

June 7, 2019

Submitted via electronically
koverstreet@cosb.us

Karen Overstreet
Agricultural Commissioner
County of San Benito
3224 Southside Road
Hollister, CA 950424

Dear Karen:

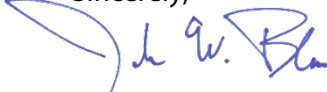
SCI Consulting Group ("SCI") is pleased to submit this proposal for cannabis-related application review services to the County of San Benito ("County"). SCI proposes to provide professional cannabis-related consulting services, as fully described in our Scope of Work:

Application Review - Phase 2: Application Evaluation and Initial Ranking

We believe our expert knowledge of the cannabis industry, coupled with our broad experience providing municipalities with regulation, revenue and administration consulting services, will serve the County well.

We look forward to this opportunity in assisting the County of San Benito with this important project and stand ready to proceed. If you have any questions or require additional information, please do not hesitate to contact me. I can be reached at (707) 430-4300 or via email at john.bliss@sci-cg.com.

Sincerely,



John Bliss, P.E.
President

INTRODUCTION

SCIConsultingGroup is a public policy and finance consulting firm with over 34 years of expertise in assisting public agencies in California.

SCI provides cannabis-related advice and broad consulting services to a variety of public agencies in California including community support analysis, ordinance development, fee studies, taxation, implementation, application process development, application review and scoring, monitoring and compliance inspections, business tax auditing, and community outreach.

SCI maintains a network of relationships with government agencies and cannabis-related industry leaders, including attorneys, testing laboratories, cultivators, nursery owners, and retailers so we can provide expertise on all elements of the cannabis industry. SCI staff trains at the nation's premier cannabis educational entity, Oaksterdam University in Oakland, and gathers lessons learned and best practices regarding cannabis operations throughout the United States.

OUR CANNABIS PHILOSOPHY

SCI is widely recognized as one of the top local cannabis implementation consulting firms in the State, and our core philosophy and approach has been described as more broadly balanced than our competitors. Our philosophy is based upon our genesis as a solution-based engineering firm that has evolved and developed in-house expertise in public policy and community outreach. Although our quantitative and regulatory rigor and attention to detail is unsurpassed, we balance this with realistic approaches to real world challenge, such as the County's transition into a regulated and legal cannabis marketplace. 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 the safe and regulated environment.

SCOPE OF WORK

Application Review – Phase 2: Application Evaluation and Initial Ranking

The application review and selection processes are typically the most onerous and difficult portions of a successful municipal cannabis implementation, especially pertaining to a competitive selection process for a finite number of licenses. SCI currently provides these services for the Cities of West Hollywood, Lompoc, Colfax, Dunsuir, San Carlos, and Nevada City.

SCI understands that the County of San Benito has an established a four-phase process for application review, ranking, and selection and has established regulatory fees to reimburse the County for this review. SCI's scope for this task includes supporting the selection process to identify the optimal cannabis applicants for the County, based upon the process and criteria established by the County.

- **Phase 2: Application Evaluation and Initial Ranking:**
SCI will evaluate and rank all applications based on the specific criteria established for Phase 2 and for compliance with the County and State regulations. A scoring spreadsheet will be provided to the County identifying the applicants which have passed Phase 2 with at least an 80% or higher scoring.

In addition, SCI will prepare the County's Selection Committee for the interviews and develop a document outlining the Phase 3 interviews, including interview questions.

Deliverables:

- Review, Rank, Document and Make Recommendations on Applications

- Prepare County Selection Committee for Phase 3 Interviews
- Develop Phase 3 Selection Committee Interview Outline and Questions

PROJECT TEAM

NEIL HALL, CANNABIS BUSINESS LEADER

Neil Hall brings over 40 years of intensive interaction with public agencies and communities throughout California. He is a recognized leader in municipal cannabis policy in California. As Owner and President of the Fairfield Research Group from 1995 to 2014, Mr. Hall conducted over 150 focus groups, and attitude and satisfaction surveys for various communities, political candidates, and public agencies in Solano County. Mr. Hall earned a Bachelor of Arts degree in Business Management and M.B.A. from St. Mary's College.

KYLE TANKARD, CANNABIS CONSULTANT

Kyle Tankard contributes experience in local cannabis policy, as well as local funding measure formation, feasibility and financial analysis services for public, private and non-profit sector organizations. Mr. Tankard has assisted municipalities with local cannabis implementation including taxation and cost recovery, health and safety regulations, and monitoring and compliance of cannabis in California. His expertise extends to include public opinion research projects, media and community educational outreach, data analysis and GIS mapping and database management. Mr. Tankard graduated from the University of California, Santa Cruz with a Bachelor of Arts in Environmental Studies with an emphasis on geographic information systems (GIS).

CHRIS COULTER, CANNABIS CONSULTANT

Chris Coulter contributes experience in local cannabis policy, funding measure feasibility, data analysis, and financial analysis services for public, private and non-profit sector organizations to the SCI team. Mr. Coulter specializes in rate study analysis and Proposition 218 formation of benefit assessment districts, community facility districts and tax rate structures. In addition, he is experienced in spatial and regional analysis, opinion research, public outreach, demographic studies and ballot measure development. Mr. Coulter is a graduate of the University of California at Berkeley with a Bachelor of Art in English Literature.

JOHN BLISS, M.ENG., P.E., PRESIDENT

John Bliss, a professional engineer and President of SCI, specializes in special tax consulting, assessment engineering, special and general benefit analysis, crafting legally compliant, robust Engineer's Reports, assessment administration, cost estimating and budgeting, database design and implementation, regulatory compliance, and revenue measure formations. He has 15 years of experience in this field of expertise. Mr. Bliss graduated from Brown University with a Bachelor of Science Degree in Engineering and 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.

EXPERIENCE AND REFERENCES

Some of SCI's most current and recent similar cannabis-related services were provided to:

City of West Hollywood

Cannabis Services:	Application Process, Scoring Methodology, and Application Review
Status:	Ongoing
Contact:	John Leonard, Community and Legislative Affairs Manager jleonard@weho.org; (323) 848-6446

City of Lompoc

Cannabis Services: Application Review
 Status: Ongoing
 Contact: Jim Throop, City Manager
 j_throop@ci.lompoc.ca.us; (805) 736-1261

City of Colfax

Cannabis Services: Application Review, Monitoring and Compliance Inspections
 and Financial Audits
 Status: Ongoing
 Contact: Wes Heathcock, City Manager
 Wes.Heathcock@colfax-ca.gov; (530) 346-2313

City of Nevada City

Cannabis Services: Application Review and Monitoring and Compliance
 Inspections
 Status: Ongoing
 Contact: Amy Wolfson, City Planner
 Amy.Wolfson@nevadacityca.gov; (530) 265-2496 ext. 130

Other SCI's cannabis clients include:

City of Avalon	City of San Carlos
City of Alameda	City of Santa Ana
City of Coalinga	City of Santa Clara
City of Davis	City of Shasta Lake
City of Encinitas	City of Vallejo
City of Goleta	City of Woodlake
City of La Mesa	County of Alameda
City of Merced	County of San Luis Obispo
City of Richmond	County of Tuolumne

OTHER INFORMATION

EMPLOYMENT POLICIES

SCI does not and shall not discriminate against any employee in the workplace or against any applicant for such employment or against any other person because of race, religion, sex, color, national origin, handicap, or age or any other arbitrary basis. SCI Consulting Group ensures compliance with all civil rights laws and other related statutes.

CONFLICT OF INTEREST STATEMENTS

SCI has no known past, ongoing or potential conflicts of interest for working with the County, performing the Scope of Work or any other service for this Project.

INSURANCE

SCI carries professional Errors and Omissions insurance in the amount of \$2 million per occurrence and \$2 million aggregate. SCI also carries general liability insurance in the amount of \$2 million per occurrence and \$4 million aggregate.

INDEPENDENT CONTRACTOR

If selected, SCI shall perform all services included in this proposal as an independent contractor.

SCOPE OF WORK

In the event the County elects to request optional, additive scope of work, SCI will work with the County to negotiate compensation for these additional tasks and execute an Addendum to the agreement for these additional services.

RESPONSIBILITIES OF COUNTY

SCI will make every effort to minimize the workload on the County, but may need assistance, iteratively, with project overview and history, scheduling and budgeting.

COORDINATION WITH COUNTY

SCI will coordinate services with County staff through frequent and concise communications including face-to-face meetings, telephone calls and e-mail.

FEE SCHEDULE

In consideration for the work accomplished, as outlined in this proposal, SCI shall be compensated as detailed below:

Application Review - Phase 2: Application Review and Initial Ranking

Compensation for Services as described in the Scope of Work shall be charged hourly based upon the rates in the table below not to exceed **\$3,000** per application without approval from the County.

SCI's hourly rates as shown in the table below:

SCI Staff	Hourly Rates
John Bliss, President	\$ 250
Neil Hall, Cannabis Business Leader	\$ 280
Kyle Tankard, Cannabis Consultant	\$ 200
Chris Coulter, Cannabis Consultant	\$ 200
Support Staff	\$ 65

Incidental costs incurred by SCI for the purchase of travel and other out-of-pocket expenses will be reimbursed at actual cost, with the total not to exceed \$2,500 without prior authorization from the County.

The scope of services includes one face-to-face staff planning meeting. Any additional meetings, if required, shall be billed at the rate of \$1,050 per person, per meeting.