

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM
3.1
(ID # 8857)

MEETING DATE:

Tuesday, January 15, 2019

FROM : AGRICULTURAL COMMISSIONER:

SUBJECT: AGRICULTURAL COMMISSIONER: Approve Standard Agreement No. 18-0292 with the California Department of Food and Agriculture for Cannabis Cultivation Compliance Inspections in accordance with the CalCannabis Program, All Districts. [\$14,000 - 100% California Department of Food and Agriculture] (Continued item 3.4 of 1/8/19 Board Meeting)

RECOMMENDED MOTION: That the Board of Supervisors:


1. Approve Standard Agreement No. 18-0292 with the California Department of Food and Agriculture for cannabis cultivation compliance inspections in accordance with the CalCannabis Program in the amount of \$14,000 for the period of February 1, 2019 through June 30, 2020.
2. Authorize the Chairman of the Board to sign the agreement on behalf of the County.
3. Authorize the Agricultural Commissioner to sign the Contractor Certification Clauses.

ACTION: Policy

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez, seconded by Supervisor Spiegel and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: January 15, 2019
xc: Agric. Comm.

Kecia Harper
Clerk of the Board
By: 
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$0	\$14,000	\$14,000	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: California Department of Food and Agriculture. 100%			Budget Adjustment:	No
			For Fiscal Year:	18/19

C.E.O. RECOMMENDATION:

BACKGROUND:

Summary

In June of 2017, the California Legislature passed and the Governor signed into law the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA). Under MAUCRSA, the California Department of Food and Agriculture (CDFA) was designated as the state agency responsible for issuing licenses to commercial cannabis cultivators in California. Temporary licenses issued by CDFA went into effect on January 1, 2018. Under the terms of this agreement, the Agricultural Commissioner's Office will perform cannabis cultivation licensing compliance inspections for CDFA. Inspections will be completed at temporarily licensed cultivation, nursery and processing facilities.

This agreement is authorized by Section 26069.1 of the California Business and Professions Code. This agreement was approved as to form by County Counsel.

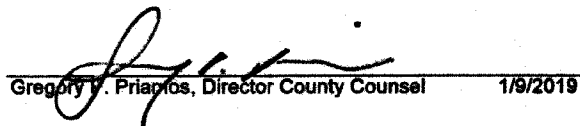
Contract History and Price Reasonableness

This is the second year for this agreement. On June 26, 2018, Agenda Item 3.17, the Board of Supervisors ratified and approved Standard Agreement No. 17-0265 with the California Department of Food and Agriculture for cannabis cultivation compliance inspections in accordance with the Cal Cannabis Program for the period of May 1, 2018 through November 30, 2018. The dollar amount covers all related cost.

ATTACHMENTS:

Attachment A: Standard Agreement No. 18-0292.


Nehini Basika, Principal Management Analyst 1/9/2019


Gregory V. Priantos, Director County Counsel 1/9/2019

RESOLUTION

BE IT RESOLVED by the Board of Supervisors of the County of Riverside, State of California, in regular session assembled on Tuesday, January 15, 2019, that Kevin Jeffries, the Chairman is authorized and directed to execute on behalf of said County the Standard Agreement No. 18-0292 between Riverside County and California Department of Food and Agriculture providing: for cannabis cultivation compliance inspections in accordance with the CalCannabis Program.

Roll Call:

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None

The foregoing is certified to be a true copy of a resolution duly adopted by said Board of Supervisors on the date therein set forth.

KECIA R. HARPER, Clerk of said Board

By: 

Deputy

STANDARD AGREEMENT

STD 213 (Rev. 10/2018)

AGREEMENT NUMBER 18-0292	PURCHASING AUTHORITY NUMBER (if applicable)
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1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME
CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE

WHEN DOCUMENT IS FULLY EXECUTED RETURN

CONTRACTOR NAME
COUNTY OF RIVERSIDE

CLERK'S COPY

to Riverside County Clerk of the Board, Stop 1010
Post Office Box 1147, Riverside, CA 92502-1147
Thank you.

2. The term of this Agreement is:

START DATE
FEBRUARY 1, 2019

THROUGH END DATE
JUNE 30, 2020

3. The maximum amount of this Agreement is:
\$14,000.00 - FOURTEEN THOUSAND DOLLARS AND NO CENTS

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

EXHIBITS	TITLE	PAGES
Exhibit A	Scope of Work	3
Exhibit B	Budget Detail and Payment Provisions	2
Exhibit C *	General Terms and Conditions - GTC 4/2017	0
Exhibit D	Special Terms and Conditions	1
Exhibit E	Additional Provisions	4

ATTEST:
KECIA HARPER-IHEM, Clerk

By  DEPUTY

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.
These documents can be viewed at www.dgs.ca.gov/ols/resources/standardcontractlanguage.aspx


IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)
COUNTY OF RIVERSIDE

CONTRACTOR BUSINESS ADDRESS 4080 LEMON STREET	CITY RIVERSIDE	STATE CA	ZIP 92502
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PRINTED NAME OF PERSON SIGNING KEVIN JEFFRIES	TITLE CHAIRMAN, BOARD OF SUPERVISORS
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CONTRACTOR AUTHORIZED SIGNATURE 	DATE SIGNED 1/15/19
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STATE OF CALIFORNIA

CONTRACTING AGENCY NAME
CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE

CONTRACTING AGENCY ADDRESS 1220 N STREET, ROOM 115	CITY SACRAMENTO	STATE CA	ZIP 95814
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PRINTED NAME OF PERSON SIGNING JENNIFER CROW	TITLE ACQUISITIONS MANAGER
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CONTRACTING AGENCY AUTHORIZED SIGNATURE	DATE SIGNED
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PURCHASED BY: DANIEL D. MALAND, COUNTY COUNSELLOR, DATE 12/18/18

STANDARD AGREEMENT

STD 213 (Rev. 10/2018)

AGREEMENT NUMBER

18-0292

PURCHASING AUTHORITY NUMBER (if applicable)

CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL

EXEMPTION, IF APPLICABLE

DGS LTR 28.8

EXHIBIT A

SCOPE OF WORK

1. Contractor shall perform commercial cannabis cultivation compliance inspection services at licensed cultivation sites for the California Department of Food and Agriculture, CalCannabis Cultivation Licensing Division.
2. The services shall be performed in Riverside County.
3. The services shall be provided between 8:00 a.m. – 5:00 p.m., Monday through Friday, excluding State holidays.
4. The project representatives during the term of this agreement will be:

Name: Margaret Cornell	Name: Ruben Arroyo
Section/Unit: CalCannabis Licensing, Compliance & Enforcement	Section/Unit: Agricultural Commissioner's Office
Address: 1220 N Street Sacramento, CA 95814	Address: 4080 Lemon Street Riverside, CA 92502
Phone: 916.263.0801	Phone: 951.202.2875
Email: margaret.cornell@cdfa.ca.gov	Email: ruarroyo@rivco.org

5. Detailed description of work to be performed and duties of all parties.

The County Agricultural Commissioner's Office (CAC) shall perform defined cannabis cultivation licensing compliance inspections for the California Department of Food and Agriculture (CDFA), CalCannabis Licensing Division (Division). Inspections shall be in accordance with the Medicinal and Adult Use of Cannabis Regulation and Safety Act (Act), Section 26069.1, Division 10 of the Business and Professions Code; and the Agreement for Attaining Mutual Objections between CDFA and the California Agricultural Commissioners and Sealers Association (dated July 31, 2012).

Inspections shall include the following commercial cultivation license types:

Specialty Cottage Outdoor	Small Outdoor
Specialty Cottage Indoor	Small Indoor
Specialty Cottage Mixed-Light Tier 1	Small Mixed-Light Tier 1
Specialty Cottage Mixed-Light Tier 2	Small Mixed-Light Tier 2
Specialty Indoor	Medium Indoor
Specialty Outdoor	Medium Outdoor
Specialty Mixed-Light Tier 1	Medium Mixed-Light Tier 1
Specialty Mixed-Light Tier 2	Medium Mixed-Light Tier 2
Processor	Nursery

County Responsibilities

- A. The CAC shall perform compliance inspections of state-licensed commercial cannabis cultivators, nurseries, and processors in compliance with the Act and CDFA regulations as outlined in this agreement using the protocols and forms provided by the Division.

- B. The CAC is responsible for scheduling inspections, ensuring that all contracted inspections are completed, and all required documentation is submitted, either in hard copy and/or electronically, to the Division.
- C. The CAC agrees to accept an inspection assignment from the Division which may, at times, be with short notice.
- D. The CAC inspector classification must be at a level with ability to provide testimony in an administrative, criminal, civil, or other proceeding, as needed.
- E. The CAC shall provide a list of cultivation license holder addresses by the 15th of the month for the following month's inspections.
- F. The CAC will track, record, and report on a quarterly basis, basic per site cost data, including but not limited to, the hourly rate of staff conducting inspections; number of staff in attendance for each inspection; time duration of the inspection; time duration of report write-up/documentation; number of licenses inspected if more than one per Assessor's Parcel Number; and the distance to and from cultivation site.

License Inspection Requirements

Inspections are site-based and not based on the number of licenses associated with any specific premises. Activities for a property and/or premises may include more than one license but are considered one (1) inspection and require only one set of documents to be submitted. An inspection shall include all of the following:

- A. Appropriately completed, state-provided CalCannabis Cultivator Inspection Form(s).
- B. If applicable (first time site inspection) provide the CalCannabis Document Packet to the cultivator electronically and obtain the cultivator's signature on Declaration Form.
- C. Issue a Notice of Non-Compliance form, when appropriate.
- D. Submit the CalCannabis Inspection Form, and if applicable the Declaration Form, and the Notice of Non-Compliance Form, to the Division within five (5) business days of completing the inspection.

CDFA Responsibilities

- A. The Division shall provide to the CAC designated staff, field inspection training and required inspection forms and documentation, and equipment as determined by the Division.
- B. The Division shall assign a Special Investigator as a point of contact and resource to the CAC for program support and to provide a local presence when requested for meetings or relevant enforcement events.
- C. The Division-assigned Special Investigator will provide a list of active license holders to the CAC by the 5th of the month.
- D. The Division shall reimburse the CAC not more often than monthly, and in arrears.

Additional Terms and Conditions

- A. CAC shall meet with the Division to discuss areas of mutual concern including, but not limited to training, joint inspections, and lessons learned.
- B. CAC shall immediately notify the Division if they are denied access to a state-licensed cultivation site, encounter recalcitrant licensees, and/or have non-compliance or criminal concerns.
- C. CAC shall provide and maintain CAC inspection vehicles.
- D. CAC shall ensure that designated supervisors and inspections personnel attend training provided by Division Special Investigators.
- E. CAC shall attend required Division trainings on the California CalCannabis Track-and-Trace system.
- F. CAC shall allow Division Special Investigators to accompany designated CAC inspectors and/or supervisors in the field upon request.

- G. CAC shall report all serious Violations (as defined in Section 8601(e) Table A of the Emergency Regulations (Readopt) or Permanent Regulations) to CalCannabis within 24-hours of detection.
- H. CAC shall provide the Division with applicable information regarding violations, if any, issued to state licensed cultivation licensee associated with pesticide use/application, or weighing and measuring device non-compliance, if any.
- I. Forms may be changed or modified based upon prior mutual agreement from both parties or as required by law.
- J. Nothing in this agreement prevents or precludes the Division's Compliance and Enforcement staff from performing regulatory inspections or investigations of state licensed cannabis cultivators within the County.

Invoicing

The CAC shall submit itemized invoices on county letterhead using the template provided. Invoices shall be submitted monthly, no later than thirty (30) calendar days after the end of the reporting period covered by the invoice.

All invoiced expenses must fall within the parameters of the Scope of Work and Budget Worksheet and must be directly related to administering and conducting Division program-related activities.

Invoices shall be sent via email to margaret.cornell@cdfa.ca.gov. Questions about invoicing/reimbursement shall be directed to Margaret Cornell via email or by calling (916) 263-0801.

The Division shall reimburse the CAC a flat fee for inspections as follows:

AMOUNT PER INSPECTION Licenses on Premises AND Belonging to the Same Business	
1-10	\$400
11-30	\$500
31-60	\$600
61+	\$700

EXHIBIT B

BUDGET DETAIL AND PAYMENT PROVISIONS

1. Invoicing and Payment

- A. For services satisfactorily rendered, and upon receipt and approval of the invoices, the State agrees to compensate the Contractor for actual expenditures incurred in accordance with the rates specified herein, which is attached hereto and made a part of this Agreement.
- B. Unless mutually agreed, monthly invoices must be submitted within 30 days from the end of each month in which services were rendered. Invoices must include the Agreement number and submitted in triplicate to the Program Contract Manager listed in this contract.
- C. Any travel and subsistence payments authorized under this agreement shall be paid as needed to execute the work. The maximum travel rates allowable are those established by the California Department of Human Resources. <http://www.calhr.ca.gov/employees/pages/travel-meals.aspx>.

2. Budget Contingency Clause

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State or offer an agreement amendment to Contractor to reflect the reduced amount.

3. Prompt Payment Clause

- A. Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

BUDGET DETAIL

County: Riverside

Contract Manager: Ruben Arroyo

AMOUNT PER INSPECTION Licenses on Premises AND Belonging to the Same Business	
1-10	\$400
11-30	\$500
31-60	\$600
61+	\$700

Total Contract Amount: \$14,000.00

AT

GENERAL TERMS AND CONDITIONS

1. APPROVAL: This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Contractor may not commence performance until such approval has been obtained.
2. AMENDMENT: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.
3. ASSIGNMENT: This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.
4. AUDIT: Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).
5. INDEMNIFICATION: Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Contractor in the performance of this Agreement.
6. DISPUTES: Contractor shall continue with the responsibilities under this Agreement during any dispute.
7. TERMINATION FOR CAUSE: The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.

8. **INDEPENDENT CONTRACTOR**: Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

9. **RECYCLING CERTIFICATION**: The Contractor shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code §12205).

10. **NON-DISCRIMINATION CLAUSE**: During the performance of this Agreement, Contractor and its subcontractors shall not deny the contract's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. Contractor shall insure that the evaluation and treatment of employees and applicants for employment are free of such discrimination. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12900 et seq.), the regulations promulgated thereunder (Cal. Code Regs., tit. 2, §11000 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code §§11135-11139.5), and the regulations or standards adopted by the awarding state agency to implement such article. Contractor shall permit access by representatives of the Department of Fair Employment and Housing and the awarding state agency upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department or Agency shall require to ascertain compliance with this clause. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. (See Cal. Code Regs., tit. 2, §11105.)

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

11. **CERTIFICATION CLAUSES**: The CONTRACTOR CERTIFICATION CLAUSES contained in the document CCC 04/2017 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

12. **TIMELINESS**: Time is of the essence in this Agreement.

13. COMPENSATION: The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.

14. GOVERNING LAW: This contract is governed by and shall be interpreted in accordance with the laws of the State of California.

15. ANTITRUST CLAIMS: The Contractor by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the Contractor shall comply with the requirements of the Government Codes Sections set out below.

a. The Government Code Chapter on Antitrust claims contains the following definitions:

1) "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.

2) "Public purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.

b. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.

c. If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.

d. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.

16. CHILD SUPPORT COMPLIANCE ACT: For any Agreement in excess of \$100,000, the contractor acknowledges in accordance with Public Contract Code 7110, that:

a. The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support

enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and

b. The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

17. UNENFORCEABLE PROVISION: In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

18. PRIORITY HIRING CONSIDERATIONS: If this Contract includes services in excess of \$200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.

19. SMALL BUSINESS PARTICIPATION AND DVBE PARTICIPATION REPORTING REQUIREMENTS:

a. If for this Contract Contractor made a commitment to achieve small business participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) report to the awarding department the actual percentage of small business participation that was achieved. (Govt. Code § 14841.)

b. If for this Contract Contractor made a commitment to achieve disabled veteran business enterprise (DVBE) participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) certify in a report to the awarding department: (1) the total amount the prime Contractor received under the Contract; (2) the name and address of the DVBE(s) that participated in the performance of the Contract; (3) the amount each DVBE received from the prime Contractor; (4) that all payments under the Contract have been made to the DVBE; and (5) the actual percentage of DVBE participation that was achieved. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation. (Mil. & Vets. Code § 999.5(d); Govt. Code § 14841.)

20. LOSS LEADER:

If this contract involves the furnishing of equipment, materials, or supplies then the following statement is incorporated: It is unlawful for any person engaged in business within this state to sell or use any article or product as a "loss leader" as defined in Section 17030 of the Business and Professions Code. (PCC 10344(e).)

EXHIBIT D

SPECIAL TERMS AND CONDITIONS

1. Excise Tax

The State of California is exempt from federal excise taxes and no payment will be made for any taxes levied on employees' wages. The State will pay for any applicable State of California or local sales or use taxes on the services rendered or equipment or parts supplied pursuant to this Agreement. California may pay any applicable sales and use tax imposed by another state.

2. Settlement of Disputes

In the event of a dispute, Contractor shall file a "Notice of Dispute" with the CDFA within ten (10) days of discovery of the problem. Such Notice of Dispute shall contain the Agreement number. Within ten (10) days of receipt of such Notice of Dispute, the Agency Secretary, or Designee, shall meet with the Contractor and the CDFA project manager for the purpose of resolving the dispute. The decision of the Agency Secretary or Designee shall be final. In the event of a dispute, the language contained within this Agreement shall prevail over any other language including that of the bid proposal.

3. Evaluation of Contractor- Consultant Contracts Only

Per the Department of General Services (DGS), all contracts for consultant services of \$5,000 or more must be evaluated. The Contract/Contractor Evaluation, Form Std. 4, must be prepared by the program within 60 days of the completion of the contract. These evaluations shall remain on file by the Department (in a separate location from the contract file) for a period of 36 months.

4. Agency Liability

The Contractor warrants by execution of this Agreement, that no person or selling agency has been employed or retained to solicit or secure this Agreement upon agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the State shall, in addition to other remedies provided by law, have the right to annul this Agreement without liability, paying only for the value of the work actually performed, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

5. Potential Subcontractors

If Contractor subcontracts out a portion of the work required by this Agreement, nothing contained in this Agreement or otherwise, shall create any contractual relation between the State and any subcontractors, and no subcontract shall relieve the Contractor of his responsibilities and obligations hereunder. The Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to the Contractor. As a result, the State shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

6. Right to Terminate

The State reserves the right to terminate this agreement subject to 30 days written notice to the Contractor. Contractor may submit a written request to terminate this agreement only if the State should substantially fail to perform its responsibilities as provided herein. However, the agreement can be immediately terminated for cause.

EXHIBIT E

ADDITIONAL PROVISIONS

CONTRACT AND SUBCONTRACT COMPLIANCE REQUIREMENTS

The Contractor shall ensure its officers, agents and employees will fully cooperate with any/all investigations conducted by the Department of Food and Agriculture's Equal Employment Opportunity and Human Resources Offices and will require the same of any subcontractors or consultants used pursuant to this agreement.

UNFAIR PRACTICES ACT

Contractor hereby certifies that he/she will comply with the requirements of Section 17200 of the Business and Professions Code.

CONFLICT OF INTEREST

Contractor certifies that its employees and the officers of its governing body shall avoid any actual or potential conflicts of interest, and that no officer or employee who exercises any functions or responsibilities in connection with this Agreement shall have any personal financial interest or benefit which either directly or indirectly arises from this Agreement.

Contractor shall establish safeguards to prohibit its employees or its officers from using their positions for a purpose which could result in private gain or which gives the appearance of being motivated for private gain for themselves or others, particularly those with whom they have family, business or other ties.

LICENSE AND PERMIT REQUIREMENTS

The Contractor shall be an individual or firm properly licensed to do business in California in accordance with the laws of the State of California and shall obtain at his/her expense all license(s) and permit(s) required by law for accomplishing any work required in connection with this agreement.

If you are a Contractor located within the State of California, a business license from the city/county in which you are headquartered is necessary; however, if you are a corporation, a copy of your incorporation documents/letter from the Secretary of State's Office can be submitted. If you are a Contractor outside the State of California, you will need to submit to the GDFA a copy of your business license or incorporation papers for your respective state showing that your company is in good standing in that state.

In the event any license(s) and/or permit(s) expire at any time during the term of this contract, Contractor agrees to provide agency a copy of the renewed license(s) and/or permit(s) within 30 days following the expiration date. In the event the Contractor fails to keep in effect at all times all required license(s) and permit(s), the State may, in addition to any other remedies it may have, terminate this agreement upon occurrence of such event.

Licensed contractors must observe professional standards for quality work or the California Contractors State License Board will invoke disciplinary action.

Should the State of California determine that the work or materials provided vary materially from the specifications, or that defective work when completed was not performed in a workmanlike manner, then the Contractor warrants that he/she shall perform all necessary repairs, replacement and corrections needed to restore the property according to the agreement plans and specifications, all at no further or additional cost to the State of California.

DISPUTES

Any dispute concerning a question of fact arising under the terms of this agreement which is not disposed of within a reasonable period of time (ten business days) by the Contractor and CDFA Program Contract Manager normally responsible for the administration of this contract shall be brought to the attention of the Secretary of the CDFA or the designated representative and the Contractor for joint resolution.

INSURANCE REQUIREMENTS

Contractor shall comply with all requirements outlined in the (1) General Provisions section and (2) Contract Insurance Requirements outlined in this section. No payments will be made under this contract until contractor fully complies with all requirements.

1. General Provisions Applying to All Policies

- a. **Coverage Term** – Coverage needs to be in force for the complete term of the contract. If insurance expires during the term of the contract, a new certificate must be received by the State at least ten (10) days prior to the expiration of this insurance. Any new insurance must comply with the original contract terms.
- b. **Policy Cancellation or Termination & Notice of Non-Renewal** – Insurance policies shall contain a provision stating coverage will not be cancelled without 30 days prior written notice to the State. New Certificates of insurance are subject to the approval of the Department of General Services and the Contractor agrees no work or services will be performed prior to obtaining such approval. In the event Contractor fails to keep in effect at all times the specified insurance coverage, the State may, in addition to any other remedies it may have, terminate this contract upon the occurrence of such event, subject to the provisions of this contract.
- c. **Premiums, Assessments and Deductibles** – Contractor is responsible for any premiums, policy assessments, deductibles or self-insured retentions contained within their insurance program.
- d. **Primary clause** – Any required insurance contained in this contract shall be primary and not excess or contributory to any other insurance carried by the State.
- e. **Insurance Carrier Required Rating** – All insurance carriers must carry an AM Best rating of at least an "A-" with a financial category rating of no lower than VI. If the contractor is self-insured for a portion or all of its insurance, documentation of self-insurance must be submitted and approved by the Department of General Services, Office of Risk and Insurance Management.
- f. **Endorsements** – Any required endorsements requested by the State must be physically attached to all requested certificates of insurance and not substituted by referring to such coverage on the certificate of insurance.
- g. **Inadequate Insurance** – Inadequate or lack of insurance does not negate the contractor's obligation under the contract.
- h. **Use of Subcontractors** – In the case of Contractor's utilization of subcontractors to complete the contracted scope of work, the contractor shall include all subcontractors as insured under Contractor's insurance or supply evidence of subcontractor's insurance to the State equal to policies, coverages and limits required of the Contractor.

2. Contract Insurance Requirements

Prime Contractor Insurance Requirements

Contractor shall display on an Acord certificate of insurance evidence of the following coverages:

Commercial General Liability Insurance

Contractor shall maintain general liability on an occurrence form with limits not less than \$1,000,000 per occurrence for bodily injury and property damage liability. The policy shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal and advertising injury, and liability assumed under an insured contract. This insurance shall apply separately to each insured against whom claim is made or suit is brought subject to the Contractor's liability.

The policy must be endorsed to name **The State of California, its officers, agents, employees and servants as additional insureds, but only with respect to work performed under this contract.**

Automobile Liability Insurance

Contractor shall maintain automobile liability insurance for limits not less than \$1,000,000 combined single limit. Such insurance shall cover liability arising out of a motor vehicle including owned, hired, and non-owned motor vehicles.

Workers Compensation Insurance

The Contractor shall have and maintain, for the term of this agreement, workers' compensation insurance and shall furnish to the State a certificate of insurance evidencing workers' compensation insurance and employer's liability presently in effect with limits not less than \$1,000,000 by an insurance carrier licensed to underwrite workers' compensation insurance in California. Such certificate shall include the name of the carrier, policy inception and expiration dates. If the Contractor is self-insured for workers' compensation, a certificate must be presented evidencing Contractor is a qualified self-insurer in the State of California. By signing this agreement, the Contractor hereby warrants that it carries workers' compensation insurance on all of its employees who will be engaged in the performance of this agreement. If staff provided by the Contractor is defined as independent contractors, this clause does not apply.

Sub-Contractor Insurance Requirements

Contractor shall display on an Acord certificate of insurance evidence of the following coverages:

Commercial General Liability Insurance

Contractor shall maintain general liability on an occurrence form with limits not less than \$1,000,000 per occurrence for bodily injury and property damage liability. The policy shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal and advertising injury, and liability assumed under an insured contract. This insurance shall apply separately to each insured against whom claim is made or suit is brought subject to the Contractor's liability.

The policy must be endorsed to name **The State of California, its officers, agents, employees and servants as additional insureds, but only with respect to work performed under this contract**

Automobile Liability Insurance

Contractor shall maintain automobile liability insurance for limits not less than \$1,000,000 combined single limit. Such insurance shall cover liability arising out of a motor vehicle including owned, hired, and non-owned motor vehicles.

Workers Compensation Insurance

The Contractor shall have and maintain, for the term of this agreement, workers' compensation insurance and shall furnish to the State a certificate of insurance evidencing workers' compensation insurance and employer's liability presently in effect with limits not less than \$1,000,000 by an insurance carrier licensed to underwrite workers' compensation insurance in California. Such certificate shall include the name of the carrier, policy inception and expiration dates. If the Contractor is self-insured for workers' compensation, a certificate must be presented evidencing Contractor is a qualified self-insurer in the State of California. By signing this agreement, the Contractor hereby warrants that it carries workers' compensation insurance on all of its employees who will be engaged in the performance of this agreement. If staff provided by the Contractor is defined as independent contractors, this clause does not apply.

SUBCONTRACTORS

All subcontractors identified shall be experts in their respective disciplines and capable of performing the tasks for which they were hired. Subcontractors shall have extensive experience in their area of expertise, with particular emphasis on prior experience on similar programs or projects that clearly illustrate their expertise in areas essential to the CDFA.

The Contractor must use the Small business and/or Disabled Veterans Business Enterprise (DVBE) subcontractor(s) identified in the Small Business/DVBE Participation Summary submitted with the bid unless the Contractor requests substitution in writing to the CDFA prior to the subcontractor performing any work and the CDFA approves such substitution.

POTENTIAL SUBCONTRACTORS

Nothing contained in this agreement or otherwise, shall create any contractual relation between the State and any subcontractors, and no subcontract shall relieve the Contractor of his responsibilities and obligations hereunder. The Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to the Contractor. As a result, the State shall have no obligation to pay or to enforce the payment of any moneys to the subcontractor.

REPORTS

If this agreement is for the production of a report, pursuant to Government Code, Section 7550, Contractor will include the dollar amount and agreement number of all contracts relating to preparation of this report.

CONFIDENTIALITY AND PUBLIC RECORDS

Contractor and CDFA understand that each party may come into possession of information and/or data which may be deemed confidential or proprietary by the person or organization furnishing the information or data. Such information or data may be subject to disclosure under the California Public Records Act, commencing with Government Code, Section 6250, or Public Contract Code. The CDFA agrees not to disclose such information or data furnished by contractor and to maintain such information or data as confidential when so designated by contractor in writing at the time it is furnished to the CDFA, only to the extent that such information or data is exempt from disclosure under the California Public Records Act and the Public Contract Code.

FORCE MAJEURE

Except for defaults of any subcontractors, neither party shall be responsible for any delay in or failure of performance from acts beyond the control of the offending party. Such acts shall include, but shall not be limited to, acts of God, fire, flood, earthquake, other natural disaster, nuclear accident, strike, lockout, riot, freight embargo, public regulated utility, or governmental statutes or regulations superimposed after the fact. If a delay or failure in performance by the Contractor arises out of a default of its subcontractor, and if such default of its subcontractor, causes beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for damages of such delay or failure, unless the supplies or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule.

AMERICAN DISABILITIES ACT

By signing this contract, the contractor assures the State that it complies with the American Disabilities Act (ADA) of 1990 (42 USC § 12101 et seq.), which prohibits discrimination on the basis of disability, as well as with all applicable regulations and guidelines issued pursuant to the ADA.

NATIONAL LABOR RELATIONS CERTIFICATION

By signing the contract, the Contractor swears under penalty of perjury that no more than one final unappealable finding of contempt of court by a Federal court has been issued against the contractor within the immediately preceding two (2) year period because of the Contractor's failure to comply with an order of a Federal court, which orders the Contractor to comply with an order of the National Labor Relations Board.

CCC 04/2017

CERTIFICATION

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

<i>Contractor/Bidder Firm Name (Printed)</i>		<i>Federal ID Number</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i>		
<i>Date Executed</i>	<i>Executed in the County of</i>	

CONTRACTOR CERTIFICATION CLAUSES

1. **STATEMENT OF COMPLIANCE:** Contractor has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 11102) (Not applicable to public entities.)

2. **DRUG-FREE WORKPLACE REQUIREMENTS:** Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

- a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
- b. Establish a Drug-Free Awareness Program to inform employees about:
 - 1) the dangers of drug abuse in the workplace;
 - 2) the person's or organization's policy of maintaining a drug-free workplace;
 - 3) any available counseling, rehabilitation and employee assistance programs; and,
 - 4) penalties that may be imposed upon employees for drug abuse violations.
- c. Every employee who works on the proposed Agreement will:
 - 1) receive a copy of the company's drug-free workplace policy statement; and,
 - 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Contractor has made false certification, or violated the

certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

3. NATIONAL LABOR RELATIONS BOARD CERTIFICATION: Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board. (Pub. Contract Code §10296) (Not applicable to public entities.)

4. CONTRACTS FOR LEGAL SERVICES \$50,000 OR MORE- PRO BONO REQUIREMENT: Contractor hereby certifies that Contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lesser of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services, and may be taken into account when determining the award of future contracts with the State for legal services.

5. EXPATRIATE CORPORATIONS: Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

6. SWEATFREE CODE OF CONDUCT:

a. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code Section 6108.

b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations,

or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

7. DOMESTIC PARTNERS: For contracts of \$100,000 or more, Contractor certifies that Contractor is in compliance with Public Contract Code section 10295.3.

8. GENDER IDENTITY: For contracts of \$100,000 or more, Contractor certifies that Contractor is in compliance with Public Contract Code section 10295.35.

DOING BUSINESS WITH THE STATE OF CALIFORNIA

The following laws apply to persons or entities doing business with the State of California.

1. CONFLICT OF INTEREST: Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (Pub. Contract Code §10410):

1). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.

2). No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code §10411):

1). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.

2). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Pub. Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code §10430 (e))

2. LABOR CODE/WORKERS' COMPENSATION: Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

3. AMERICANS WITH DISABILITIES ACT: Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

4. CONTRACTOR NAME CHANGE: An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.

b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.

c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

6. RESOLUTION: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

7. AIR OR WATER POLLUTION VIOLATION: Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

8. PAYEE DATA RECORD FORM STD. 204: This form must be completed by all contractors that are not another state agency or other governmental entity.

MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



3.4
(MT 8687)

On motion of Supervisor Spiegel, seconded by Supervisor Hewitt and duly carried by unanimous vote, IT WAS ORDERED that the recommendation from Agricultural Commissioner regarding the Approval of Standard Agreement No. 18-0292 with the California Department of Food and Agriculture for Cannabis Cultivation Compliance Inspections in accordance with the CalCannabis Program, All Districts, is continued to Tuesday, January 15, 2019 at 9:00 a.m. or as soon as possible thereafter.

Roll Call:

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None

I hereby certify that the foregoing is a full true, and correct copy of an order made and entered on January 8, 2019 of Supervisors Minutes.

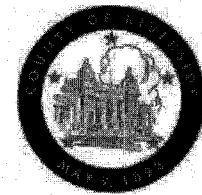
WITNESS my hand and the seal of the Board of Supervisors
Dated: January 8, 2019
Kecia Harper, Clerk of the Board of Supervisors, in
and for the County of Riverside, State of California.

(seal)

By: Kecia Harper Deputy

AGENDA NO.
3.4

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM
3.4
(ID # 8687)

MEETING DATE:

Tuesday, January 8, 2019

FROM : AGRICULTURAL COMMISSIONER:

SUBJECT: AGRICULTURAL COMMISSIONER: Approve Standard Agreement No. 18-0292 with the California Department of Food and Agriculture for Cannabis Cultivation Compliance Inspections in accordance with the CalCannabis Program, All Districts. [\$14,000 - 100% California Department of Food and Agriculture]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve Standard Agreement No. 18-0292 with the California Department of Food and Agriculture for cannabis cultivation compliance inspections in accordance with the CalCannabis Program in the amount of \$14,000 for the period of February 1, 2019 through June 30, 2020.
2. Authorize the Chairman of the Board to sign the agreement on behalf of the County.
3. Authorize the Agricultural Commissioner to sign the Contractor Certification Clauses.

ACTION: Policy

MINUTES OF THE BOARD OF SUPERVISORS

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$0	\$14,000	\$14,000	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: California Department of Food and Agriculture. 100%			Budget Adjustment:	No
			For Fiscal Year:	18/19

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

In June of 2017, the California Legislature passed and the Governor signed into law the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA). Under MAUCRSA, the California Department of Food and Agriculture (CDFA) was designated as the state agency responsible for issuing licenses to commercial cannabis cultivators in California. Temporary licenses issued by CDFA went into effect on January 1, 2018. Under the terms of this agreement, the Agricultural Commissioner's Office will perform cannabis cultivation licensing compliance inspections for CDFA. Inspections will be completed at temporarily licensed cultivation, nursery and processing facilities. CDFA has not issued licenses to applicants in the unincorporated area of Riverside County where cannabis cultivation is banned. As such, this agreement is not in conflict with the County's ban on cultivation of cannabis within the unincorporated areas. Inspections will only take place at facilities in incorporated cities that allow commercial cultivation of cannabis. Within Riverside County, several cities have passed ordinances allowing the commercial cultivation of cannabis.

This agreement is authorized by Section 26069.1 of the California Business and Professions Code. This agreement was approved as to form by County Counsel.

Contract History and Price Reasonableness


This is the second year for this agreement. On June 26, 2018, Agenda Item 3.17, the Board of Supervisors ratified and approved Standard Agreement No. 17-0265 with the California Department of Food and Agriculture for cannabis cultivation compliance inspections in accordance with the Cal Cannabis Program for the period of May 1, 2018 through November 30, 2018. The dollar amount covers all related cost.

ATTACHMENTS:

Attachment A: **Standard Agreement No. 18-0292.**

SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA


Nehini Macina, Principal Management Analyst 1/2/2019


Gregory T. Priamos, Director County Counsel 12/20/2018