings as necessary when work is in progress.

### 1. Commercial Cannabis Tax Assessments

The SCI Team, led by the David Siris of The Pun Group for this task, will provide comprehensive annual auditing of cannabis businesses in order to ensure that the City receives full payment of all Measure L taxes, and ensuring compliance with applicable laws.

We will perform the following steps to deliver the services requested by the City:

<b>Cannabis Business Gross Receipts and Square Footage Taxes</b>	<ul style="list-style-type: none"> <li>• Evaluate consistency between gross receipts and other information reported on financial statements to what was reported to the CDTFA for sales and use tax, cannabis excise tax, and/or cultivation tax.</li> <li>• Evaluate consistency between gross receipts reported on financial statements to gross receipts reported to the City.</li> <li>• Verify cultivation canopy as compared to maximum canopy reported on the business license application.</li> </ul>
<b>Collection and Audit of any Cannabis Tax</b>	<ul style="list-style-type: none"> <li>• Ensure each cannabis facility is complying with applicable portions of the City's Code and is submitting the true amount of gross receipts and tax.</li> <li>• Review business license tax returns submitted by the business and collected by the City and compare to each business's records for the time period identified by the City to determine accuracy and timeliness of gross receipts returns filed with the City.</li> <li>• Trace and verify the gross receipts reported on the quarterly gross receipts returns prepared by the business to gross receipts recorded in the business's accounting records to verify that these were in accordance with the City's regulations.</li> <li>• Verify reasonableness of reported revenues</li> <li>• We will issue all reports to the City in accordance with applicable standards from generally accepted auditing standards (GAAS).</li> <li>• The report for each cannabis business license tax audit will include the following information: <ul style="list-style-type: none"> <li>• The overall conclusion of whether or not the cannabis business paid all required business license taxes and fees for the time period specified.</li> <li>• Any exceptions, errors, or areas of noncompliance were identified as a result of the procedures performed. This includes any significant deficiency in the design or operation of the internal control structure, including but not limited to the following areas: cash handling, inventory control, point of sale systems, and any other areas</li> </ul> </li> </ul>



	<p>that the auditor deems necessary for purposes of accurately reporting business license taxes due to the City.</p> <ul style="list-style-type: none"> <li>• Express an opinion regarding the taxes remitted to the City by the cannabis business, or state that an opinion cannot be expressed in the auditor's report. If the Firm concludes, it cannot express an overall opinion. The engagement team will state the reasons, therefore, in the auditor's report.</li> <li>• Examine records and documentation that demonstrates that all cannabis goods have been obtained from, and are provided to, other licensed cannabis businesses and that details all the revenues and expenses, and assets and liabilities of the business.</li> <li>• Examine books of account, invoices, copies of orders and sales, shipping instructions, bills of lading, weigh bills, bank statements including canceled checks and deposit slips, and all other records necessary to show all transactions of the cannabis business.</li> </ul>
<b>State Rule Making Interpretation and Implementation</b>	<ul style="list-style-type: none"> <li>• Check for compliance with the latest officially approved state regulations for cannabis businesses across the supply chain. Licensees are required to comply with all rules and regulations pertaining to their license type, as well as follow all other applicable state laws.</li> </ul>

**Deliverables:**

- Prepare and send notification letters to each cannabis business
- Annual Financial Audit and Audit Report for each cannabis business

**2. Compliance Inspections and Reporting**

For this task, Kyle Tankard of SCI will provide onsite facility inspections for each commercial cannabis business and report to the City the results of inspections relative to the City's local regulations and ordinances, conditions of approval, and State law. SCI will prepare an inspection checklist for each cannabis activity. Prior to conducting each inspection, SCI will prepare notification to the businesses to schedule inspections. Following the inspection, SCI will provide the City with a written report detailing the results of the compliance inspection including photo documentation of any violations. SCI will provide follow-up support to the City and cannabis businesses to provide recommendations to address and correct any deficiencies.

Among the elements and activities SCI will inspect and monitor are as follows:

- **Product:** Inventory management, seed-to-sale tracking, packaging and labeling verification, product testing protocols, etc.
- **Record Retention:** Review and confirm employee records, business records, tax information records, transportation manifests, video surveillance retention, equipment certifications, training programs and safety programs.

- **Security and Surveillance:** Verify video surveillance equipment, camera placement, alarm systems, locks, facility access control, security guards, occupational badges, and other security and safety processes.
- **Facility Compliance:** Verify facility's operational compliance including waste management, odor control, pesticide and solvent storage, signage, cash handling procedures, product shipment and receipt procedures, etc.

**Deliverables:**

- Conduct onsite facility inspections
- Provide written report detailing the findings of inspections
- Provide follow-up support and recommendations

### **3. Cannabis Taxation Recommendation Report**

SCI will perform a comprehensive, financially-focused analysis of the cannabis industry in the City, model different taxation methodologies and prepare a Cannabis Taxation Recommendation Report which makes recommendations regarding the optimal taxation approach. The recommended approach will be carefully designed to balance the City's need for a solid and reliable revenue stream, while ensuring that local cannabis businesses are not over-burdened.

The analysis will consider existing sales revenue and taxation data, analyze any financial constraints, and determine the City's costs and revenue potential that each cannabis business and business/license type is likely to generate. SCI will evaluate tax rates regionally to better understand competitiveness and if this is a barrier to growing the industry in the City. SCI will make revenue projections and model different tax rate/structure scenarios and associated revenue generated.

**Deliverables:**

- Cannabis Taxation Recommendation Report
- Presentation to City Staff
- Attendance at two (2) in-person meetings

## Budget Estimate

In consideration for the Tasks as detailed in the Scope of Work, the estimated compensation is detailed below by task:

<u>Work Plan</u>	<u>Fee</u>
1. Commercial Cannabis Tax Assessments	\$ *6,500 (per audit per permit)
2. Compliance Inspections & Reporting	\$ 1,700 (per inspection per facility)
3. Cannabis Taxation Recommendation Report	\$ 15,650

\*If the initial audit period for a cannabis permit is less than 1 year (12 months) the fee will be prorated by each quarter (3 months) at \$1,625 for each quarter audited. If the permit holder's audit period is equal to or less than 1 month the City has the option to defer the audit and add that audit period the next audit period (for example: if the initial audit period is 1 month, the City can defer that 1 month to the following 12 month audit period for a total of 13 months). If a permit holder has multiple permits for different cannabis business types, the fee for the audit of each additional permit will be \$6,500 if the business type's gross revenue is greater than \$100,000 and \$3,250 if the gross revenue is equal to or less than \$100,000.

<u>SCI Staff</u>	<u>Hourly Rate</u>
John Bliss, President	\$ 290
Kyle Tankard, Cannabis Services Leader	\$ 300
Arcelia Herrera, Senior Cannabis Consultant	\$ 250

<u>The Pun Group Staff</u>	<u>Hourly Rate</u>
Ken Pun, Engagement Partner	\$ 200
Venessa Burke, Partner	\$ 200
David Siris, Manager	\$ 175
Masood K. Yousufzai, Assistant Manager	\$ 150

Incidental costs incurred for the purchase of additional travel and other out-of-pocket expenses will be reimbursed at actual cost, with the total not to exceed \$3,500 per year without prior authorization from the City. The scope of services includes one face-to-face staff planning meeting. Any additional face-to-face meetings, if required, shall be billed at the rate of \$1,500 per person, per meeting. SCI is available to meet via teleconference call on a regular basis at no additional charge.

Classification	SCI			Pun Group			
	President	Senior Cannabis Consultant	Cannabis Consultant	Engagement Partner	Partner	Manager	Assistant Manager
	John Bliss	Kyle Tankard	Arcelia Herrera	Ken Pun	Venessa Burke	David Siris	Masood Yousufzai
	Fully Loaded Hourly Rate						
	\$290	\$300	\$250	\$200	\$200	\$175	\$150

Scope of Work									
Work Plan		Hours						Total Hours	Total Costs
1	Commercial Cannabis Tax Assessments				3	5	10	21	\$ 6,500
2	Compliance Inspection & Reporting		1.5	5				7	\$ 1,700
3	Cannabis Taxation Recommendation Report	10	30	15				55	\$ 15,650
TOTAL DIRECT HOURS		10	31.5	20	3	5	10	21	\$ 23,850
								Total Labor Cost	\$ 23,850

Direct Costs		Number of Units		Cost per Unit	Total Costs
Incidentals	Travel and other out-of-pocket expenses	1		\$3,500	\$ 3,500
					Direct Costs \$ 3,500
					TOTAL COSTS \$ 27,350

City of Salinas

Proposal for Commercial Cannabis Tax Assessments  
By SCIConsultingGroup, May 2022


 SCIConsultingGroup

## Project Schedule

### Timeline

Project start date	May 2022
Kick-off Meeting	May 2022
<b>Cannabis Taxation Recommendation Report:</b>	
Data Collection	May 23 – May 27, 2022
Analyses	May 23 – June 27, 2022
Draft Report Submission	June 27, 2022
Internal City Staff Meeting	July 11, 2022
Final Report Submission	July 25, 2022
Cannabis Sub Committee	July 27, 2022
City Council Meeting	August 9, 2022

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### Commercial Cannabis Tax Assessments

The Pun Group is available to begin the Commercial Cannabis Tax Assessments upon execution of the contract. An initial meeting with the City's dedicated team will be coordinated to determine the competition schedule of the audits of business licenses and finalize the report template. On average, a typical financial audit takes 4-6 weeks.

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### Compliance Inspections & Reporting

SCI is available to begin onsite compliance inspections for operational cannabis businesses upon execution of the contract. If conducting annual inspections, the inspections will take place mid-year for each cannabis facility. If additional inspections are requested, they will be scheduled proportionately throughout the year.

# General Contract Requirements

## Proof of Insurability

**ACORD** **CERTIFICATE OF LIABILITY INSURANCE** **SCICONS-01** **KALANA**

DATE (MM/DD/YYYY) 12/15/2021

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 License # 0L72777  
Legacy Risk & Insurance Services  
1850 Mt Diablo Blvd, Suite 400  
Walnut Creek, CA 94598

CONTACT NAME: [REDACTED]  
PHONE (AC, HQ, Ext): (925) 482-1000 FAX (AC, HQ): (925) 482-1001  
EMAIL: certificates@legacoryrisk.net

INSURER AFFORDING COVERAGE

INSURER A: Sentinel Insurance Company Ltd  
INSURER B: Markel Insurance Company  
INSURER C: Gemini Insurance Company 10833  
INSURER D:  
INSURER E:  
INSURER F:

INSURED  
SCI Consulting Group  
4745 Mangels Boulevard  
Fairfield, CA 94534-4319

**COVERAGES** **CERTIFICATE NUMBER:** **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.

TYPE OF INSURANCE	ADD'L INSR (IND)	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
<b>A</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GENERAL AGGREGATE LIMIT APPLIES PER <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PER EVENT <input type="checkbox"/> LOC OTHER	<input checked="" type="checkbox"/>	57SBRH8313DX	4/20/2021	4/20/2022	EACH OCCURRENCE 2,000,000 DAMAGE TO RENTED PREMISES (EA OCCURRENCE) 1,000,000 MED EXP (ANY ONE PERSON) 10,000 PERSONAL & ADV INJURY 2,000,000 GENERAL AGGREGATE 4,000,000 PRODUCTS - COMBINED AGG 4,000,000
<b>A</b> <input checked="" type="checkbox"/> AUTOMOBILE LIABILITY ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> AUTOES ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS/OTHER		57SBRH8313DX	4/20/2021	4/20/2022	COMBINED SINGLE LIMIT (EA OCCURRENCE) 2,000,000 BODILY INJURY (PER PERSON) \$ BODILY INJURY (PER OCCURRENCE) \$ PROPERTY DAMAGE (PER OCCURRENCE) \$
<b>A</b> <input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB EXCESS LIAB CLAIMS-MADE DED RETENTION \$		57SBRH8313DX	4/20/2021	4/20/2022	EACH OCCURRENCE 1,000,000 AGGREGATE 1,000,000
<b>B</b> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/OWNER EXCLUDED? (MANDATORY IN HI) YES, describe under RESUBMIT/COVERAGE OPERATIONS/ENDORSE	Y/N	MWC000353311	4/20/2021	4/20/2022	X PER STATUTE <input type="checkbox"/> OTHER EL EACH ACCIDENT 1,000,000 EL DISEASE - EA EMPLOYEE 1,000,000 EL DISEASE - POL CY LIMIT 1,000,000
<b>C</b> Service & Technical Prof Liab/Claims Mad		VIPL054563 VIPL054563	12/17/2021 12/17/2021	12/17/2022 12/17/2022	Each Claim/Agg 2,000,000 Deductible 25,000

DESCRIPTION OF OPERATIONS / LOCATION(S) / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
Evidence of Coverage Only.

**CERTIFICATE HOLDER** **CANCELLATION**

Bidding and Presentation Only

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  
[Signature]

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### **Concurrence with Contract Provisions**

The SCI Team accepts the provisions of the City's standard contract as attached to the RFP. Furthermore, The SCI Team understands that under certain circumstances, and subject to the discretion of the City, some provisions of the contract may be modified upon final contract negotiations with the selected consultant.