

**AMENDMENT TO BOARD OF SUPERVISORS
AGREEMENT NO. 16-1095**

This Amendment to BOS Agreement No. 16-1095 is entered into this 24 day of January, 2017, by and between the COUNTY OF MENDOCINO, a political subdivision of the State of California, hereinafter referred to as "COUNTY" and LACO Associates, hereinafter referred to as "CONTRACTOR".

WHEREAS, BOS Agreement No. 16-1095 was entered into on November 14, 2016; and

WHEREAS, upon execution of this document by the Chair of the Mendocino County Board of Supervisors and LACO Associates, this document will become part of the aforementioned contract and shall be incorporated therein; and

WHEREAS, it is the desire of CONTRACTOR and COUNTY to increase the contract amount set out in the original BOS Agreement No. 16-1095, from not to exceed seventy-seven thousand dollars (\$77,000) to not to exceed one hundred and thirty-eight thousand five hundred dollars (\$138,500); and

WHEREAS, LACO Associates provides the County with professional services specific to the development of a Medical Cannabis Cultivation Regulation Initial Study pursuant to the California Environmental Quality Act; and

WHEREAS, increasing the contract amount and amending the scope will increase support services for the Medical Cannabis Cultivation Regulation Initial Study, including assistance with public hearings, strategy sessions and special meetings; assistance in preparing language for the draft Non-Cultivation Ordinance which includes regulations related to cannabis dispensaries, distribution, processing, testing laboratories, manufacturing and transportation of cannabis; and framework draft language for a cannabis Overlay Zone.

NOW, THEREFORE, we agree as follows:

1. Increase the contract amount set out in the original BOS Agreement No. 16-1095 from not to exceed seventy-seven thousand dollars (\$77,000) to not to exceed one hundred and thirty-eight thousand five hundred dollars (\$138,500); and
2. Exhibit A, Definitions of Services, is amended to include the services listed in Exhibit A Addendum attached to this Amendment.

All other terms and conditions of BOS Agreement No. 16-1095 shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

DEPARTMENT FISCAL REVIEW:

Carmel J. Angelo 1-13-17
DEPARTMENT HEAD DATE

Budgeted: ☒ Yes ☐ No

Budget Unit: 2851

Line Item: 8621189

Grant: ☐ Yes ☒ No

Grant No.: _____

COUNTY OF MENDOCINO

By: John McCowan
John McCowan, Chair
BOARD OF SUPERVISORS JAN 24 2017

ATTEST:

CARMEL J. ANGELO, Clerk of said Board

By: V. L. F.
Deputy JAN 24 2017

I hereby certify that according to the provisions of Government Code Section 25103, delivery of this document has been made.

CARMEL J. ANGELO, Clerk of said Board

By: V. L. F.
Deputy JAN 24 2017

INSURANCE REVIEW:

RISK MANAGER

By: ALAN D. FLORA
ALAN D. FLORA, Risk Manager

CONTRACTOR/COMPANY NAME

By: Clifford J. Smith

NAME AND ADDRESS OF CONTRACTOR:

LACO Associates

311 South Main Street

Ukiah, CA 95482

By signing above, signatory warrants and represents that he/she executed this Agreement in his/her authorized capacity and that by his/her signature on this Agreement, he/she or the entity upon behalf of which he/she acted, executed this Agreement

COUNTY COUNSEL REVIEW:

APPROVED AS TO FORM:

KATHARINE L. ELLIOTT,
County Counsel

By: M. K.
Deputy

FISCAL REVIEW:

By: [Signature]
Deputy CEO/Fiscal

EXECUTIVE OFFICE REVIEW:

APPROVAL RECOMMENDED

By: Carmel J. Angelo
CARMEL J. ANGELO, Chief Executive Officer

EXHIBIT A – Addendum

DEFINITION OF SERVICES

CONTRACTOR shall provide the following services:

Task 2400: Project Management and Client Communication

This task includes project team phone calls and in person meetings with the County and LACO. Phone calls are expected multiple times per week with individual County staff and more formal status updates and strategy meetings are anticipated weekly. This task includes up to 4 hours weekly for coordination and meetings with County staff for a period of up to 12 weeks.

Task 2471: Response to Comments during Initial Study Preparation

The original scope of services dated May 19, 2016, involved the assumption that LACO would receive a completed Ordinance prepared by the County and would initiate environmental review on that draft of the Ordinance. However, during the course of the environmental review, there were continued changes to the Ordinance over a 6 month period, requiring LACO to revise portions of the Initial Study and add new discussion sections where applicable. Additionally, LACO was involved in vetting and in some cases drafting proposed Ordinance language. These services were conducted outside of the scope of services included in original service agreement dated May 19, 2016 and subsequent amendment dated November 14, 2016.

Additionally, LACO also provided responses to County staff and made substantial revisions to the project description distributed with the early consultation notice based on comments received from the Board of Supervisors. These changes required an additional level of effort beyond the typical edits made in response to team review and were not accounted for in the original service agreement or subsequent amendment.

Task 2472: Staff Reports for Cultivation Ordinance

In consultation with the County staff, LACO will prepare staff reports prior to each public hearing regarding the Medical Cannabis Cultivation Regulation. Staff report preparation is assumed to include two Planning Commission staff reports and two Board of Supervisors staff reports. Attendance at these hearings has been contracted under Amendment 1 dated November 14, 2016.

Task 2473: Non-Cultivation Ordinance Draft

County Staff initiated preparing language for the draft Non-Cultivation Ordinance which includes regulations related to cannabis dispensaries, distribution, processing, testing laboratories, manufacturing and transportation of cannabis. LACO will review County draft and complete the draft ordinance for review by County Staff. Completing the Draft Non-Cultivation Ordinance will include reviewing allowed zoning and setbacks for specified uses, determining permitting types and required findings, creating definitions, and a discussion regarding program administration.

Task 2474: Non-Cultivation Ordinance Staff Reports and Hearing Support

LACO will prepare up to 3 staff reports and attend public meetings/hearings regarding the Non-

Cultivation Ordinance. These will include meeting before each of the following:

- Planning Commission (1)
- Board of Supervisors (2)

Task 2475: Non-Cultivation Ordinance CEQA determination

LACO will evaluate the appropriate level of review pursuant to CEQA for the Non-Cultivation Ordinance. This scope of services assumes that the project will be exempt from CEQA.

Task 2476: Zoning Overlay Draft Ordinance

County staff has expressed an interest in developing a zoning overlay that would be applicable to certain areas of the County where cultivation could be allowed or encouraged, such as vacant industrial facilities in non-industrial zones. LACO will provide a white paper related to the Zoning Overlay concept identifying options to consider when adopting an overlay and framework draft language for an Overlay Zone.

Special Conditions, Assumptions, and Services not provided

- Tasks not specifically identified in the scope of services above are not included.
- Task budgets are estimates of required effort; to meet project objectives, LACO may adjust the budget allocations for tasks, but may not invoice in excess of the total estimated cost without written approval from Client.
- Special conditions, assumptions, and services included in the original Contract dated May 19, 2016, apply.