

NOTICE OF MEETING & AGENDA

Friday June 24, 2022
11 a.m. – 12:15 p.m.

via Zoom

<https://zoom.us/j/8267160176>

Meeting ID: 826 716 0176

Call in Number: +1 (669) 900-9128 Code: 8267160176#

In line with guidelines issued by the Department of Public Health and recent amendments to Gov't Code § 54953(e)(1) intended to minimize face-to-face interactions during the ongoing State of emergency, CCA will conduct this meeting of the Board of Directors entirely by teleconference / video conference call with no physical locations available for participation by either Board Members or the public. Members of the public are encouraged, however, to call in and participate as they have in the past via our teleconferencing system and a time will be made available during the meeting for public questions and comments.

PUBLIC COMMENT:

The Board welcomes and encourages public participation in its meetings. The public may take appropriate opportunities to comment on any issue before the Board. If public comment is not specifically requested, members of the public should feel free to request an opportunity to comment. Each speaker is limited to two minutes. If you are addressing the Board on a non-agenda item, the Board may briefly respond to statements made or questions posed as allowed by the Brown Act (Government Code Section 54954.2). However, the Board's general policy is to refer items to staff for attention, or have a matter placed on a future Board agenda for a more comprehensive action or report.

The Governor's orders (specifically Executive Order N-29-20) regarding the conduct of meetings of legislative bodies during the State of Emergency can be found at <http://www.gov.ca.gov/>

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AGENDA

- I. 11:00 am Opening Remarks & Roll Call
Tom Haynes, President
- II. 11:05 am Resolution 2022-04 Teleconference Meetings of the CCA
(See Attached)
- III. 11:10 am Approval of Minutes (See Attached)
Tom Haynes, President
- IV. 11:15 am Planning for the future of CCA
Greg Turner, Executive Director / Counsel
- V. 11:35 am Organizational Update
Greg Turner, Executive Director / Counsel CCA
 - A. FY 22-23 Budget Approval (See Attached) (Possible Action)
 - B. New Member Outreach
 - C. FY 22-23 Meeting Calendar
- VI. 11:45 am Platform Update
Adam Crabtree, NCS Analytics
- VII. 12:00 pm Closed Session
 - A. Executive Director Contract (Possible Action)
- VIII. 12:15 pm Public Comment

Except where noticed for a time certain, all times are approximate and subject to change. The meeting may be canceled or changed without notice. For verification, please contact gturnerecca.ca.gov. Action may be taken on any item on the agenda. Items may be taken out of order, tabled or held over to a subsequent meeting, to accommodate speakers, or to maintain a quorum

CALIFORNIA CANNABIS AUTHORITY
Resolution No. 2022-04
TELECONFERENCE MEETINGS OF THE CCA

WHEREAS, on March 4, 2020, Governor Gavin Newsom declared a state of emergency related to COVID-19, pursuant to Government Code Section 8625, and such declaration has not been lifted or rescinded; and

WHEREAS considering the ongoing concerns about public health and safety, on March 17, 2020, Governor Newsom Issued Executive Order N-29-20, which suspended certain provisions of the Ralph M. Brown Act (the "Brown Act") to allow local government bodies to conduct open meetings safely during the coronavirus pandemic; and

WHEREAS, on September 10, 2021, the Legislature took additional action to allow local government agencies to forego compliance with the Brown Act teleconferencing requirements under specific circumstances after adopting AB 361, which took effect immediately and amends the Brown Act's requirements for teleconferencing during a proclaimed state of emergency and when certain other conditions are met, and certain findings are made; and

WHEREAS County health officials as well as the CDC continue to impose conditions or recommend measures to promote social distancing, including limiting the number and circumstances of in-person meetings wherever possible; and

WHEREAS the rates of transmission of COVID-19 and variants among member counties continue to pose imminent risks for the health of attendees at indoor gatherings involving individuals from outside the same household; and

WHEREAS to help protect against the spread of COVID-19 and variants, and to protect the health and safety of the public, the California Cannabis Authority ("CCA") wishes to take the action necessary to comply with the Brown Act, as amended to continue to hold its meetings via teleconference.

NOW, THEREFORE, BE IT RESOLVED that the CCA hereby finds that there is a proclaimed State of Emergency declared by the Governor on March 4, 2020, which has not been rescinded; and

BE IT FURTHER RESOLVED that the CCA hereby finds that the guidance of local, State, and federal officials continues to recommend measures to promote social distancing and limit public gatherings; and

BE IT FURTHER RESOLVED that the CCA approves meeting via teleconference for all Regular and Special Meetings of the Board for the 30 days following this resolution, in accordance with Government Code section 54953(e) and other application provisions of the Brown Act.

Duly adopted this 24th Day of June 2022.

Thomas Haynes
Assistant Chief Financial Officer
Yolo County
President, California Cannabis Authority



CCA Board Meeting

Hotel Yountville
6462 Washington Street
Yountville, CA 94599

Via Video / Teleconference Call
April 6, 2022

MINUTES

April 6, 2022 via Video / Teleconference Call - Meeting called to order at 9:03am

1. Roll Call.

- Rex Bohn , Supervisor Humboldt County
- Justin Cooley for Jim Hamilton, Treasurer-Tax Collector, San Luis Obispo County, CCA Treasurer
- Tom Haynes, Interim Chief Financial Officer, Yolo County
- Alisha McMurtrie, Treasurer-Tax Collector, Inyo County
- Jeff Frapwell, Assistant County Executive Officer, Santa Barbara County
- Joann Iwamoto, Cannabis Program Manager, Monterey County

Others: Greg Turner, Adam Crabtree, Christy Stutzman, Jamie Regier, Alan Fernandes, Robert Roach, Myrna Zambrano

2. **Resolution 2021-03 – Teleconference Meetings of the CCA** – The resolution relating to the conduct of teleconference meetings considering the ongoing COVID health crisis was presented and approved unanimously.
3. **Approval of Minutes** - Discussion of future meetings and/or if the meetings will continue to be via video/teleconference or in person. Greg Turner advised he will present options at the next meeting. The minutes for February 25, 2022 were presented and voted on without dissent.
4. **Election of President** – Rex Bohn presented a motion to elect Tom Haynes as President, Justin Cooley seconded the motion, and it was voted on without dissent. Motion by Justin Cooley to elect Rex Bohn as Secretary, Tom Haynes seconded the motion, and it was voted on without dissent.
5. **Platform Update** – The new learning library will be available shortly. In addition, the platform just launched a Data Exports option. This allows counties to export data in CSV or Excel for the past 13 months. Another upgrade they are working on is the Transparency Project 2 which allows additional options from the platform. It will be coming in the next 2 weeks.
6. **Planning for the future of CCA** –
 - A. Where are we now?
The current mission was presented by Greg Turner.
 - B. Where are we going?
 1. Dual Role was presented:

- a.) Currently CCA's role has primarily been to help member counties operate the regulatory system
- b.) Suggested additional role of facilitating the function of the legalized marketplace and help navigate challenges – find ways to engage with the industry and other organizations.

2. Banking:

Through the NCS Platform CCA can provide validated data for the banking industry. Challenges CCA has faced with the banking industry are regarding price, scope of service and managing the number of customers. Also, it has been difficult to connect those with banking needs and those in the banking industry that work with them. Possible solutions and/or action items for CCA:

- a.) Possible RFP/RFQ for interested financial institutions – Greg Turner will investigate this option and bring information to the board.

3. How to Add Cities – Action = adding cities within the year:

- a.) Greg Turner will work with Chase Broffman on marketing materials
- b.) He will also work with SLO to connect to cities and reconvene with Monterey and Salinas
- c.) Engage with the League of Cities

4. Data:

- CCA will be pursuing legislation regarding obtaining track and trace data from the State.

5. SWAT Analysis:

- Strengths: The Platform
- Opportunities: Cities
- Weaknesses: Lack of metric data from State
- Threats: Idea that CCA is not providing value to counties not in the platform

CCA Board will move to quarterly meetings for the future. The next meeting will be in June.

7. Public Comment

No public comment.

8. Adjourned

Meeting was adjourned at 11:59 .



Efficient and Effective Commercial Cannabis Oversight

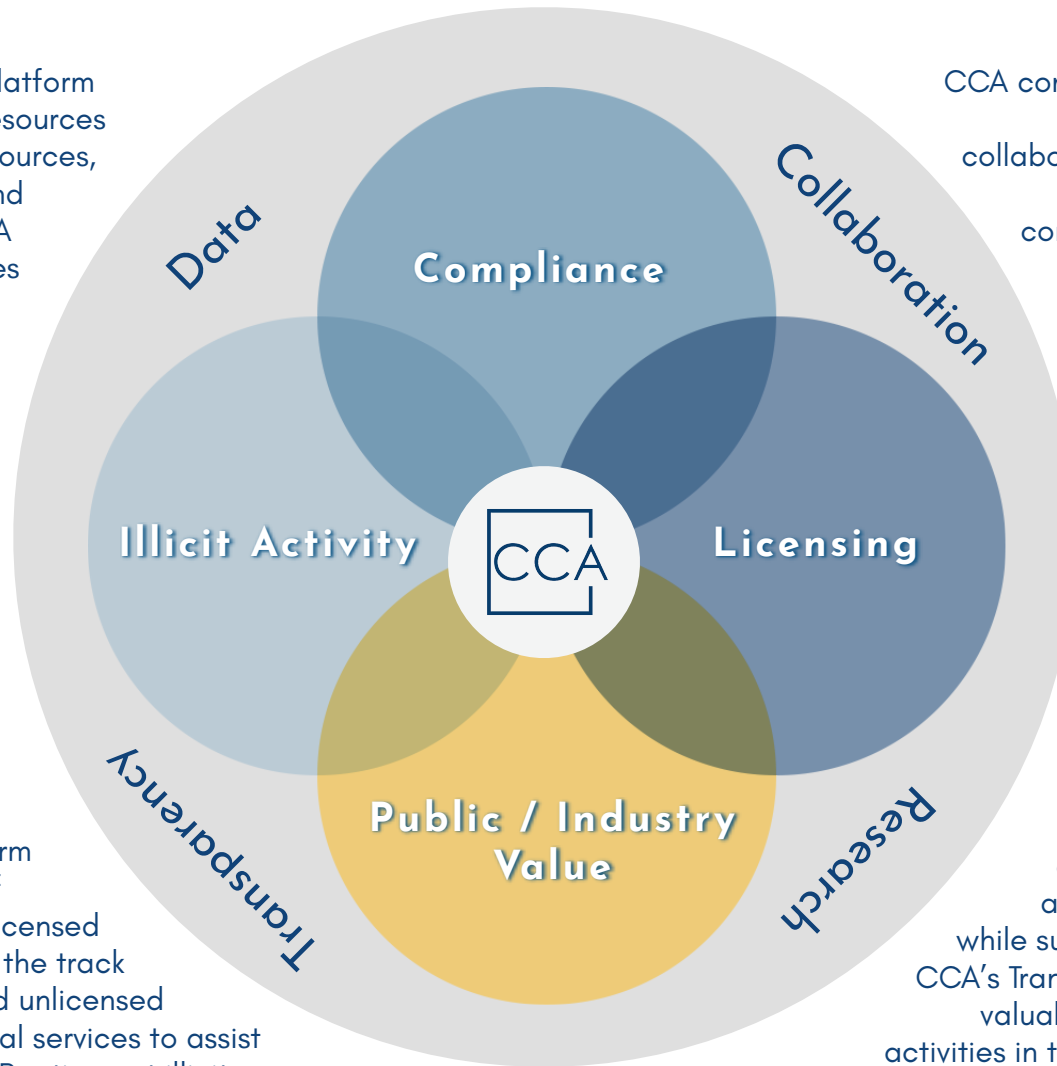
The mission of CCA is to develop tools and methodologies to assist local governments to more efficiently and effectively deliver oversight of commercial cannabis, to help minimize risks and costs, facilitate the functioning of the legal market, and support policies that assist local governments in realizing the benefits of commercial cannabis in their communities.

Compliance

An alerts based data analytics platform that focuses local government resources on outlier activity, conserving resources, discovering illicit transactions, and reducing costs of oversight. CCA continues to expand opportunities for member collaboration and engagement on issues of common interest.

Licensing

CCA continues to explore opportunities for improved state and local licensing collaboration, integration, and unification to avoid duplication, improve communication, and reduce licensing processing costs and burdens of compliance.



Illicit Activity


For licensed activities, the Platform assists with efficient discovery of anomalous transactions. For unlicensed activities, or those not recorded in the track and trace system by licensed and unlicensed parties, we are exploring potential services to assist with discovery and eradication. Rooting out illicit activities helps protect the public and licensees operating according to law.

Public / Industry Value

CCA makes regulatory and tax compliance programs more efficient and effective, saving taxpayer dollars while supporting the legal cannabis market. CCA's Transparency Project will give the public valuable insight into commercial cannabis activities in their communities. CCA continues to explore other tools and methods for increasing public value, including support for local equity programs, commercial cannabis banking, and a new Research Initiative.



To: Members of the Board

From: Greg Turner 
Executive Director / Counsel

Date: 6/20/2022

Re: CCA FY 22/23 Budget

Below is the Budget for CCA for FY 22/23 for your consideration and approval. You may recall that we first considered this budget in December of 2021, and it remains only slightly changed from that draft.

Our revenue projections for FY 21/22 are largely proving out and we anticipate ending the fiscal year at our projections. Expenses are mostly less than anticipated, though doing almost entirely to our holding off significant payments to CSAC Finance Corp. in recognition of their desire to continue to invest in the growth of the organization. The increased expense for Professional Services reflects our engagement of an outside lobbying firm to assist in our communications with the legislature and the Administration.

Regarding our revenue projections for FY 22/23, they are slightly larger than those for FY 21/22 based on assumptions for a full year of Santa Barbara's use of the Platform, the addition of at least two new County members and a handful of cities. We have only included the present base membership fees for new revenues as projecting any Platform usage fees would be too speculative.

On the Fixed Costs aspect of the budget, I have proposed largely maintaining last year's expenditures levels. Regarding Professional Services, I expect the Executive Director contract to remain unchanged, however, there is an augmentation for re-engaging the lobby services contract that we have utilized this past year for engaging with the legislature and Administration. Also, we are proposing expanding the Program Marketing budget to reflect potential costs associated with what we expect will be a more concerted marketing effort in the fiscal year.



Budget Update

	FY 2021-22 BUDGETED	YTD FY 2021-22	FY 2022-23 DRAFT	
Sources:				
BEGINNING YEAR FUND BALANCE AVAILABLE	50,468			
REVENUES:				
Base Membership Dues			244,000	
Platform Usage Charges			977,220	
Total From Membership Fees	1,110,200	828,795	1,221,220	
Accounts/Notes Payable				
CSAC FC Contribution				
Interest	1,100	419	1,100	
TOTAL SOURCES	1,161,768	829,214	1,222,320	
Uses:				
EXPENDITURES:	Codes			
Professional Services	5050340	135,000	121,500	145,000
Outside Legal Services	5050320	96,000	80,000	96,000
Insurance	5050160	2,500	-	2,500
Audit	5050030	8,500		15,000
Program Marketing	5050010	7,500	5,675	10,000
Website Management	5050100	4,500	4,743	4,500
Sponsorship Fees (Misc Exp)	5050270	125,000	-	100,000
Data Platform Fees (Data Communications)	5050100	715,000	509,936	786,500
Board Travel	5050450	4,500	-	4,500
Telephone / Telecommunications	5050440	1,850		1,850
Board Meetings	5050125	2,500	5,622	7,500
Credit Card Fees	5050095	650	834	650
Office Expenses	5050280	2,500	2,665	2,750
TOTAL EXPENDITURES:				
Fixed Costs		266,000	221,040	290,250
Variable Costs		840,000	509,936	886,500
		1,106,000	730,976	1,176,750
Exigencies		55,768	98,238	45,570
TOTAL USES		1,161,768	829,214	1,222,320

CONTRACT FOR EXECUTIVE DIRECTOR SERVICES
BETWEEN THE CALIFORNIA CANNABIS AUTHORITY AND
WM. GREGORY TURNER

This Agreement for Executive Director Services (“Agreement”), dated as of July 1, 2022 (“Effective Date”), is made and entered into by and between the California Cannabis Authority (the “CCA”), a California joint powers authority created pursuant to the Joint Powers Agreement, dated January 12, 2018 (eff. January 23, 2018 as Amended September 24, 2021 (the “JPA Agreement”) and Wm. Gregory Turner (“Contractor”), sometimes individually referred to herein as a “Party” and collectively, as the “Parties.”

RECITALS

WHEREAS, pursuant to Section 8 of Article III of the JPA Agreement, the Board of Directors of the CCA is required to appoint an Executive Director who shall be responsible for the general administration of the business and activities of the CCA as directed by the Executive Committee; and

WHEREAS, the Board of Directors desires and is empowered by Section 8 of Article III of the JPA Agreement to retain a person or firm to provide Executive Director Services as an independent contractor to fulfill the Executive Director’s duties; and

WHEREAS, Contractor has served in various capacities representing California counties and through such experience has acquired special skills, abilities and knowledge regarding the role counties play in California government and public policy and specifically in regard to the role of state and local governments in regard to the legalization, regulation and taxation of recreational cannabis; and

WHEREAS, the CCA acknowledges Contractor has and continues to serve CCA as General Counsel and also engaged in the practice of law as a member of the California State Bar with clients unrelated to the activities and interests CCA; and

WHEREAS, Contractor warrants that he is qualified, competent, and desiring to render these services,

NOW THEREFORE, the Parties agree as follows:

1. SCOPE OF SERVICES

Contractor agrees to provide all of the services described in **Exhibit A** attached hereto and by this reference made a part hereof.

2. FURNISHED SERVICES

CCA agrees to:

- 2.1 Provide access to any facilities or property necessary for the performance of this Agreement.
- 2.2 Make available all pertinent data and records for Contractor’s use and review in performing services under this Agreement.

3. FEES AND PAYMENT SCHEDULE

Contractor shall be paid the Monthly Retainer representing compensation for the Basic Services as specified in Exhibit A to this Agreement. Contractor’s Monthly Retainer shall be inclusive of any

travel and lodging expenses incurred in fulfilling duties as Executive Director. Additional services which are beyond the scope of the Basic Services described in Exhibit A or services that require more than an estimated average of 80 hours per month, shall be arranged by separate agreement.

Contractor shall provide CCA with his Federal Tax I.D. number or social security number.

4. TERM OF AGREEMENT

This Agreement shall commence on July 1, 2022, and shall continue in effect until June 30, 2023, unless renewed or otherwise terminated as provided herein. The Board shall review this Agreement and the compensation arrangements provided for herein on or before June 30, 2023, and at least annually thereafter on or before each subsequent fiscal year of CCA.

This Agreement may be terminated without cause upon thirty (30) days prior written notice by either party. This Agreement may be terminated by CCA immediately for cause. For the purposes of this Agreement, cause shall mean conviction of a misdemeanor involving the services provided under this Agreement or conviction of any felony. Cause also shall mean the unexcused failure to satisfactorily perform services required by this Agreement after CCA provides written notice to correct such failure and Contractor continues to fail to satisfactorily perform such services for a period of fifteen (15) days or more. The notice to correct shall specifically describe the services that Contractor has failed to perform satisfactorily. Upon termination without cause, Contractor shall be paid for all services performed to the date of termination.

5. INSURANCE

All required insurance coverages shall be substantiated with a certificate of insurance and must be signed by the insurer or its representative evidencing such insurance to CCA. The auto liability policy shall be endorsed naming CCA as an additional insured. The certificate(s) of insurance and required endorsement shall be furnished to the CCA prior to commencement of work hereunder. Each certificate shall provide for thirty (30) days advance written notice to CCA of any cancellation or reduction in coverage. Said policies shall remain in force through the life of this Agreement and shall be payable on a per occurrence basis only.

Nothing herein shall be construed as a limitation on Contractor's indemnification obligations under Section 14 of this Agreement

Failure to provide and maintain the insurance required by this Agreement will constitute a material breach. In addition to any other available remedies, CCA may suspend payment to the Contractor for any services provided during any time that insurance was not in effect and until such time as the Contractor provides adequate evidence that Contractor has obtained the required coverage.

5.1 Commercial Liability Insurance (bodily injury and property damage - \$1,000,000)

5.2 Comprehensive Automobile Liability Insurance (\$500,000/accident)

5.3 Worker's Compensation Insurance (should employees be hired)

The Contractor acknowledges the State of California requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code. If Contractor has employees, a copy of the certificate evidencing such insurance or a copy of the Certificate of Consent to Self-Insure shall be provided to CCA prior to commencement of work.

6. NONDISCRIMINATORY EMPLOYMENT

Contractor and/or any permitted subcontractor shall not unlawfully discriminate against any individual based on race, color, religion, nationality, sex, sexual orientation, age or condition of disability. Contractor and/or any permitted subcontractor understands and agrees that Contractor

and/or any permitted subcontractor is bound by and will comply with the nondiscrimination mandates of all Federal, State and local statutes, regulations and ordinances.

7. SUBCONTRACTING

The Contractor shall not subcontract nor assign any portion of the work required by this Agreement without the prior written approval of the Board of Directors of CCA. If Contractor is authorized to hire a subcontractor under this Agreement, Contractor shall require subcontractor to provide and maintain insurance coverage(s) identical to what is required of Contractor and shall require subcontractor to name Contractor and CCA as additional insureds. It shall be Contractor's responsibility to collect and maintain current evidence of insurance provided by its subcontractors and forward such evidence of insurance to CCA.

8. ASSIGNMENT

The rights, responsibilities and duties under this Agreement are personal to the Contractor and may not be transferred or assigned without the express prior written consent of the Executive Committee of CCA.

9. BOOKS OF RECORD AND AUDIT PROVISION

Contractor shall maintain on a current basis complete books and records relating to this Agreement. These documents and records shall be retained for at least five years from the completion of this Agreement. Contractor will permit CCA to audit all books, accounts or records relating to this Agreement or all books, accounts or records of any business entities controlled by Contractor who participated in this Agreement in any way. Any audit may be conducted on Contractor's premises or, at CCA's option, Contractor shall provide all books and records within a maximum of fifteen (15) days upon receipt of written notice from CCA. Contractor shall refund any monies erroneously charged within 30 days after such erroneous charges are discovered.

10. OWNERSHIP OF RECORDS

Any and all documents, information and reports prepared by the Contractor in performing services under this Agreement, shall be the property of the CCA. The Contractor may retain copies of these documents. In the event of the termination of this Agreement, for any reason whatsoever, Contractor shall promptly turn over all information, documents, and records to CCA without exception or reservation.

11. RELATIONSHIP BETWEEN THE PARTIES

It is expressly understood that in the performances of the services herein, the Contractor, and the agents and employees thereof, shall act in an independent capacity and as an independent contractor and not as employees or agents of the CCA. Contractor shall be solely responsible to pay all required taxes, including but not limited to, all withholding social security, and workers' compensation. Contractor's authority to act on behalf of CCA shall be defined by a Resolution Conferring Powers by the Board of Directors and Contractor shall have no power or authority to enter into any contracts or other obligations on behalf of CCA unless expressly authorized by the Executive Committee of CCA as appropriate.

12. AMENDMENT

This Agreement may be amended or modified only by written agreement of both parties.

13. JURISDICTION AND VENUE

This Agreement shall be construed in accordance with the laws of the State of California and the parties hereto agree that venue shall be in Sacramento County, California.

14. INDEMNIFICATION

CCA agrees to indemnify and defend Contractor from any claims and liabilities that arise from the performance of the services required by this Agreement. Contractor agrees to indemnify, defend, and hold harmless CCA, its employees, officers, contractors, consultants and agents, from any claims or liabilities arising from any acts, omissions or other wrongful conduct of Contractor outside the scope of services required by this Agreement.

15. COMPLIANCE WITH APPLICABLE LAWS

The Contractor shall comply with any and all Federal, State and local laws and regulations affecting services covered by this Agreement.

16. FORCE MAJEURE

A Party shall not be considered in breach of or in default under this Agreement on account of, and shall not be liable to the other Party for, any delay or failure to perform its obligations hereunder by reason of fire, earthquake, flood, explosion, strike, riot, war, terrorism, or similar event beyond that party's reasonable control (each a "Force Majeure Event"); provided, however, if a Force Majeure Event occurs, the affected Party shall, as soon as practicable: (a) Notify the other Party of the Force Majeure Event and its impact on performance under this Agreement; and (b) Use reasonable efforts to resolve any issues resulting from the Force Majeure Event and perform its obligations hereunder.

17. NOTICES

This Agreement shall be managed and administered on CCA's behalf by the President of the CCA. All invoices shall be submitted to and approved by the President as Contract Manager. All notices shall be given to CCA at the following location:

Contract Manager:	President, California Cannabis Authority
Address:	California Cannabis Authority 1100 K Street Suite 101 Sacramento, CA 95814

Notices shall be given to Contractor at the following address:

Contractor:	Wm. Gregory Turner
Address:	1017 L Street, No. 146 Sacramento, CA 95814

18. Entire Agreement: Modification.

This Agreement constitutes the entire agreement and understanding between the Parties regarding the subject matter addressed herein. No modification or extensions of this Agreement shall be effective unless in writing and signed by the parties hereto, excepting therefrom the areas of discretion reserved by CCA as set forth herein.

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

CONTRACTOR

CALIFORNIA CANNABIS AUTHORITY

Wm. Gregory Turner

Tom Haynes
Assistant Chief Financial Officer
President
California Cannabis Authority

EXHIBIT A
SCOPE OF SERVICES FOR EXECUTIVE DIRECTOR

Under the general direction of the Executive Committee, the Executive Director shall be responsible for the operation and the general management of CCA's activities and services.

The Monthly Retainer shall be: \$9,650 per month, inclusive of any travel and lodging expenses incurred in fulfilling duties as Executive Director.

The Executive Director's specific duties and responsibilities shall include the following:

1. Act as agent of CCA for the administration of all CCA functions and policies;
2. Give direction and leadership to the formulation and achievement of the organization's philosophy, mission, and its annual goals and objectives, including analysis and interpretation of financial and program data relating to CCA activities;
3. Attend meetings of the CCA in person, as needed, or telephonically, and make recommendations on all actions submitted to the Board of Directors or Executive Committee for consideration
4. Work with the Board of Directors, Executive Committee, and staff to develop and implement policies, procedures, and long- range strategic plans;
5. Management of the services provided by any CCA Contractors
6. Oversee administrative, financial and program operations, and all personnel matters (design of staff organizational structure, hiring and firing responsibilities, etc.);
7. Monitor and respond to written and telephonic correspondence in a timely manner;
8. Prepare and, following Board approval, administer the CCA's annual budget, including reviewing and approving disbursements on behalf of CCA, performing a continuous review of CSCDA expenditures throughout the fiscal year to determine that expenditures are necessary and in accordance with CCA policy;
9. Negotiate and ensure compliance with CCA's contracts;
10. Manage overall CCA operations;
11. Pursue growth of Members and Participants while ensuring continued service delivery to existing Members and Participants;
12. Manage and Maintain a close working relationship with other local, state, and federal agencies, as well as representatives of the cannabis industry;
13. Manage CCA's response to Public Records Act requests and coordinate such responses with the General Counsel Administrators
14. Keep informed of trends, issues, events and developments within the cannabis industry as well as state and federal regulation of cannabis, through professional peer contacts, conference attendance, etc.