



BOARD OF SUPERVISORS  
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

Department Name: CEO  
Department No.: 012  
For Agenda Of: August 14, 2018  
Placement: Administrative  
Estimated Time: NA  
Continued Item: No  
If Yes, date from:  
Vote Required: Majority

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**TO:** Board of Supervisors

**FROM:** Department Mona Miyasato, County Executive Officer  
Director(s)  
Contact Info: Dennis Bozanich, Deputy County Executive Officer

**SUBJECT:** Cannabis Business Licensing Software Contracts with Accela

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**County Counsel Concurrence**

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

**Auditor-Controller Concurrence**

As to form: Yes

**Recommended Actions:**

That the Board of Supervisors:

- A. Approve and authorize the Chair to execute a Professional Services Agreement for \$107,000 for onetime set up and configuration of Accela's Cannabis Civil Licensing Application used to receive and process cannabis business licenses.
- B. Approve and authorize the Chair to execute a Master Subscription Agreement for \$45,000 annually for 15 licenses to use Accela's Cannabis Civil Licensing Application.
- C. Determine that the above actions are governmental fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact to the environment and are therefore not a project under the California Environmental Quality Act (CEQA) pursuant to section 15378(b)(4) of the CEQA guidelines.

**Summary Text:**

On April 10, 2018, the Board approved a cannabis business-licensing program for the unincorporated area of Santa Barbara County. This contract with Accela will automate the issuance of cannabis business licenses. License applicants will be able to complete a license application online and track the progress of that application through the multi-departmental review process. In subsequent years, licensees will be able to complete license renewals. Accela's Cannabis Civic Licensing Application is a "software as a

service” is a cloud-based application accessible to all departments responsible for reviewing cannabis business license applications. The application does not require local information technology resources such as server space.

**Background:**

The cannabis business-licensing program adopted by the Board requires review of application materials by CEO, Sheriff, Planning and Development, Environmental Health, Fire and Treasurer-Tax Collector. Accela’s system includes a public portal through which applicants will complete an online application and upload required supporting documents. Accela also provides automated workflows that will move documents to the proper staff and allow them to document their recommendation for approval or denial. Additionally, the application is capable of collecting field compliance inspection data from web-connected mobile devices such as cell phones.

The Planning and Development Department already uses another Accela product to manage permitting. A portion of the Professional Services Agreement is to develop a software link to Planning and Development’s permit history. Importantly, the State’s cannabis licensing authorities all use Accela to receive and track cannabis-licensing applications.

**Performance Measure:**

NA

**Contract Renewals and Performance Outcomes:**

NA

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

| <b><u>Funding Sources</u></b> | <b><u>Current FY Cost:</u></b> | <b><u>Annualized On-going Cost:</u></b> | <b><u>Total One-Time Project Cost</u></b> |
|-------------------------------|--------------------------------|---|---|
| General Fund                  |                                |   | \$ 120,000.00                             |
| State                         |                                |   |   |
| Federal                       |                                |   |   |
| Fees                          |                                | \$ 45,000.00                            |   |
| Other:                        |                                |   |   |
| <b>Total</b>                  | \$ -                           | \$ 45,000.00                            | \$ 120,000.00                             |

**Narrative:**

The ongoing funding (\$45,000) for the fifteen software licenses will be paid from the General County Programs budget out of the funding received from annual cannabis licensing and renewal fees collected from the industry participants. The one-time funding for the initial configuration of the software (not to exceed \$120,000), will also be paid from the General County Program budget, but come from cannabis tax revenue. Staff recommends rounding the amount up slightly from the Accela estimated configuration

costs of \$107,000 in order to account for potential unforeseen programming or software implementation costs.

**Key Contract Risks:**

The County's Cannabis Business Licensing Program is a critical component of addressing impacts of unregulated cannabis related businesses. Cannabis licensing requires the coordinated review of license application by staff from the County Executive Office, Planning and Development, Sheriff, Fire, Agriculture Commissioner and Public Health-Environmental Health. A common application and licensing platform with field note taking capacity will be a critical component of administering applications, licenses, compliance checks, renewals, and if needed, revocations and suspensions.

The contract does contain an arbitration clause that we unsuccessfully sought to remove during contract negotiations.

Planning and Development has been using other Accela products for many years without problems.

**Staffing Impacts:**

**Legal Positions:**

**FTEs:**

**Special Instructions:**

**Attachments:**

Attachment A – Professional Services Agreement

Attachment B – Master Subscription Agreement

Attachment C – Scope of Work

**Authored by:** Dennis Bozanich, Deputy County Executive Officer, 805-568-3403