

SECOND AMENDMENT TO CONSULTANT SERVICES CONTRACT BETWEEN THE CITY OF WATSONVILLE AND HINDERLITER, DE LLAMAS & ASSOCIATES FOR CANNABIS COMPLIANCE, MONITORING, AND PERMIT PROCESSING

THIS SECOND AMENDMENT TO CONTRACT for consultant services is entered into by and between **the City of Watsonville** ("City") and **Hinderliter, De Llamas & Associates** (Consultant) this 20th day of January, 2021. The City and Consultant agree as follows:

RECITALS

WHEREAS, the City and Consultant have previously executed a Consultant Services Contract dated June 10, 2019, for a cannabis compliance monitoring program including annual review of cannabis permits in an amount not to exceed \$90,000; and

WHEREAS, the City and Consultant previously executed a first amendment to the Consultant Services Contract dated August 31, 2020, to expand the scope of work to include assistance with the cannabis permit application process and to extend the term of the contract to June 30, 2021, the increased amount was not to exceed \$38,000; and

WHEREAS, on October 27, 2020, the Council approved a second amendment to the 2019 contract with HDL for an amount not to exceed \$83,000, which only included the cost for assistance with cannabis applications; and

WHEREAS, this Second Amendment replaces the one adopted by Council on October 27, 2020; and

WHEREAS, the \$83,000 inadvertently did not include the original \$90,000 for compliance monitoring; and

WHEREAS, the total compensation for the current contract and proposed amendment will not exceed \$173,000; and

WHEREAS, the City will recover costs for consultant services through cannabis application fees; and

WHEREAS, the amendment of the Agreement for Consultant Services is in the best interest of the City of Watsonville.

NOW, THEREFORE, the City and the Consultant agree that the Contract shall be amended as follows:

Section 4 is hereby amended to read:

“Section 4 and Exhibit “C” both entitled “Compensation” of the Contract are hereby amended to provide an additional amount of compensation of Forty-five thousand dollars (\$45,000) for professional services specified in Exhibit “C” entitled “Second Amendment to Compensation”, which is attached hereto and incorporated herein.”

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to Consultant Services Agreement the day and year first hereinabove written.

CITY OF WATSONVILLE

HINDERLITER, DE LLAMAS & ASSOCIATES

Matthew D. Huffaker, City Manager

Andrew Nickerson, President

ATTEST:

Beatriz Vázquez Flores, City Clerk

APPROVED AS TO FORM:

Alan J. Smith, City Attorney

EXHIBIT "C"

SECOND AMENDMENT TO COMPENSATION

The compensation is as follows:

Original Contract: \$90,000 (Account No.150-315-7361)

Amendment #1: \$38,000 (Account No.150-315-7361)

Amendment #2 \$45,000 (Account No. 150-315-7361)

Total of Contract: \$173,000