

Norton, Melissa K

From: Rose Habib <rose@cannabanalysis.com>
Posted At: Friday, February 15, 2013 12:55 PM
Conversation: RFP- K430, C&R Strategic Services
Subject: RFP- K430, C&R Strategic Services

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CONFIDENTIALITY NOTICE:

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RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to lcbids@liq.wa.gov.
- Clearly mark the subject line of the email: RFP- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the lcbids@liq.wa.gov inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

- | | |
|--|-------------------------------------|
| Proposer's Authorized Offer (see page 2) | <input checked="" type="checkbox"/> |
| Proposer Information (see page 3) | <input checked="" type="checkbox"/> |
| Subcontractor Information (see page 4) | <input checked="" type="checkbox"/> |
| Letter of Submittal (see page 5) | <input checked="" type="checkbox"/> |
| Non-Cost Proposal (see page 6) | <input checked="" type="checkbox"/> |
| Cost Proposal (see page 8) | <input checked="" type="checkbox"/> |

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We ~~(circle one)~~ are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Rosemary Habib

Proposer Signature
Project Director

Title

C&R Strategic Services

Company Name
Feb 15, 2013

Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name	C&R Strategic Services
Street Address	300 Augusta Drive
City, State, Zip	Missoula, MT 59801
Federal Tax ID Number	PersonalInfo
UBI	Will register upon award of contract
Website URL	

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name:	Rosemary Habib
Telephone:	406-531-6726
Email:	Rose@CannabAnalysis.com

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount _____% _____days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	ALL Categories (1-4) listed below	<input checked="" type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 2

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 3

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 4

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

See attached Excel file: subcontractors.xlsx

LETTER OF SUBMITTAL

The Proposer's Letter of Submittal must be signed by the individual within the organization authorized to bind the bidder to the offer. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Proposer and any proposed subcontractors:

- Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.
- Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)
- Location of the facility from which the Proposer would operate.
- Statement of which of the following Categories Proposer is responding to:
 - Category 1: Product and Industry Knowledge
 - Category 2: Product Quality Standards and Testing
 - Category 3: Product Usage and Consumption Validation
 - Category 4: Product Regulation
- Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Proposer's organization. If following a review of this information, it is determined by the WSLCB that a conflict of interest exists, the Proposer may be disqualified from further consideration for the award of a contract.

See attached file: Submittal_Letter_k430.docx

NON-COST PROPOSAL

Please refrain from using company name or other information that will identify your company while preparing your response for the Non-Cost Submittal. The Washington State Liquor Control Board (WSLCB) reserves the right to modify proposals in order to eliminate company names or any other information that may identify a specific company brand.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:
 - a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
 - b. How Marijuana is infused into food and beverages
 - c. How Marijuana should be packaged, labeled, transported, and sold at retail level
 - d. How wholesale and retail Product should be recalled and accounted for
 - e. How Marijuana should be destroyed if overproduced, contaminated, or recalled
2. **Experience.** In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.
3. **Team Structure and Internal Controls.** In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.
4. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Please answer the questions listed below, attaching additional pages as necessary:

5. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or expertise in Product Quality Standards and Testing, including but not limited to the following:
 - a. Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations
 - b. Assisting the WSLCB with establishing quality standards for testing Marijuana
6. **Experience.** In two (2) pages or less, please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.
7. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
8. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminants, and Product strain.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Please answer the questions listed below, attaching additional pages as necessary:

9. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise to estimate Product Usage and Consumption levels by geographic areas in Washington State.
10. **Experience.** In two (2) pages or less, please describe your firm's experience in statistical research, specifically related to determining demographic and/or psychographic segmentation, preferably related to the use of Cannabis.
11. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
12. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firm's proposed approach and methodology to be used for Product Usage and Consumption validation as requested in this RFP, to estimate demographic and psychographic segmentation, specifically related to the use of Cannabis.

CATEGORY 4 – PRODUCT REGULATION

Please answer the questions listed below, attaching additional pages as necessary:

13. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise in Product Regulation, including but not limited to, the following:
 - a. Experience with State, local or Federal government processes and procedures
 - b. Experience in crafting system regulations
14. **Experience.** In two (2) pages or less, please describe your firm's experience in working within the confines of a regulatory system, and experience in creating and/or modifying rule, law, ordinance, and/or guidelines.
15. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
16. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB with developing rules and a regulation strategy for the state of Washington's new Marijuana System.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) <u>Hourly</u> Rate for I-502 Consulting Services as stated in this RFP	\$ 187.50 p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) <u>Daily</u> Rate for I-502 Consulting Services as stated in this RFP	\$ ____ p/day

C&R Strategic Services

Missoula, MT 59801

406-531-6726

LETTER OF SUBMITTAL

We would like to submit our proposal for consideration for K430, Request for Proposal for Consulting Services with Washington State Liquor Control Board and C&R Strategic Services.

C&R Strategic Services will form a legal entity upon successful awarding of the contract. Currently C&R Strategic Services resides in Missoula, MT.

The officers of C&R Strategic Services are Vice President, Chris Lindsey (116 Burlington, Missoula, MT 59801, 406-214-0356) and President, Rosemary Habib (300 Augusta Drive, Missoula, MT 59801, 406-531-6726)

Upon winning the contract, C&R Strategic Services anticipates rapid relocation to Washington state in the Tacoma-Olympia vicinity and establishment of an office and workspace conveniently located near LCB.

C&R Strategic Services is responding to Categories 1, 2, 3, and 4 of the RFP K430.

C&R Strategic Services has no known relationships, personal or professional, with any current or former Washington state employees.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

1. Ability, Capacity and Skills.

a How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured and processed.

Our team has the capacity, skill and ability to advise the WSCLB on growing, cultivating, harvesting curing and processing marijuana. This ability is based on our direct experience professionally inspecting and consulting with a large number of medical marijuana production, processing and retail operations, each with their own unique approach to these services. Team members have also owned, operated and worked in both large and small medical marijuana production, processing and retail businesses. The team proposes to educate the WSCLB on the features and realities of production, processing, testing and retail sales of marijuana in the following areas, to enable the WSCLB to best determine which areas are appropriate for regulation within the purpose and intent of the Uniform Controlled Substances Act:

- Construction of greenhouse and other grow facilities, growing and curing rooms, and modification of retail locations for security,
- Selecting, installing and inspecting production and processing equipment related to large and small scale marijuana grow facilities including:
 - Lighting systems including ballasts and light rigs including LED, high pressure sodium, and metal halide systems, various sizes and manufacturers,
 - Exhaust systems,
 - Light movers and motion controllers,
 - Temperature control regulators,
 - Humidifiers and dehumidifiers,
 - Air flow handlers including fans and exhaust systems and conduits,
 - CO₂ infusion and regulation systems,
 - Controllers for all the equipment listed above,
 - Equipment for post-production processing including grooming/manicuring equipment and packaging systems.
- Purchasing, installing, and use of software and equipment for use at multiple retail facilities including:
 - Networked point of sale software and registers with real-time inventory control, including regular auditing capability and report generation,
 - Safes,
 - Video surveillance equipment and systems,
 - Bullet-proof protective enclosures, and
 - Building supplies for secure entryways and exits.
- Human resources programs for producers, processors and retailers including:
 - Training programs for propagating, growing, moving, inspecting, watering and feeding plants, as well as harvesting, trimming, drying and curing cannabis for use, each with written forms for tracking activity,
 - Security training, implementing check-in/check-out procedures and badges for employees.
- Developing, implementing, using, and inspecting:
 - Company books for production, processing and retail environments,

- Plant and inventory tracking systems for plants in all stages of growth - including specific varieties (“strains”) of plants, plant count, wet and dry weight following plants from propagation to sale of useable marijuana, processed plant material, and destruction of plant material. Various tracking systems include simple forms to data entry systems or barcode scanners with back-end software,
 - Additive tracking systems for nutrients, organic and non-organic supplements,
 - Post-production tracking including weight and time check in/check out procedures and department assignment
 - Reports based on revenue tracking forms, delivery manifests and sales receipts.
- Selecting and using insecticides, natural pest controls, nutrients, and mineral additives.
- Cultivating cannabis with soil-based, hydroponic, aeroponic and deep-water culture growing methods.
- The team has capacity, skills and ability regarding harvesting and curing techniques. These skills include cutting and trimming plants, disposal of low-quality plant material, grooming buds by hand or with automated systems, and collecting trichomes for use in post-production processes during and after the drying process.
- Team skills also include the construction and use of drying and curing facilities and machinery, along with various drying and curing techniques.
- The team possesses practical knowledge in monitoring and identifying the negative effects on plants due to parasites, diseases, chemical imbalance, H₂O imbalance, salts, environmental problems, or contaminant problems due to mold, powdery mildew or other pathogens, as well as the employment of specific remedial measures to avert, minimize or overcome crop damage,
- Maintenance of clean and well-ventilated environments.

b. How Marijuana is infused into food and beverages

The consequences of carefully managing this portion of the marijuana market cannot be overstated. While smoked marijuana has a long history of relative safety despite the general lack of regulation, the complexity of marijuana edibles and the naiveté of those attempting to produce them have resulted in some negative and even dangerous consumer experiences. These experiences can be drastically reduced by prudently regulating production and labeling, and a bit of consumer education. Creating quality extracts will likely be one of several subspecialties that evolve in the ‘processor’ licensing category.

Our team has the capacity to educate and advise the WSLCB in the following areas and make recommendations for the regulation of cannabis extraction and infusion of marijuana products, including:

- Multiple extracting methods; chemical or physical, solvent or lipid, supercritical fluid,
- Safety and efficacy of each type of process,
- The pros and cons of each method; process safety considerations, quality of end-product,
- Methods of chemical conversion from THCA(not psychoactive) to THC(psychoactive),
- The appropriate use of the resultant extracts in different marijuana infused products,
- Development and use of forms for tracking extracts and extracted materials and products.

Our team has extensive experience in the successful infusion of food and topical products with THC and has noteworthy and exclusive experience with:

- Precise and accurate dosing protocols,

- Product stability issues, recommended storage, packaging, and “best by” specifications,
- Extensive customer feedback data on recommended dosing strengths and “recommended best-use practices” for dosed-edibles consumers,
- Development and use of forms and logbooks for tracking infused product production and extract usage.

We will suggest Quality Control analyses be performed on extracts and infused edibles and topicals. Particularly critical is the complete conversion of THCA(not psychoactive) to THC(psychoactive) and testing for solvent residue prior to addition to an edible.

The use of a storage matrix which is stable and easy to accurately measure is critical to the quality of the final products. The security of this highly concentrated extract is very important to the integrity of the program. Its use should be stringently recorded. Waste should be properly destroyed. Infused product manufacturers, who in the largely unregulated arena of medical marijuana often thought of themselves as bakers, will need to be prepared to think more like pharmacists to precisely and accurately dose their products in order to succeed in a regulated environment.

c. How Marijuana should be packaged, labeled, transported, and sold at retail level

Our team can educate the WSLCB and make recommendations for building a regulatory system which involves weighing, packaging and labeling cannabis products in various types of containers including glass, plastic and vacuum-sealed containers including tamper-proof containers of various sizes and materials. We are also familiar with several different types of labels, which may variously include information on company, source facility, production lot, age, grow methods, nutrient or other additive use, genetics, potency, dosage information, storage suggestions, “best-by” date, health and other warnings, and legal requirements and limitations.

We also have the ability to educate and make recommendations related to the transportation of containers in bulk or individually through various conveyances including couriers, common carriers, shipping companies, and armored car carriers both to end-users and among businesses for retail sale.

Members of our team have capacity, skill and ability to educate, train, and make recommendations to the WSLCB on the various approaches to the sale of marijuana and marijuana-infused products, implementation and use of retail, real time inventory tracking systems and procedures, the selection and implementation of point of sale software, ways to design and arrange stores for maximum security, and surveillance equipment selection, installation and use.

d. How wholesale and retail product should be recalled and accounted for

The team has the capacity, skill and ability to work with the WSLCB to develop procedures, forms, training and education for producers, processors and retail outlets for returns and product recall, and either restocking or destroying procedures and tracking. The team also has experience in the inspection of recalled marijuana and destruction of plant materials and marijuana-infused products.

e. How Marijuana should be destroyed if overproduced, contaminated, or recalled

Members of our team have expertise with various methods of destroying marijuana plants, plant materials and derivative products through diluting, grinding, or incorporating into paper products, food waste, grease, compost activators, or through incineration.

2. Experience.

The team includes three core staff members each with unique skill-sets and experience, as well as a proven track record of working both together and independently operating businesses in marijuana-related businesses and demanding environments.

The Project Manager for Category 1 is currently a medical marijuana attorney and founder and owner of several former businesses directly related to cannabis production, processing and retail sales. He founded and spent 18 months operating an inspection and consulting company called Rolling Numbers, which served dozens of medical marijuana businesses. These businesses engaged in wide range of production, processing and retail sales methods. Based on the needs and functions of the business, his company identified areas for regular inspection and reporting to business owners or management. Areas commonly included compliance with state regulations, spot checks for cleanliness, bookkeeping, employee credentials, inventory control and a wide range of other specific areas at the option of the business owners or managers. He also ran training programs for management and staff members on a range of specific topics including both the law and recommended business procedures including forms and reference materials.

Before starting the inspection service in 2010, this team member was an owner and partner in the state's largest medical marijuana producer, processor and retail operator in Montana. This company refurbished a 36,000 square foot facility, acquired and installed all equipment, obtained dozens of varieties of cannabis, grew marijuana using numerous grow methods listed above and employed dozens of full time staff involved in production, sales and distribution and numerous facilities around the state. He was involved in all levels of production, sales and distribution, and all legal work for the company including zoning regulations, lease negotiation, employment contracts and compliance with state law both related to marijuana production and sales, as well as state standards for employees and subcontractors.

This team member later became a well-known marijuana attorney in both criminal and civil law for medical marijuana caregivers and consulted with hundreds of caregivers on the law best business practices. He developed forms and checklists for businesses, established policies and guidelines for producers, processors and retail operators, and trained owners and staff members on the requirements of the law as well as recommended business practices. These activities later became the basis for the inspection service described above. This team member is currently the president of the Montana Cannabis Industry Association and a board member of Montana Medical Grower's Association. His experience with rule making and bill drafting is detailed in the response to Category 4.

Another team member has a strong background as a quality assurance officer with the U.S. Navy, a beer and wine purchaser for a Montana liquor retailer, and most recently, 3 years experience running all inventory control measures for a large medical marijuana provider in Montana. He was responsible for keeping an accurate and up-to-date inventory of all marijuana products in all company stores in twice-daily inventory audits. He trained sales staff, and selected and implemented software solutions for

inventory tracking. He also implemented a barcode system for inventory tracking and control which tracked over 50 varieties of cannabis as well as edible products twice each day. This team member evaluated several point of sale platforms and implemented such a system at his employer's stores.

The Project Director and Category 2 and Category 3 Project Manager herself runs a cannabis processing facility and testing laboratory in Missoula, Montana. She has worked with a wide range of large and small producers, processors and retailers from around the state. She offers processing services that convert plant material into safe, consistently dosed edibles. She also offers pro bono advice for small scale producers who need guidance on better extraction methods for their personal needs. She works with large and small scale producers to successfully tackle insect or mold infestations including post-remediation testing.

The Project Director draws from over 20 years of work experience in regulatory laboratory facilities in multiple industries including mass food product production and nutritional supplement contract manufacturing. She has volunteered her time and expertise to join with other experts in the Herbal Products Industry (AHPA) and Cannabis Testing Industry to assist in preparing protocols and recommended practices for laboratory testing and infused product manufacturing.

She also ran a successful statewide signature-gathering political campaign project that required careful attention to deadlines, and daily contact and coordination with geographically disparate volunteers and volunteers across a wide geographic region over the course of six (6) months. She exceeded goals by 40% of the signatures needed to qualify for the ballot.

3. Team Structure and Internal Controls.

Our Project Director will manage the overall timeline and deliverables of the project and serve as the primary point of contact for the team. She will manage all subprojects and/or phases related to extractions and processing in Category 1, as well as subprojects contained in Categories 2 and 3 and oversee subcontractors assisting the team in these categories including the University of Montana math department and the Marijuana Policy Project.

Our Category 1 Project Manager will lead all subprojects related to production, retail sales, rulemaking and will assist the Category 2 Project Manager with processing subprojects contained in Category 1. He will be directly involved in rulemaking requirements established by the WSLCB, and work with Professor William Corbett with respect to rulemaking. This person will also oversee all aspects of the project related to production and retail sales, and work directly with the Washington Coalition for Cannabis Standards and Ethics to solicit input and create a group of key producers and retailers to test proposed standards, regulatory requirements and procedures wherever possible. The group will identify, investigate, report and help solve technical and systematic problems during the course of the project. He will answer to the Project Director.

Another team member will assist both the Project Director and the Category 1 Project Manager as necessary, and maintain records of the team's progress. The team has a budget which includes an office assistant who will answer directly to the Project Director. In addition, this team may request the assistance of interns or hourly wage employees based on the workload once the team's requirements are

better understood following the project evaluation phase. Any interns or hourly wage employees will then answer to either the Project Director or the Category 1 or Category 4 Project Manager based on hiring criteria.

Because the volume of work and ultimate goals are not yet clearly defined, our goal is to enter the project without an unnecessary amount of overhead in paid staff, which may become a management and financial liability. However, we are designed and able to obtain additional help as needed to best fit the project criteria. These three individuals will be entirely devoted to the needs of the potential contract and will relocate to Olympia for the duration of the project/contract.

4. Staff Qualifications and Capabilities.

Each team member has a unique set of qualifications and skills which reach across the entire project.

Chris Lindsey will serve as a Project Manager for all projects related to production, retail sales under Category 1 and Category 4. His principal qualifications for this category are (1) his education and training as an attorney that focuses on marijuana-related issues, (2) his previous experience running an inspection and consulting service for medical marijuana producers and retailers, and (3) his previous experience as one of the owners and operators of the state's largest medical marijuana producer. He is intimately familiar with wide range of growing, cultivating, harvesting, and curing techniques. Chris is also familiar with commercial packaging, labeling, transporting and both the wholesale and retail sale of marijuana in a business environment. He has direct experience with bookkeeping, plant tracking, inventory management, product recall, and destruction of cannabis material. And he has experience with inspection processes related to state standards. Chris has designed forms for use in various functions in production and retail sales and he has conducted training sessions for employees of producers and retailers.

Chris' has a Juris Doctor degree from the Washington University School of Law in St. Louis, Missouri. He worked in business for 12 years, before relocating to Montana, in sales, management, special projects and consulting positions in various telecommunications companies. Chris has been a trial lawyer beginning in 2004 working for civil litigants and criminal defense. He started his first medical marijuana business in 2008 as a sole proprietor of a caregiver business, and in early 2009 he helped form a medical marijuana business called Montana Cannabis with 3 other partners serving patients statewide, working both as operations director and in-house counsel.

Upon his departure from the company, Chris began his own law practice catering specifically to medical marijuana providers and offered legal counsel, representation in both criminal and civil legal proceedings, and business consulting for marijuana-based businesses. In 2010, he formed an inspection company that helped producers and retail business owners insure that their operations complied with state legal requirements and met business objectives. Chris has written extensively on medical marijuana legal matters, of which four writing samples are submitted as attachments to this Proposal. He currently serves as the president of the Montana Cannabis Information Association (MTCIA) and board member of the Montana Medical Grower's Association. Chris was recently indicted and pled guilty to federal charges of maintaining a drug-involved premise related to his work at Montana Cannabis, and is acutely aware of the legal risks associated with running a marijuana-based business regardless of its compliance with state law.

Rose Habib, who is designated as the overall Project Director, will also serve as the project manager for all projects related to product usage and consumption validation as well as product quality standards. She will likewise be directly involved in projects related to processors. Rose's education includes a B.S in Biology. She is an accomplished and respected scientist who has focused her background, experience and training on cannabis through methods of testing, cannabinoid extraction, and safety and efficacy. During the past four (4) years, she operated a business that specializes in the infusion of edible and topical products with THC and CBD, and has been a pioneer in precise and accurate dosing protocols. Rose has experience in issues related to storage, packaging, "best by" specifications, dosing strengths and recommended "best-use" practices for dosed edibles for consumers. She has developed and refined forms for tracking extracts, extracted material, and she has developed infused product production logbooks.

Rose also ran a successful statewide signature-gathering political campaign project to repeal a medical marijuana law that sought to eliminate all business interests from the state's medical marijuana program. Her job required careful attention to deadlines and daily contact and coordination with volunteers across a wide geographic region over the course of six (6) months. She achieved the goal of the signature drive two weeks ahead of schedule, and exceeded the minimum number of signatures by 40%. Given her organizational skills and successful track record with project management, she is the natural Project Director for this team.

Zachary Selznick spent two years as the inventory manager of a Montana medical marijuana producer with several retail outlets called Big Sky Patient Care. He worked for a year prior to that in other retail marijuana operations in a similar capacity. His duties included keeping an accurate and up to date inventory of all the marijuana and non-marijuana products, assisting customers with product questions and sales, developing and implementing technical solutions to allow employees to ensure an accurate inventory, and transporting marijuana and marijuana products between retail stores. Zach launched a system based around barcodes and scales which interfaced with a central server that freed employees from data entry on keyboards during sales. Zach got an intimate knowledge of several leading point of sale platforms and personally designed inventory systems for each platform. Zach spent a number of years as a wine and beer purchaser and he served in the U.S. Navy as a quality assurance officer involved with inventory control. Zach is a capable and professional "generalist" who can adapt to a fast-paced work environment, he understands, appreciates and has experience working with this subject matter. He brings practical knowledge on retail operations and inventory control solutions.

Professor William Corbett, a subcontractor, obtained a J.D. degree from the University of Wyoming School of Law and Master of Laws degree from Harvard University School of Law. He has been a professor at the University of Montana School of Law in 1976, during which time he received two Fulbright fellowships. Professor Corbett teaches Administrative Law at the law school which includes both federal and state administrative law. The course is highly procedural and geared toward government and rulemaking for entities doing business with government that are subject to regulation. His course takes a close look at how legislation creates substantive rights and duties expressed in procedures. He has agreed to assist us as a subcontractor, and his background is ideal for helping both the team and the WSLCB on the rulemaking portions of this potential contract with an eye toward both state and federal rulemaking procedures.

Eric L. Sevigny, Ph.D., a subcontractor, is currently an Assistant Professor in the Department of Criminology and Criminal Justice at the University of South Carolina, an Adjunct Researcher at RAND Corporation and a researcher for the White House Office of National Drug Control Policy. Professor Sevigny focuses on research related to drug control policy, criminal justice, and marijuana and other drugs. He is currently investigating the Implementation of Medical Marijuana and its Impact on Health on behalf of RAND Corporation. He has published a great number of studies, investigations and press articles too numerous to list here on a wide range of topics related to marijuana and other drug use including drug courts and their impact on prison and jail populations, the impact of the US on Mexico's drug problems, marijuana potency, and incarceration studies on drug users. He has presented at over thirty (30) conferences, seminars, colloquia, and agency briefings. He teaches Research Methods in Criminal Justice at both the graduate and undergraduate levels, Drugs and Crime, Crime, Law, and Public Policy, and several other courses related to research and criminal justice matters.

The Marijuana Policy Project (MPP), a subcontractor, is the largest organization working solely on marijuana policy reform in the United States in terms of its budget, number of members and staff, and advocates taxing and regulating the possession and sale of marijuana in a manner similar to alcohol. The MPP was the principal sponsor of I-502 in Washington. The MPP has agreed to specifically support this team as a subcontractor to help us obtain the best data possible regarding product usage and consumption validation for recreational, medical and total marijuana use in Washington State, the projected volume of marijuana needed on an annual basis to satisfy demand, and a pricing structure needed to keep pricing at or below market levels. This data simply does not exist currently anywhere in the country, and will be the cornerstone of much of the licensing that takes place in the state. We could think of no better organization to help us in this regard.

Scott Cottrell and Brenda Perkins from Arizona Med Testing, subcontractors, have operated a laboratory in the nascent Arizona medical marijuana program. Brenda has 10 years of experience working in an EPA-based regulatory environment and brings that level of precision and detail to cannabis testing and laboratory management. Scott has actively worked with the Arizona medical marijuana regulatory agencies to provide basic, achievable standards for production and testing. They will be providing regulatory guidance from the regulatory perspective of EPA protocols, and their impressions of working within the Arizona marketplace.

Professor Donald P. Land, Ph.D., a subcontractor, is Chief Scientist of Halent Laboratories. In 2011, Land helped found a private California company for Quality, Safety, and Potency testing of medicinal cannabis. That entity has operated continuously ever since, with several thousand cannabis samples of all forms tested to date. He has led the way in terpene testing, and mold and mycotoxin testing in Cannabis, and confirming the safety and quality of cannabis grown for the Medical Marijuana industry in California. Land was responsible for the development of all protocols, instrumentation, standards, and procedures for the testing laboratory. Land also performs these procedures on samples, in addition to training others to do so. Dr. Land will provide expertise on an array of instrumentation, his impressions of working in the California market, and his method development and validation expertise.

Land is also currently Full Professor at the University of California, Davis, and is a member of the Department of Chemistry, the Forensic Science Graduate Group, and the Designated Emphasis in Biotechnology. In that capacity, Land trains undergraduate and graduate students, many of whom work for crime labs, in the theory and practice of analytical and physical chemistry as applied to forensic and biological samples. Graduate students from Professor Land's Group are employed by the DEA, FBI, ATF, Oregon State Police, California Department of Justice, Sacramento County District Attorney Crime Laboratory, and numerous other crime laboratories across the U.S. Land developed and teaches undergraduate and graduate level courses in the application of the methods used to analyze controlled substances and other trace evidence. These same methods are those used to analyze cannabis for cannabinoids, terpenoids, pesticides, and other chemical and biological content. Land's experience in training and education (thousands of undergraduates and hundreds of graduate students) is extensive, and is an assurance that training and educating WSLCB staff and the staff of licensees will be effective and at the highest levels.

Tom Crane, a subcontractor, specializes in bringing producers into compliance with regulatory requirements. He is an authority on the Good Manufacturing Practices required to bring functional foods and herbal supplements to the market. He is currently a Regulatory Affairs Manager at a nutritional supplement manufacturer. He has over 5 years of consulting experience and over 10 years as product development scientist in the pharmaceutical industry. He is proficient at writing necessary documents to support government filings, and at reviewing and/or generating new analytical procedures. He has a B.S in Physiology, and a Masters in Nutrition from UC Davis. Mr. Crane will provide insight from the nutritional supplement industry and comparisons with pharmaceutical requirements. He will also provide document creation in the way of SOPs, position papers, and Quality Assurance procedures.

The Washington Coalition for Cannabis Standards and Ethics, a consultant, is a non-profit trade organization dedicated to the development and enforcement of industry standards and ethics for cannabis businesses, and consists of businesses, medical marijuana consumers as well as doctors and lawyers. The Coalition has agreed to work with this team in order to identify a set of producers and retailers who will assist in testing proposed standards, regulatory requirements and procedures during the course of the project. The team identify, investigate, report and help solve technical and systematic problems.

Necessary

Patient Safety Regulations *for*

Medical Marijuana

Industry experts project that during 2012, over \$1 billion dollars will have been spent in the U.S. for the purchase of medical marijuana (MMJ) authorized by state-regulated programs.

This represents the sale of approximately 180,000 pounds of dried cannabis flowers and other plant material.

Of this 90 tons of cannabis sold as medicine, a generous estimate would be that five percent (5%) of it had been tested by any sort of scientific methods for purity, safety or potency.

Moreover, less than one-quarter of one percent (0.25%) of it was grown, processed and labeled in a manner consistent with FDA requirements for dietary herbal products¹.

We believe it is self-evident that lawful medical marijuana patients should have the same kind of confidence in knowing what is in their product as they do with other medicines and herbal products. This paper is presented in the hope that state officials and legislators will incorporate patient safety concerns when they draft MMJ administrative rules and laws.

From our perspective, the first significant step a state should take is to make the written declaration that "In this state, all registered patients have the right to obtain quality cannabis that is tested for safety and purity and is labeled with accurate and useful information."

After that sweeping but significant statement, the agency would define what it means in specific regulations.

What we offer here are our professional and scientific recommendations pertaining to patient safety concerns that are necessary to be addressed in both laws and rules promulgated by the regulatory agencies in each state.

¹ This paper only looks at cannabis grown, processed and marketed for sale. It does not address cannabis which is grown at home by a qualified patient for their own use or by a registered caregiver on behalf of a specific eligible patient.

I. Setting a Standard

There are three grades of botanical products:

- **Pharmaceutical Grade** -- meets a standard of purity suitable for the production of medicine
- **Food Grade** -- meets FDA standards for human consumption
- **Feed Grade** -- meets standards for animal consumption

Feed Grade -- While medical cannabis would never be viewed as *Feed Grade* - it is extremely disturbing that most cannabis currently grown, processed and sold in the U.S. under state regulated medical marijuana programs would not even meet the basic standards set for animal consumption.

Food Grade -- Some states will choose to mandate that all medical cannabis sold be grown and processed under FDA **Food Grade** standards. This ensures safety; is vastly better than the existing unregulated procedures; and is the minimum requirement that a state should consider.

Most analogous to cannabis, herbal supplements (vitamins, minerals, plant extracts, etc.) are legally classified by USFDA as a specifically defined type of **food**². These nutritional supplements are required to be manufactured and processed to the same standards that are required of all foods and must conform to federal regulations that control their labeling and packaging.

Thus, the simplest and most efficient way to implement a basic level of quality assurance for MMJ, would be for a state to piggy-back on the U.S. Food and Drug Administration's final rule establishing regulations requiring "*current Good Manufacturing Practices*" (cGMPs) for the production of herbal dietary supplements.

On September 24, 2007 the FDA implemented its cGMP policy to ensure these supplements "are produced in a quality manner, do not contain contaminants or impurities, and are accurately labeled." It covers the creation, packaging, labeling, and storing of supplements, with requirements for quality control, sterile processing facilities, record keeping, testing of ingredients and final products, and an established complaints process³.

Under these rules, processors have an essential responsibility to validate the safety of their products and for determining that any representations or claims made about their products are substantiated by adequate evidence to show that they are not false or misleading.

² Goldman, P. (2001). "Herbal medicines today and the roots of modern pharmacology". *Annals of internal medicine* **135** (8 Pt 1): 594-600. PMID [11601931](#)

³ Federal Register Volume 72, Number 121 (Monday, June 25, 2007) [Current Good Manufacturing Practice in Manufacturing, Packaging, Labeling, or Holding Operations for Dietary Supplements](#)

The rule establishes cGMPs for industry-wide use and requires that products are produced consistently as to identity, purity, strength, and composition. For supplements, the rule requires the label must state the quantity of each of the contained ingredients that make up a product.

The Food Grade cGMPs establish basic guidelines to assure that supplements are produced under sanitary conditions that result in properly labeled products that are not contaminated or adulterated, and that are fit for human consumption.

Under the cGMP rules, processors are required to:

- Employ qualified employees and supervisors;
- Design and construct their physical plant in a manner to protect ingredients and products from becoming adulterated during production, packaging, labeling and holding;
- Use equipment and utensils that are of appropriate design, construction, and workmanship for the intended use;
- Establish and maintain master batch production records;
- Establish procedures for quality control operations;
- Hold and produce products and materials under appropriate conditions of temperature, humidity, light, and sanitation so that the quality of the product is not affected; and
- Random test final products.

Food Grade standards do not require the manufacturer/processor to submit test results to any public agency, but do require them to be kept on file at the manufacturer's facilities. {More information on this is included in the Laboratory Testing section}

Utilizing the complete FDA *Food Grade* herbal supplement regulatory structure would be a significant step in protecting medical marijuana patients. It could be added to a state's regulations with language such as:

“ALL CANNABIS AND CANNABIS INFUSED PRODUCTS SHALL BE PROCESSED, PACKAGED AND LABELED ACCORDING TO THE US FOOD AND DRUG ADMINISTRATION’S “CURRENT GOOD MANUFACTURING PRACTICE IN MANUFACTURING, PACKAGING, LABELING, OR HOLDING OPERATIONS FOR DIETARY SUPPLEMENTS” RULE.

Pharmaceutical Grade -- Other states will want to require medical marijuana be prepared using full *Pharmaceutical Grade* standards to further insure patient safety and confidence.

“Pharmaceutical grade” is the highest quality botanical product. It means that the product has not only been processed under cGMP conditions but all ingredients that go into it must also be produced and processed following Pharmaceutical Grade guidelines.

For *Pharmaceutical Grade* cannabis, full testing (*active ingredient analysis, microbiological contaminants analysis, heavy metal analysis and chemical residue analysis*)

must be completed on a batch basis and be within a narrow range (97% - 103%) of labeled results.

"Batch" means a specific harvest of cannabis or quantity of cannabis-infused products that are identifiable by a batch number, every portion or package of which is uniform within recognized tolerances for the factors that appear in the labeling.

Each step of the growing, trimming, curing, processing and packaging method must be documented by using established SOPs (*Standard Operating Procedures*). This includes training, equipment, raw materials, facilities, packaging and final release criteria. Every product must be traceable back to the date, time, batch, and equipment used.

To achieve this level, a product must A) be processed in a fully compliant facility, B) offer full traceability detailing every step of the supply chain process for each batch of product produced, C) exceed standard herbal product purity levels for solvent residue, herbicide & pesticide residue, aflatoxins, and bacteria, yeast and mold counts and D) be labeled with name and ID batch number and/or bar code identifying CULTIVATION OPERATION/dispensary and the date and details of testing, harvest and processing.

Production of *Pharmaceutical Grade* medical cannabis should incorporate the training requirements of the new *Pharmaceutical Quality Management System Standard* based on global GMPs and ICH Q10 (Pharmaceutical Quality System).

Implementing a *Pharmaceutical Grade* regulatory structure would be a significant step in protecting medical marijuana patients. It could be incorporated in a state's regulations with language such as:

"ALL CANNABIS AND CANNABIS INFUSED PRODUCTS SHALL BE PROCESSED, PACKAGED AND LABELED ACCORDING TO THE US FOOD AND DRUG ADMINISTRATION'S "CURRENT GOOD MANUFACTURING PRACTICE IN MANUFACTURING, PACKAGING, LABELING, OR HOLDING OPERATIONS FOR DIETARY SUPPLEMENTS" RULE.

ALL CANNABIS AND CANNABIS INFUSED PRODUCTS SHALL BE LABELED WITH THE RESULTS OF AN ACTIVE INGREDIENT ANALYSIS, A MICROBIOLOGICAL CONTAMINANTS ANALYSIS, A HEAVY METAL ANALYSIS AND A CHEMICAL RESIDUE ANALYSIS WHICH HAVE BEEN COMPLETED ON A BATCH BASIS BY AN APPROVED INDEPENDENT TESTING LABORATORY AND MUST BE UNIFORM WITHIN 97% - 103% OF LABELED RESULTS.

EACH STEP OF THE CULTIVATING TRIMMING, CURING, PROCESSING AND PACKAGING METHOD MUST BE DOCUMENTED BY USING ESTABLISHED SOPS (*STANDARD OPERATING PROCEDURES*).

II. Purity - Free from Contaminants, Additives, and Bacteria

In most cases in the US, medical cannabis products are produced without even minimal safeguards for toxicity, pollutants, and chemical contaminants. This can seriously compromise their quality and purity.

These botanical products may contain widely varying amounts of the active ingredients, unlisted ingredients, and/or potential contaminants. This can result in:

- Instability of the product
- Widely varying effects from products that are labeled similarly.
- Inability for a doctor or patient to track effectiveness due to no consistency of dosage.

Consumers and health professionals have expressed significant concern about insufficient quality control with medical cannabis. They need to know that products contain the components as shown on the label, in the listed amounts, and that they are safe for consumption.

Inherently, all botanical products may pose a risk from contamination with solvent residue, herbicide & pesticide residue, heavy metals (cadmium, mercury, lead, and arsenic), nutrient additives and micro-organisms⁴.

Safety testing is absolutely essential. Without clear regulations, any state could be comparable to California, where analytical labs consistently detect unsafe levels of pesticides, microbiological contaminants and/or bacteria and mold in more than 25% of the medical cannabis tested.

Therefore, to ensure safety and efficacy, all products should be tested and have a Certificate of Analysis (CoA) available for patients, practitioners and regulators to review. While FDA has not made recommendations for heavy metal tolerances for conventional foods generally, or for dietary supplements, we can look to Canada who has established specific daily maximum levels stated in total amounts consumed for finished "Natural Health Products"⁵.

For patient safety, a more specific technical description should be used instead of simply "testing for contaminants." It would best to use the appropriate technical terms and require a "microbiological contaminants analysis," a "heavy metal analysis," and a "chemical residue analysis."

Pharmaceutical Grade cannabis would have testing performed on raw plant material and on each and every batch, with a CoA generated and electronically sent to the state regulatory office. For *Food Grade*, testing is performed on a random basis to ensure the safety of the cannabis.

III. Laboratory Testing

A. Must include more than "potency."

"Potency" is a slang term relating to recreational drug use that does not imply or determine medical efficacy, rather it rates the strength of drug-like effects. Using "active

⁴ Slifman N. R., Obermeyer W. R., Aloï B. K., Musser S. M., Correll W. A., Jr., Cichowicz S. M., Betz J. M. and Love L. A. (1998): Contamination of botanical dietary supplements by *Digitalis lanata*. *N Engl J Med.* 339(12): 806-11.

⁵ Health Canada. Natural Health Products Compliance Guide, version 2.1. January 2007.

ingredient analysis” encompasses all medicinally active constituents that can be found within cannabis.

Furthermore, there are many forms of cannabis medicine that do not entail any type of “potency” - that is, there is not an immediately noticeable physiological impact or sensation. “Potency” involves only one chemical constituent, while “active ingredients” covers a breadth of medically active compounds.

For example, *Cannabidiol* (CBD) is a compound in cannabis that has medicinal effects but does not make people feel “stoned”. CBD-rich cannabis is an appealing treatment option for patients seeking anti-inflammatory, anti-pain, anti-anxiety and/or anti-spasm effects without disconcerting euphoria or lethargy.

Also, with many cold pressed oils, juicing, extracts, teas, and numerous other medical cannabis products, the healing cannabinoid acids are present but there is virtually no THC. In all those cases, a “potency” test would be essentially useless for anyone looking for more than a “high.” Rather, it is appropriate to call for an “*active ingredient analysis*” which reports all cannabinoids such as CBD.

B. Lab licensing - Safety Testing.

Rules should be established so that patients can have the same kind of confidence in knowing what is in their medical marijuana as they do with other medicines.

- *State Licensing Authority* should review and issue approvals to qualified independent botanical laboratories for testing and research purposes.
- Before any products are distributed, they must have been submitted to a licensed botanical testing facility for an active ingredient analysis, a microbiological contaminants analysis and a chemical residue analysis.
- Approved laboratories should be able to contract product development with a licensed dispensary.

C. Lab Independence

It is also important to guarantee the independence of botanical testing laboratories so they can deliver unbiased, honest evaluation, validation and implementation of standards for medical cannabis. This could be incorporated in a state’s regulations with language such as:

“A Medical Marijuana Dispensary, a principal officer, board member, operator or agent of a Medical Marijuana Dispensary shall not have any interest in a botanical testing laboratory.

A botanical testing laboratory, a principal officer, board member, operator or agent of a botanical testing laboratory shall not have any interest in a Medical Marijuana Dispensary. This does not prohibit a Dispensary from contracting with a botanical testing laboratory to test, analyze, develop, research or produce cannabis-based products.”

IV. Labeled with accurate and useful information

Full, accurate and understandable labels are essential to help guide both doctors and patients in making informed choices. This will allow for a specific dosage to be recommended, like with all other medicine. These labels will aid in the ability to address consistency across multiple product types each with unique pharmacokinetic profiles and physiological activity.

All medicine sold should have accurate and meaningful information on its label. This means:

- The weight, chemotype, and batch number
- *The results of an active ingredient analysis listing all ingredients including any chemical additives*
- *Pass/Fail ratings based on:*
 - *a microbiological contaminants analysis*
 - *a heavy metal analysis*
 - *a chemical residue analysis*
- The date of harvest (for plant material) or date of packaging for other products
- The name and ID# of Medical Marijuana Dispensary where obtained
- The name and ID# of The Cultivation Operation Where grown
- Compliance with all federal, state and local labeling requirements for similar products without cannabis

For clarification, "batch" and "batch number" should be added to the definition section:

- "Batch" means a definite quantity of cannabis or cannabis-infused product identified by a batch number, every portion or package of which is uniform within recognized tolerances for the factors that appear in the labeling.
- "Batch Number" shall identify the Medical Marijuana Dispensary and the date and details of harvest or processing for each batch of cannabis or cannabis-infused product.

For **Pharmaceutical Grade**, products must be within 97% - 103% of labeled results.

For **Food Grade**, products must be within 80% - 120% of labeled results.

In addition to patient protection, the identifying information on these labels will help document chain of custody. We must recognize there are control issues with cannabis. Having detailed labels can help limit the diversion potential.

V. Effectiveness Research

Dispensaries should educate and document the effects on a patient of different chemotypes and forms of medical cannabis. Laboratory-linked effectiveness surveys can document the perceived results on users of different strains and forms of cannabis.

This *Comparative Effectiveness Research* is designed to promote informed decision-making by providing lab-based analytical data on their apparent effectiveness, benefits and harms. These on-going studies should be performed to help determine the medical conditions various strains of medical cannabis can improve.

Also, best medical practices should be defined, as they exist for all other medications. Health providers need to learn interactions between this kind of botanical medicine and prescription drugs, so that they can prevent possible interactions that might affect the treatment.

These requirements can be included in a state's regulation that says:

“A Medical Marijuana Dispensary shall develop, document, and implement policies and procedures regarding patient education and support, including

- a. Availability of different chemotypes of cannabis and the purported effects of the different chemotypes;
- b. Information about the purported effectiveness of various methods and forms of medical cannabis administration;
- c. Method for tracking the effects on a qualifying patient of different chemotypes and forms of cannabis.”

LABORATORY CONTROL SYSTEM

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1.0 PURPOSE

The purpose of Laboratory Control System is to supervise, document, evaluate, and improve all testing in the analytical and microbiological laboratories. The laboratories perform testing on incoming, in-process and finished goods for products manufactured and distributed.

2.0 SCOPE

These procedures apply to the analytical and microbiological laboratories at all WSLCB Cannabis testing laboratories

3.0 RESPONSIBILITIES

3.1 Quality Control Scientist - Manager

- 3.1.1 Oversee assay development and validation of laboratory methods.
- 3.1.2 Maintain documentation of all laboratories testing with appropriate oversight.
- 3.1.3 Supervise all test results and insure correctness of the result.

3.2 Quality Control Scientists

- 3.2.1 Makes detailed observations, analyzes data, and interprets results.
- 3.2.2 Prepare technical reports, summaries, protocols, and quantitative analyses.
- 3.2.3 Reviews data obtained for compliance with specifications and reports abnormalities.
- 3.2.4 Revises and updates standard operating procedures and may perform special projects on analytical and instrument problem solving.

4.0 QUALITY CONTROL LABORATORY REQUIREMENTS

- 4.1 We will establish and follow written procedures for laboratory operations, including written procedures for the tests and examinations that we conduct to determine whether specifications are met.
- 4.2 We will use adequate laboratory facilities to perform whatever testing and examinations are necessary to determine whether:
 - 4.2.1 Components that we use meet specifications, in-process specifications are met as specified in the master manufacturing record and supplements that we manufacture meet specifications.
- 4.3 We will establish and follow laboratory control processes that are reviewed and approved by quality control personnel, including the following:
 - 4.3.1 Use of criteria for establishing appropriate specifications.
 - 4.3.2 Use of sampling plans for obtaining representative samples for:
 - 4.3.2.1 Components, In-process materials and finished batches of supplements.
 - 4.3.2.2 Use of criteria for selecting appropriate examination and testing methods.
 - 4.3.2.3 Use of criteria for selecting standard reference materials used in performing tests and examinations and use of test methods and examinations in accordance with established criteria.
 - 4.3.3 We will verify that the laboratory examination and testing methodologies are appropriate for their intended use.
 - 4.3.4 We will identify and use an appropriate scientifically valid method for each established specification for which testing or examination is required to determine whether the specification is met.
 - 4.3.5 A statement of the results of tests and how the results compare with established standards

of identity, strength, quality, and purity for the component, drug product container, closure, in-process material, or drug product tested.

- 4.3.6 A complete record of all data secured in the course of each test, including all graphs, charts, and spectra from laboratory instrumentation, properly identified to show the specific component, drug product container, closure, in-process material, or product, and lot tested.
- 4.3.7 A record of all calculations performed in connection with the test, including units of measure, conversion factors, and equivalency factors.

4.4 Stability testing

4.4.1 There is a written testing program designed to assess the stability characteristics of drug products. The results of such stability testing are used in determining appropriate storage conditions and expiration dates. The written program has the following:

- 4.4.1.1 Sample size and test intervals based on statistical criteria for each attribute examined to assure valid estimates of stability, Storage conditions for samples retained for testing, reliable, meaningful, and specific test methods, testing of the drug product or supplement in the same container-closure system as that in which the product is marketed, an adequate number of batches of each drug product or supplement is to be tested to determine an appropriate expiration date and a record of such data is to be maintained.
- 4.4.1.2 Accelerated studies, combined with basic stability information on the components, drug products, and container-closure system, may be used to support tentative expiration dates provided full shelf life studies are not available and are being conducted.
- 4.4.1.3 Where data from accelerated studies are used to project a tentative expiration date that is beyond a date supported by actual shelf life studies, there must be stability studies conducted, including drug product or supplement testing at appropriate intervals, until the tentative expiration date is verified or the appropriate expiration date determined.

4.5 We will make and keep the following records:

- 4.5.1 Written procedures for laboratory operations, including written procedures for the tests and examinations that we conduct to determine whether specifications are met.
- 4.5.2 Documentation that laboratory methodology established is followed.
- 4.5.3 The person who conducts the testing and examination must document, at the time of performance, that laboratory methodology established is followed.
- 4.5.4 The documentation for laboratory tests and examinations must include the results of the testing and examination.
- 4.5.5 §211.194 The initials or signature of a second person showing that the original records have been reviewed for accuracy, completeness, and compliance with established standards.
- 4.5.6 Complete records are to be maintained of any testing and standardization of laboratory reference standards, reagents, and standard solutions.
- 4.5.7 Complete records are to be maintained of the periodic calibration of laboratory instruments, apparatus, gauges, and recording devices.
- 4.5.8 Complete records are to be maintained of all stability testing performed.

The American Herbal Products Association/Americans for Safe Access

**LABORATORY RECOMMENDATIONS FOR
CANNABIS ANALYTICS IN STATES WHERE
CANNABIS PRODUCTS ARE LEGAL**

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GLP (GOOD LAB PRACTICES) OUTLINE - These are the basic tents for any commercial analytical testing facility. Any lab should have the following basic GLP issues addressed for cannabis testing in any or all capacities.

- A. Unknown Sample Handling
- B. Chemical / Laboratory Safety
- C. Laboratory - Instrumental Maintenance and Upkeep / Record Keeping
- D. Standard Reference Materials
- E. Data Storage and Record Keeping
- F. Reporting to Clients
- G. Transparency
- H. Physical Location
- I. Training / Education for Staff
- J. Sanitation / Disposal / Security
- K. Contingency

A) Unknown Sample Handling: (Bio-sampling, intake, handling, amounts, paperwork, disposal, production of internal standards).

- a. Proper sample acquisition is required to address security concerns as well as ensure that valid conclusions are drawn about bulk material. Only medically defined cannabis patients by certified cultivators in a given state should transfer samples with laboratory facilities. Current paperwork should be checked and recorded on a routine basis as samples are submitted with date, time, client, sample ID, and any other relevant observations.
- b. For cannabis samples that are analyzed for contaminant issues, extra measures should be taken to ensure no cross-contamination occurs, environmental contamination occurs or employee health issues are compromised. Cannabis samples should follow a strict chain of

custody protocol in which trained lab technicians follow standard intake protocols including (but are not limited to): sample documentation (weight/amount, type, date, identification, origin/source). Samples that are stored for testing on the short term (<1 week) should be kept in cold, dark and air-tight conditions that are secure.

Statements about potency of any given cannabinoid can only represent the submitted sample. Statistical representation of a large stock should follow sampling protocols that randomly select samples that will properly represent the material.

- c. Labs need safe and sterile (for microbial testing) locations for all samples that may include sample jars/bags that can be sealed closed until analyzed

Depending on the type of service being offered, there are various capacities for laboratory to acquire a sample from a client:

1. The client can submit the sample as personally chosen as representative of the bulk material. This method may or may not be adequate to yield relevant data for bulk material.
2. The laboratory technician can randomly select samples from the bulk material. This method also – may or may not be adequate to yield representative data for bulk material – but offers the ability of less biased sampling.
3. Labs also may offer a chain of custody Quality Control service where a batch of cannabis is sampled and kept until testing is complete.

A lab manager should be able to identify a sample during any stage of the process with a paper trail.

B) Chemical / Laboratory Safety: (protocols, storage, handling and disposal for toxic chemicals – correlates to personal safety and appropriate safety gear being available.)

- a. Standard laboratory safety and good microbial techniques need to be followed. Safety equipment needs to be available and personal need adequate training for emergencies. For microbial/fungal culturing, proper bio-safety precautions are to be followed. All chemicals in the lab should be properly stored in chemical safety cabinets with compatible materials and labeled appropriately
- b. The following items should be available for the safety of the laboratory personal.
 - i. First aid kit
 - ii. Acid/base spill kit (if needed)
 - iii. Solvent spill kit (if needed)
 - iv. Safety goggles/glasses
 - v. Eye wash
 - vi. MSDS for all chemicals
 - vii. Safe for storage of sample material
 - viii. Bio-safety training and/or education
- c. Exits must be clearly labeled
- d. Labs for cannabis testing will likely require safety gear including (but not limited to) an acid spill kit, eye wash, organic spill kit, and fire extinguishers. All lab personal should wear goggles when working with any potentially hazardous substances.

No cannabis is to be used (smoked, vaporized, or eaten) in any laboratory facility whether or not the lab technician is a patient. No

smoking of anything, and no food/drink in wet lab areas. Signs must be posted and clearly visible designating such areas.

C) Laboratory / Instrumental Maintenance and Upkeep / Data Management:

- a. Each piece of analytical instrumentation used in cannabis testing will require routine maintenance and upkeep to ensure proper function and quantitative output. Depending on the extent of analysis done at an analytical facility, the amount of upkeep will vary.

Proper analytical techniques must be employed for all testing facilities. This includes standard preparation, calibration curves, and linearity of detection, blank analysis, experimental/instrumental accuracy and precision.

Standard solutions and calibration curves need to be produced routinely (as determined by the lab's specific circumstances) and documented to ensure that no systematic errors are occurring.

Analytical instrumentation should also be tested for their limit of detection and scientifically validated for all methods/extraction protocols. Calibration curves established on all instrumentation should bracket the concentration range of unknown samples.

Comment [WU1]: the group said this is missing something? a reference?-Jahan

Labs should keep records of all upkeep and maintenance of all instrumentation. Eluent solvents for LC systems should be dated.

D) Standard Reference Materials: (acquisition, handling, storage)

- a. Standards for cannabinoids (such as THC-acid, delta-9 THC, CBD-acid, CBD, CBC, CBG, CBN, CBG, CBC and delta-8 THC) can be acquired from a number of commercial vendors including (but not limited to): Sigma Aldrich, Restek, Cerilliant, Lipomed, Fluka,

Chromadex, and are often internally produced. As with any/all primary standards, every resource should be used to prove the purity and concentration. All standards should be labeled with date received, date opened and usage information should be recorded.

- b. Standards for heavy metal work, microbial detection of fungal detection – can be acquired from a certified vendor and prepared with the same analytical certainty as discussed above. Analytical standards are stored in appropriate conditions to minimize degradation or deterioration of the material.
- c. Detection Limits – Labs must determine a limit of detection for all species on all instrumentation. Proper analytical chemistry principals should apply for all data acquisition.
- d. Limitations of work – all conclusions should be drawn from empirical data. All statements or claims must be backed up with appropriate data.

E) Data Storage and Record Keeping:

- a. Records of all analytical results are to be retained in a secure manner for at least 5 years. All analytical results are property of the client.
- b. Specimens are not to be stored longer than necessary, as well as standard preparations and solutions. All samples need to be discarded promptly, in accordance with existing laws, following conclusion of analysis.

F) Reporting to Clients: (reports, publishing in literature encouraged)

- a. Data reported to clients must contain with relative errors involved in the research (where applicable) and limitations of work (for example that the data only represents the sample being tested). If reporting acidic cannabinoid values, it should be clarified whether the values being reported represent raw % by mass – or adjusted % by mass according to the neutral cannabinoids (which is often done). For example, a sample that is 10% THC-acid only has the potential to yield 8.8% delta-9 THC in an ideal world (because THC-acid has a CO₂ functional group that delta-9 does not, the molecular weights of each are different).

G) Transparency:

- a. A lab report given to clients must contain the following information: the date of analysis, condition of sample (leaf, flower, powder, oil, etc.), sample ID, and results.

H) Physical Location:

- a. All of laboratories must comply with local ordinances.

I) Training / Education for Staff

- a. Laboratory personnel should have appropriate qualifications needed to fulfill their responsibilities for the analysis\testing they perform.
- b. Laboratory Directors must, at a minimum, meet the certain qualifications indicating competency, and responsibility requirements for laboratory directors of high complexity testing.

c. Technical Supervisors and technicians should have qualifications equivalent to the qualification requirements of technical supervisors in related fields or current certification in molecular/chemical or biological/genetic testing by a board approved by an appropriate independent certifiable body or the department of Health and Human Services.

d. Consultants, Supervisors, and Testing Personnel/technicians must meet the minimum qualifications required and should have relevant background.

J) Security, Sanitation, Disposal: (cleanliness of workspaces – QC, microbial/fungus, miscellaneous chemicals, heavy metals)

a. Adequate security measures should be provided for all laboratories that hold raw and processed cannabis materials and products. This should include a combination or keyed safe for un-processed samples, secure laboratory facilities for all personal (no public access) and paper trails that ensure no diversion has occurs (tracking material based on a mass or volume).

b. Laboratories that routinely test for contaminants must have a monthly check to ensure that the lab is not becoming contaminated with the specific contaminant such as a fungus or pesticide. For example, a monthly swipe test for mold/bacteria, based on a workflow, would provide a reliable estimate if the contaminant reaches detectable levels. This will help ensure the safety of the staff.

c. Workspaces and instruments must be cleaned between uses. For any biological test the equipment and instruments need to be sterilized appropriately. A protocol for cleaning and a log book for maintenances

of equipment used to clean needs to be maintained-i.e., monitor the temperature of the sterilizer.

K) Contingency:

- a. Quality control practices must include meeting the approved requirements and should implement recommendations on additional measures for monitoring and ensuring the quality of the testing process.
- b. As science progresses and evolves, there will undoubtedly be new technologies and methods that can be used for cannabis quality control. As with any analytical protocol, these merit of each technology and methodology should be rigorously scrutinized within the scientific community.

Dietary Supplements and Food Safety from the Dietary Supplement Health and Education Act of 1994 (DSHEA) – Needs industry feedback

Regulated and enforced by FDA by INSPECTION

Regulatory Structure

CFSAN – Center for Food Safety and Applied Nutrition

U.S. Food and Drug Administration

Center for Food Safety and Applied Nutrition

Outreach and Information Center

5100 Paint Branch Parkway HFS-009

College Park, MD 20740-3835

1. Safe, sanitary and wholesome
2. Labeling very important
3. Test methods – Standardized

At the high level

1. Requires dietary Ingredient
2. Safety
3. Labeling
4. cGMPs

DS are a specific category under food – but CANNOT replace food. Example “Energy Bar” is it food or DS?

21CFRs to be aware of:

1. 101 - Labeling – VERY important. See <http://www.accessdata.fda.gov/scripts/cdrh/cfdocs/cfCFR/CFRSearch.cfm?CFRPart=101>
2. 111 - cGMPs – must follow. See <http://www.accessdata.fda.gov/scripts/cdrh/cfdocs/cfCFR/CFRSearch.cfm?CFRPart=111>
3. 119 - DIETARY SUPPLEMENTS THAT PRESENT A SIGNIFICANT OR UNREASONABLE RISK – must be very careful here – think ephedrine alkaloids. See <http://www.accessdata.fda.gov/scripts/cdrh/cfdocs/cfCFR/CFRSearch.cfm?CFRPart=119&showFR=1>
4. 190 –Premarket notification.
 - a. No premarket approval required
 - b. Product registration not required
 - c. Facility registration IS required – Manufacturing and distribution facilities
 - d. Product formulation not required – but keep them GRAS – only water and ethanol allowed – NO SOLVENTS

- e. Manufacturer responsible for any CLAIMS – must be submitted to the FDA and the FTC – they will check claims (Part of future labeling – VERY important) – part of post market claims enforcement

Manufacture

1. Must be safe
2. Follow cGMPs
3. Must substantiate claims
4. Ingredients must be DIETARY INGREDIENTS

Registration - MUST register with FDA – renew 4th quarter every two years

1. Manufacturing Facility
2. Packaging Facility
3. Warehouse Facility
4. Distribution Facility

Register by filling out Form 3537

<http://www.fda.gov/downloads/AboutFDA/ReportsManualsForms/Forms/UCM071977.pdf>

cGMPs – MUST FOLLOW

1. Plant Design
2. Must clean and maintain equipment (Cleaning Validation)
3. Manufacturing Batch Record
4. QC Procedures
5. Product testing
 - a. Finish product testing
 - b. Raw material testing
6. Must have a Complain System
 - a. Must maintain records for 2 years
7. Warehouse and distribution system MUST be in control
8. Incoming Inspection

FDA Inspection

1. This is where the real regulation comes in. They will inspect for 1 to 2 weeks. They will check everything. You MUST be in compliance or a Form 483 is issued for noncompliance – have 15 days to respond.
2. Any Contract manufacturer must be in compliance – you are responsible for them

Adverse Event

1. Submit ALL Adverse Events to the FDA in a timely manner – read NOW (15 days). They have a severity level system
 - a. Death
 - b. Incapacitation
 - c. Required surgical intervention
2. Keep records for 6 years

Dietary Ingredients

1. Remember – it must be ingested and NOT be food (Energy bars)
 - a. It is NOT cream, lotion, etc (these are not ingested)
2. It must have been a dietary ingredient BEFORE 1994. These are grandfathered in.
 - a. You need proof (common knowledge, magazine ad, trade publication, scientific paper, etc). These are “Old Dietary Ingredients” or ODIs.
3. It is the responsibility of the manufacturer to prove it. New Dietary Ingredients (NDIs)
– This is huge

See

<http://www.fda.gov/Food/GuidanceComplianceRegulatoryInformation/GuidanceDocuments/DietarySupplements/ucm257563.htm>

1. Must notify the FDA (NDI notification or NDIN)
2. Must be done 75 days PRIOR to sale.
 - a. Need history of safety, international usage.
3. See <http://www.fda.gov/Food/DietarySupplements/ucm109764.htm>
4. Safety is the worry – must be safe.
5. Overseen by Division of Nutrition Programs and Labeling HFS-830 Center for Food Safety and Applied Nutrition Food and Drug Administration
6. FDA has been inundated by these – big backlog – they have 75 days to approve

Labeling

1. This is VERY IMPORTANT
2. Display Panel and Facts Panel
 - a. Just like on every vitamin bottle you’ve ever seen.
 - b. Rules apply on size, font, lines size, information, quantity, content, etc. Too much to go in here but be assured this can be a major headache,
 - c. Any claims you have on the packaging or bottle WILL be investigated. The word “Supplement” must be present.
 - d. Has to be on ALL sold product.

Claims

1. Must be able to PROVE claim – FDA will evaluate – You want Structure/Function claims
2. It CANNOT CURE anything, no disease, symptom, fight infection, etc
3. Key words to AVOID
 - a. Promote
 - b. Regulate
 - c. Stimulate
 - d. Prevent
 - e. Cure
 - f. Fight
4. Disclaimer must be on packaging:
 - a. “This product has not been evaluated by the FDA.... etc”.
5. Disclaimer must be next to Structure/Function statement.
 - a. Must notify FDA within 30 days of marketing

- b. Send original and two copies.

Advertising Claims

1. Magazine, TV, internet, etc.
 - a. FTC enforcement
 - b. **MUST** be truthful and substantiated. Not misleading
 - c. Err on the side of caution.
 - d. Evidence **MUST** be backed by scientific studies.

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VITA

EDUCATION

- 2006 **Ph.D. University of Pittsburgh** **Pittsburgh, PA**
Graduate School of Public and International Affairs
Cognate Areas: Public Policy, Foreign and Security Policy

*Dissertation: The Tyranny of Quantity: How the Overemphasis on Drug
Quantity in Federal Drug Sentencing Leads to Disparate and Anomalous
Sentencing Outcomes.*
- 1993 **B.A. Middlebury College** **Middlebury, VT**
Psychology

ACADEMIC AND PROFESSIONAL POSITIONS

- 2007 – Pres. **Assistant Professor**
Department of Criminology and Criminal Justice
University of South Carolina
- 2011 – Pres. **Adjunct Researcher**
RAND Corporation
- 2006 – 2007 **Visiting Assistant Professor**
School of Criminal Justice
Michigan State University
- 2005 – 2006 **Adjunct Professor**
Graduate School of Public and International Affairs
University of Pittsburgh
- 2002 **Christine Mirzayan Science and Technology Graduate Policy Fellow**
Committee to Review Research and Data on Firearms
National Academy of Sciences

- 2000 – 2003 **Graduate Research Assistant/Teaching Assistant**
 Graduate School of Public and International Affairs
 University of Pittsburgh
- 1998 – 2000 **Project Manager/Research Assistant**
 North Charles Research and Planning Group
 Cambridge, MA
- 1994 – 1998 **Adolescent Program Supervisor/Substance Abuse Counselor**
 Northeastern Family Institute
 Danvers, MA

SCHOLARSHIP

RESEARCH HONORS AND AWARDS

- 2008 **Outstanding Faculty Publication**
 Department of Criminology and Criminal Justice
 University of South Carolina
- 2003 **Lawrence Cabot Howard Doctoral Research Award**
 For high scholarly qualities and commitment to a just society
 University of Pittsburgh

PUBLICATIONS

Refereed Publications

Sevigny, Eric L., Harold A. Pollack, and Peter Reuter. (In Press). Can Drug Courts Help Reduce Prison and Jail Populations? *The ANNALS of the American Academy of Political and Social Science*.

Caulkins, Jonathan P. and Eric L. Sevigny. (In Press). The U.S. Causes but Cannot (or Will Not) Solve Mexico's Drug Problems. In Tony Payan, Kathy Staudt, and Z. Anthony Kruszewski (Eds.), *A War That Can't Be Won: Binational Perspectives on the War on Drugs*. Tucson, AZ: University of Arizona Press.

Koons-Witt, Barbara, Eric L. Sevigny, John D. Burrow, and Rhys Hester. (Online First). Gender and Sentencing Outcomes in South Carolina: Examining the Interactions with Race, Age, and Offense Type. *Criminal Justice Policy Review*.

Sevigny, Eric L. (2013). Is Today's Marijuana More Potent Simply Because It's Fresher? *Drug Testing and Analysis* 5(1): 62-67.

Pollack, Harold A., Peter Reuter, and Eric L. Sevigny. (2011). If Drug Treatment Works So Well, Why Are So Many Drug Users in Prison? In Philip J. Cook, Jens Ludwig, and Justin McCrary (Eds.), *Controlling Crime: Strategies and Tradeoffs*. Chicago: University of Chicago Press.

Caulkins, Jonathan P. and Eric L. Sevigny. (2010). The Effects of Drug Enforcement and Imprisonment on Transit Countries: The Case of the U.S. and Mexico. In Sidney Weintraub and Duncan Wood (Eds.), *Cooperative Mexican-U.S. Antinarcotics Efforts: A Report of the CSIS Simon Chair in Political Economy*. Washington, DC: Center for Strategic and International Studies.

Sevigny, Eric L. (2009). Excessive Uniformity in Federal Drug Sentencing. *Journal of Quantitative Criminology* 25(2): 155-180.

Sevigny, Eric L. and Phyllis D. Coontz. (2008). Patterns of Substance Involvement and Criminal Behavior: A Gender-Based Cluster Analysis of Pennsylvania Arrestees. *International Journal of Offender Therapy and Comparative Criminology* 52(4): 435-453.

Caulkins, Jonathan P. and Eric L. Sevigny. (2005). How Many People Does the U.S. Imprison for Drug Use, and Who Are They? *Contemporary Drug Problems* 32(3): 405-428.

Sevigny, Eric L. and Jonathan P. Caulkins. (2004). Kingpins or Mules: An Analysis of Drug Offenders Incarcerated in Federal and State Prisons. *Criminology and Public Policy* 3(3): 401-434.

Published Reports, Articles, and Chapters

Office of National Drug Control Policy (Authors: Eric L. Sevigny and Michaela Saisana). (In Press). *Measuring National Trends and Interstate Variations in the Consequences of Illegal Drugs Using the U.S. Drug Consequences Indices: 2000-2009*. Washington, DC: Office of National Drug Control Policy, Executive Office of the President.

Sevigny, Eric L. (2011). The U.S. Sentencing Commission Should Make Its Special Data Collections Readily Available to Outside Researchers. *Federal Sentencing Reporter* 23(4): 277.

Sevigny, Eric L. (2011). South Carolina Laws and Programs. In Mark Kleiman and James Hawdon (Eds.), *Encyclopedia of Drug Policy*. Newbury Park, CA: Sage Publications.

Sevigny, Eric L. (2011). Alaska Laws and Programs. In Mark Kleiman and James Hawdon (Eds.), *Encyclopedia of Drug Policy*. Newbury Park, CA: Sage Publications.

Sevigny, Eric L. (2011). Analogue (Designer Drug) Act. In Mark Kleiman and James Hawdon (Eds.), *Encyclopedia of Drug Policy*. Newbury Park, CA: Sage Publications.

Sevigny, Eric L. (2011). Schedule of Controlled Substances. In Mark Kleiman and James Hawdon (Eds.), *Encyclopedia of Drug Policy*. Newbury Park, CA: Sage Publications.

Research and Technical Reports

Sevigny, Eric L. (2010). *Performance Assessment of the Lexington County Sheriff's Department COPS Methamphetamine Initiative*. Performance audit prepared for the Lexington County Sheriff's Department, Lexington County, South Carolina.

Sevigny, Eric L. (2008). *Methamphetamine in South Carolina: A Report on Trends and Impact*. Report prepared for the South Carolina Meth Project, South Carolina Office of the Attorney General.

McAuliffe, William E., Richard LaBrie, Eric L. Sevigny, Ryan Woodworth, Jaime Mellitt, and Timothy Stablein. (2001). *The Substance Abuse Treatment Needs of Alaska's Newly Incarcerated Prisoner Population Prior to Incarceration: Final Report*. Cambridge, MA: North Charles Research and Planning Group.

McAuliffe, William E., Richard Labrie, Scott Ronis, Ryan Woodworth, JoAnn Scherer-Gonzales, Jocelyn Leary, Eric L. Sevigny, Stephen Haddad, and Sarah Williamson. (2001). *Virginia's Adolescent Telephone Household Survey: Final Report*. Cambridge, MA: North Charles Research and Planning Group.

McAuliffe, William E., Richard LaBrie, Stephen Haddad, Eric L. Sevigny, Scott Ronis, Ryan Woodworth, Sarah Williamson, JoAnn Scherer-Gonzales, and Jocelyn Leary. (2000). *The Substance Abuse Treatment Needs of Rhode Island's Prisoner and Training School Populations*. Cambridge, MA: North Charles Research and Planning Group.

McAuliffe, William E., Richard LaBrie, Eric L. Sevigny, Kenneth Neilsen, Scott Ronis, Tristan Robinson, and Caroline Sunshine. (1999). *The Substance Abuse Treatment Needs of Rhode Island's Homeless*. Cambridge, MA: North Charles Research and Planning Group.

PRESENTATIONS

Invited Presentations

Sevigny, Eric L., Harold A. Pollack, and Peter Reuter. (July 2012). "Can Drug Courts Help Reduce Prison and Jail Populations?" RAND Drug Policy Research Center, Brown Bag Seminar, Washington, DC

Sevigny, Eric L. (December 2009). "Methamphetamine in South Carolina." Sixth Annual South Carolina Drugs of Abuse Conference, Columbia, SC.

Sevigny, Eric L. (January 2005). "Incarceration: Kingpins or Mules?" Release Drugs University IV: Drugs—The Politics, Philosophy and Economics, London, UK.

Conference Presentations

Fuleihan, Brian, Frank V. Ferdik, and Eric L. Sevigny. (November 2012). "Do Drug Courts Conserve Custodial Resources? A Meta-Analysis." American Society of Criminology, 64th Annual Meeting, Chicago, IL.

Sevigny, Eric L. (November 2012). "The Effects of State Medical Marijuana Policies on Cannabis Potency and Quality: Evidence from Seized Samples." American Society of Criminology, 64th Annual Meeting, Chicago, IL.

Sevigny, Eric L. (November 2012). "The Limited Contribution Currently Made by Drug Courts." American Society of Criminology, 64th Annual Meeting, Chicago, IL.

Sevigny, Eric L. (May 2012). "Comparing Drug-Related Consequences across Time and States: Evidence from the U.S. Drug Consequences Index Project." International Society for the Study of Drug Policy, 6th Annual Conference, Canterbury, UK.

Sevigny, Eric L. (November 2011). "Toward a Theoretical and Social Indicator Framework of Drug-Related Consequences." American Society of Criminology, 63rd Annual Meeting, Washington, DC.

Barbara Koons-Witt, Eric L. Sevigny, John D. Burrow, and Rhys Hester. (November 2011). "Gender and Sentencing Outcomes in South Carolina: Findings from a Non-Guidelines State." American Society of Criminology, 63rd Annual Meeting, Washington, DC.

Miller, Riane N., Eric L. Sevigny, and Gillian M. Pinchevsky. (November 2011). "Child Contact with Parents Incarcerated in Federal Prisons." American Society of Criminology, 63rd Annual Meeting, Washington, DC.

Carter, Allison and Eric L. Sevigny. (November 2011). "Incarceration's Effect and Crime: Evidence from a South Carolina County-Level Panel Data Set." American Society of Criminology, 63rd Annual Meeting, Washington, DC.

Sevigny, Eric L. (May 2011). "Toward a Conceptual and Social Indicator Framework for Constructing a Composite Drug Consequence Index." International Society for the Study of Drug Policy, 5th Annual Conference, Utrecht, Netherlands.

Allen, Andrea and Eric L. Sevigny. (November 2010). "The Intersection of Drug and Gun Markets: Evidence from an Incarcerated Population." American Society of Criminology, 62nd Annual Meeting, San Francisco, CA.

- Hester, Rhys and Eric L. Sevigny. (November 2010). "A Cross-Conditional Multilevel Model of Judge- and County-Level Effects of Sentencing in South Carolina." American Society of Criminology, 62nd Annual Meeting, San Francisco, CA.
- Sevigny, Eric L. (November 2010). "The Effects of the Forced Migration of Incarcerated Parents on Contact with Their Minor Children." American Society of Criminology, 62nd Annual Meeting, San Francisco, CA.
- Pollack, Harold, Peter Reuter, and Eric L. Sevigny. (April 2010). "If Drug Treatment Works So Well, Why Are So Many Drug Users in Prison?" International Society for the Study of Drug Policy, 4th Annual Conference, Santa Monica, CA.
- Hester, Rhys, Benjamin Steiner, Eric L. Sevigny, Barbara Koons-Witt, and John D. Burrow. (November 2009). "A Multilevel Analysis of the Effect of Judge Characteristics on Sentencing Outcomes in South Carolina." American Society of Criminology, 61st Annual Meeting, Philadelphia, PA.
- Sevigny, Eric L., Barbara Koons-Witt, John D. Burrow, and Rhys Hester. (March 2009). "Race and Disparity in South Carolina: A Multilevel Model of Sentencing in a Failed Guideline State." Academy of Criminal Justice Sciences, 46th Annual Meeting, Boston, MA.
- Sevigny, Eric L., Barbara Koons-Witt, and John D. Burrow. (November 2008). "Examining Sentencing Outcomes in South Carolina: Findings from a Failed Guidelines State." American Society of Criminology, 60th Annual Meeting, St. Louis, MO.
- Sevigny, Eric L. and Jonathan P. Caulkins. (March 2008). "Jail's Role in Drug Control." Academy of Criminal Justice Sciences, 45th Annual Meeting, Cincinnati, OH.
- Sevigny, Eric L. (March 2006). "Cracked Up: Anomalies and Disparities Caused by the 100:1 Powder-Crack Quantity Ratio." Academy of Criminal Justice Sciences, 43rd Annual Meeting, Baltimore, MD.
- Sevigny, Eric L. (November 2005). "Does Quantity Miss the Mark? Toward a (More Defensible) Jurisprudence of Federal Drug Sentencing." American Society of Criminology, 57th Annual Meeting, Toronto, ON.
- Sevigny, Eric L. and Jonathan P. Caulkins. (November 2004). "What Can We Learn About Drug Enforcement and Drug Dealers from the Inmate Surveys?" American Society of Criminology, 56th Annual Meeting, Nashville, TN.
- Sevigny, Eric L. (November 2003). "Incarceration of Drug Offenders: Race, Gender, and Culpability." American Society of Criminology, 55th Annual Meeting, Denver, CO.

Sevigny, Eric L. and Phyllis Coontz. (November 2002). "Revisiting the Rise of the New Female Offender: Examining the Relationship between Gender, Drugs, and Violent Crime." American Society of Criminology, 54th Annual Meeting, Chicago, IL.

Conference Posters

Sevigny, Eric L. (November 2006). "Circumvention of Firearm Sentence Enhancements in Federal Drug Cases." American Society of Criminology, 58th Annual Meeting, Los Angeles, CA.

Sevigny, Eric L. (October 2004). "The Drug-Gun Connection: Characterizing the Link between Drug Offending and Concomitant Gun Activity." Drug Abuse: A Workshop on Economic and Behavioral Research, National Institute on Drug Abuse, Bethesda, MD.

Sevigny, Eric L., Marija Dunn, Levent Kirisci, and JoAnn Switala. (March 2003). "The Efficacy of a Prevention Program to Ameliorate Risk for ATOD Involvement." Society for Prevention Research, Washington, DC.

Seminars, Colloquia, and Agency Briefings

Sevigny, Eric L. (March 2012). "Measuring National Trends and Interstate Variations in the Consequences of Illegal Drugs Using the U.S. Drug Consequences Indices: 2000-2009." Interagency briefing at Office of National Drug Control Policy, Washington, DC.

Sevigny, Eric L. (December 2011). "Constructing the U.S. National and State Drug Consequences Indexes." Briefing at Office of National Drug Control Policy, Washington, DC.

Sevigny, Eric L. (July 2011). "Constructing National- and State-Level Composite Drug Consequences Indexes for the United States." Briefing at Office of National Drug Control Policy, Washington, DC.

Sevigny, Eric L. (April 2010). "Performance Assessment of the Lexington County Methamphetamine Initiative." Presentation to Chiefs of Police, Lexington County Multi-Agency Narcotics Enforcement Team, Lexington, SC.

Sevigny, Eric L. (April 2009). "The Measurement and Analysis of Indeterminate Sentences: Exploring the Conceptual and Methodological Issues." Department of Criminology and Criminal Justice, University of South Carolina, Columbia, SC.

Sevigny, Eric L. (April 2009). "Methamphetamine Use in South Carolina." State Epidemiological Outcomes Workgroup (SEOW). South Carolina Department of Alcohol and Other Drug Abuse Services, Columbia, SC.

Sevigny, Eric L. (March 2007). "Jail's Role in Drug Control." Department of Criminology and Criminal Justice, University of South Carolina, Columbia, SC.

Sevigny, Eric L. (August 2002). "Patterns of Firearm-Related Violence." Committee on Improving Research Information and Data on Firearms. National Academy of Sciences, Washington, DC.

GRANTS AND CONTRACTS

- 2011 – Pres. **Consultant.** "Implementation of Medical Marijuana and its Impact on Health." RAND Corporation.
- 2012-2013 **PI.** "Constructing a Prescription Drug Consequences Index." Cooperative Research Agreement, Office of National Drug Control Policy, Executive Office of the President.
- 2010-2012 **PI.** "Constructing a Drug Consequences Index." Cooperative Research Agreement, Office of National Drug Control Policy, Executive Office of the President.
- 2010-2011 **PI.** "Constructing a Composite Index to Measure the Harm from Illegal Drugs." Promising Investigator Research Award (PIRA), Office of Research and Graduate Education, University of South Carolina.
- 2009-2010 **PI.** "Lexington County Methamphetamine Initiative Evaluation." Lexington County Sheriff's Department, Lexington County, SC (Co-PI: Michael Smith).
- 2007-2008 **Co-PI.** "The Impact of a Community Corrections Drug Testing and Sanctions Program on Offender Drug Use, Recidivism, and Social Functioning: A Pilot Investigation." Department of Criminology and Criminal Justice, University of South Carolina (Co-PI: Barbara Koons-Witt).
- 2003-2005 **Consultant.** "Female Adolescent Drug Abuse: Biobehavioral Development". Center for Education and Drug Abuse Research, University of Pittsburgh.
- 2003-2004 **Consultant.** "Impact of Child Neglect in Substance Abuse Families." Center for Education and Drug Abuse Research, University of Pittsburgh.
- 2002 **Consultant,** "Committee to Review Research and Data on Firearms." Division on Behavioral and Social Sciences and Education, National Academy of Sciences, Washington, DC.

- 2001 **Consultant.** "Cognitive-Psychosocial Interactions and Alcoholism."
Center for Education and Drug Abuse Research, University of Pittsburgh.

TEACHING AND MENTORSHIP

TEACHING HONORS AND AWARDS

- 2009 – 2010 **Two Thumbs Up Award**
For making a difference in a student's education
Office of Student Disability Services
University of South Carolina

COURSES TAUGHT

- 2007 – Pres. **University of South Carolina**
Research Methods in Criminal Justice (undergraduate)
Drugs and Crime (undergraduate)
Punishment and Society (graduate/undergraduate)
Illegal Drug Films and Society (graduate/undergraduate)
Research Methods in Criminal Justice (graduate)
Quantitative Methods in Criminal Justice (graduate)
Crime, Law, and Public Policy (graduate)
- 2006 – 2007 **Michigan State University**
Research Methods in Criminal Justice (undergraduate)
Drugs, Policy, and the Law (undergraduate)
- 2005 **University of Pittsburgh**
Drugs, Policy, and the Law (undergraduate)

DIRECTED INDEPENDENT STUDIES

Graduate

- 2012 Brian Fuleihan. (Spring 2012). "Do Drug Courts Conserve Custodial Resources?"
- 2011 Allison Carter. (Spring 2011). "The Effects of Incarceration on Crime."
- 2010 Rhys Hester. (Spring 2010). "Criminal Courts and Sentencing."

Undergraduate

- 2012 Michael Calandra. (Summer 2012). "The Cannabis Potency Monitoring Project"
- 2009 James Dennis, Jr. (Summer 2009). "Policing and Drug Raids: A Constitutional and Empirical Assessment."

THESES AND DISSERTATIONS

Doctorate (Ph.D.)

2012 **Chair** for Rhys Hester. (Spring 2012). "Criminal Sentencing in the Court Communities of South Carolina: An Examination of Offender, Judge, and County Characteristics."

Masters (M.A.)

2008 **Committee Member** for Cory M. Thigpen. (2008). "South Carolina Police Perspectives on Illicit Drugs and Drug Enforcement: Results from a Statewide Agency Survey."

SERVICE

SERVICE TO THE PROFESSIONAL COMMUNITY

2011 – Pres. **Associate Editor**, *Journal of Drug Policy Analysis*

2010 - Pres. **Editorial Board Member**, *Victims and Offenders*

2013 **Conference Academic Committee**, 7th Annual Conference of the International Society for the Study of Drug Policy, Bogota, Columbia

2012 **Session Chair**, "State Medical Marijuana Policies and Public Health Outcomes," American Society of Criminology, 64th Annual Meeting

2012 **Session Chair**, "Why Has Mass Incarceration Not Made Illegal Drugs More Expensive?," American Society of Criminology, 64th Annual Meeting

2012 **Session Chair**, "Networks of Drug Use and Trafficking," International Society for the Study of Drug Policy, 6th Annual Conference, Canterbury, UK.

2010 **Session Chair**, "Collateral Consequences of Parental Imprisonment," American Society of Criminology, 62nd Annual Meeting

2010 **Session Chair**, "Innovative Empirical Approaches in Research on Criminal Sentencing Disparity," American Society of Criminology, 62nd Annual Meeting

2009 **Sub-Area Chair** on "Drug Enforcement," 2009 Annual Meeting Program Committee, American Society of Criminology

- 2009 **Session Chair**, “Sentencing Disparity,” Academy of Criminal Justice Sciences, 46th Annual Meeting
- 2009 **Session Chair**, “Contemporary Street Drug Markets and Social Networks: Implications for Research and Practice,” American Society of Criminology, 61st Annual Meeting
- 2009 **Session Chair and Discussant**, “The Role Judges Play in the Sentencing Process and How They Think,” American Society of Criminology, 61st Annual Meeting
- 2006 **Reviewer** for “The Johnson Award for Best Paper in Ethics, Accountability, and Leadership,” The Johnson Institute for Responsible Leadership, University of Pittsburgh

Ad Hoc Journal Reviewer

<i>Addiction</i>	<i>Journal of Criminology</i>
<i>Criminal Justice Review</i>	<i>Journal of Drug Policy Analysis</i>
<i>Criminology</i>	<i>Journal of Forensic Research</i>
<i>Criminology and Public Policy</i>	<i>Journal of Quantitative Criminology</i>
<i>Crime and Delinquency</i>	<i>Justice Quarterly</i>
<i>International Journal of Drug Policy</i>	

SERVICE TO THE UNIVERSITY COMMUNITY

University Service

- 2007 – Pres. **Faculty Associate**, Carolina Student Judicial Council, University of South Carolina
- 2012 **Panelist**, Screening of *The House I Live In*, American Constitution Society, School of Law, University of South Carolina
- 2012 **ASPIRE-I Review Committee Member**, Office of the Vice President for Research, University of South Carolina
- 2008 **Judge**, USC Region II Science and Engineering Fair, University of South Carolina
- 2004 – 2006 **Judicial Board Member**, Student Judicial System, University of Pittsburgh

Department Service

- 2011 – Pres. **Faculty Advisor**, Lambda Alpha Epsilon, American Criminal Justice Association, Department of Criminology and Criminal Justice, University of South Carolina

2008 – 2010 **Graduate Committee**, Department of Criminology and Criminal Justice,
University of South Carolina


2007 – 2008 **Undergraduate Committee**, Department of Criminology and Criminal
Justice, University of South Carolina

SERVICE TO THE GREATER COMMUNITY

2010 **Speaker**, SC ACLU Advocacy and Activism Workshop (March 27, 2010)
Columbia, SC

MAJOR PROFESSIONAL AFFILIATIONS

American Society of Criminology
International Society for the Study of Drug Policy



These days I often hear the same story. It starts with something like a dead battery, or a noise complaint, or a speeding ticket. A qualifying patient has interaction with a law enforcement officer about something besides cannabis.

At a certain point in this story the officer asks about the smell of marijuana. In the stories that end up with misdemeanor charges, the smell is cannabis that has been burned. In the stories that end up with felonies, the smell is live plants. The story usually goes like this:

Officer: Is that the odor of marijuana I detect?

Defendant: Why yes, it is.

Officer: Are you a patient?

Defendant: You bet I am.

Officer: May I see your Registry ID card?

Defendant: I don't have one yet, but I am a patient. I sent in my application to DPHHS and I don't actually have my card yet. But here is my physician's statement. They said it would work.

Officer: Hmmm. So you do not have a card on you? I'll be right back.

[Officer calls Drug Task Force detective, returns.]

Officer: Sir/Ma'am, I'm charging you with possession/manufacturing.

Defendant: But officer, I was told this is good enough. I'm totally legal! I am a patient!

Officer: That's not my understanding of the law. Would you mind if I search your vehicle/house?

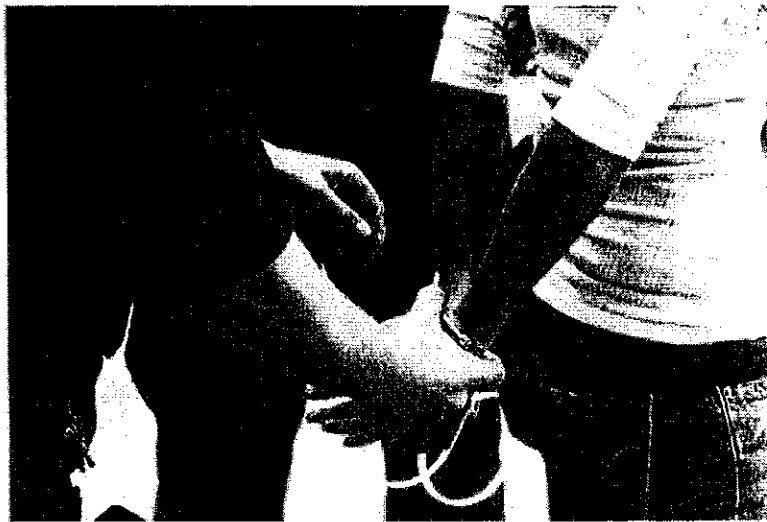
Things go downhill from there. The cannabis is of course handed over and seized. The confused person is given a ticket (in the case of a misdemeanor) or arrested (in the case of a felony), and attorneys, maybe a bail bondsman, and some family members are contacted.

There is some - we'll say misleading - information running around the state. It often starts at medical cannabis clinics, sometimes at storefronts, and it says that as soon as a person gets his or her medical cannabis recommendation, that person is legal to possess, consume, or even grow cannabis. It has been around for a while and it gets a lot of people in trouble.

There is some logic behind this misleading legal advice -- it isn't simply made up. We'll get to the technical stuff in a second, but the bottom line is that there are at least two different opinions about what the law actually means and even what it should mean, but to a law enforcement officer, it's clearly "no card = no cannabis." This has been the Department of Public Health and Human Services' position on the matter for quite some time, and practically every branch of law enforcement has taken it to heart.

Okay, now for the technical part. The Medical Marijuana Act (MMA) is made up of several statutes which each lay out specific parts of the law. 50-46-201(1) is the statute that states the basic rule. It says that

a person who possesses a registry identification card may not be arrested, prosecuted, or penalized in any manner or be denied any right or privilege if the qualifying patient or caregiver acquires, possesses, cultivates, manufactures, delivers, transfers or transports up to an ounce of marijuana or up to six plants. And if the person is a patient, it has to be used for medical purposes.



Ever on the lookout for a black-and-white perspective on the law, law enforcement sticks to that phrase "person who possesses a registry identification card" pretty tightly. Seems clear, after all.

The problem is that the MMA is anything but clear. Seemingly for every rule there is a vague exception. In the MMA, the vague exception usually comes in the form of the "affirmative defense," located at 50-45-206. It says that it is an affirmative defense for a person charged with a marijuana offense that he or she has a doctor who states the person qualifies medically to be a cannabis patient. It also says that the person can have enough cannabis around to make sure he always has enough. No mention of a card, or even a specific weight limit. Card? One ounce? I mean, why bother?

The most obvious problem here is that an affirmative defense only does you good once you are charged. So there is the process of getting arrested, getting a lawyer, going to court part that has to happen first. Something to keep in mind is that for all the courtroom dramas on TV, over 80 percent of cases settle before trial. Few people are really up to a jury trial (or can afford one), and most prosecutors, law enforcement officers and detectives are willing to see people go to a trial before they concede the case on the affirmative defense. Going to court is no big deal to these people.

The underlying problem is that law enforcement generally despises the affirmative defense in the MMA. To a law enforcement officer, it's like having a rule that says whenever you leave the classroom you have to have a hall pass, and oh by the way,

no you don't -- you just need to be able to qualify to get a hall pass, and you don't actually need to be at the school anyway. It's a legal defense to a crime for which you could have qualified for an exception, but just didn't take care of it.

During a boxing match, law enforcement doesn't step in and arrest the athletes for assault because the affirmative defense of consent is well understood. To law enforcement, accepting that the MMA affirmative defense is effective "in the field" in the same way is to render a great deal of their police work on marijuana useless. It is a back door to decriminalization, the logic goes, because there is not much point in trying to enforce the law.

This is actually not what the affirmative defense was intended to do. Its purpose was to give defendants in a trial the ability to put their medical use argument in front of a jury. In a trial, if something is irrelevant it can be kept from a jury and a judge can put an order in place keeping it from the jury even before the trial begins. The federal government does not recognize medical applications of

cannabis as a defense and considers it irrelevant to things like possession. So, prosecutors in federal trials can and do keep people from talking about their patient status to juries. The affirmative defense was meant to leave that door open to a defendant to get their message across to the jury in a state case. It was not intended to become a "get out of jail free" card.

Law enforcement's current position is that the affirmative defense is something that needs to be sorted out in a courtroom. Are you legal when you get a physician's recommendation? You are if a jury says you are. To law enforcement officers, it's enough that you don't have your card. You can at least be arrested and prosecuted for it. If someone later says it's okay, well, good for you.

I don't really know anyone walking out of a medical marijuana clinic that is gunning to share their story with a jury. In fact, it defeats the entire purpose of getting a recommendation and a card in the first place. I'm no businessman, but it sure seems like setting customers up for criminal prosecution is simply not good customer service.

Protect yourself and wait for your card. If your doctor tells you that it's okay, just keep in mind that the drug task force, Department of Public Health & Human Services, the Attorney General's office, your county attorney, the city cops and sheriff's department really don't agree. And the doctor isn't the person who will be defending your case. ■

FAQ on Current Montana Medical Marijuana Law

Montana's Medical Marijuana Law – Frequently Asked Questions

Overview

Montana witnessed a seismic shift in its medical marijuana law in 2011. Where before the law was vague and provided broad protections for patients and providers, the new law is slightly less vague, but is designed to make it as difficult and unappealing as possible for individuals to participate in the program. Neither approach actually does much regulation, as production, distribution and financial concerns are largely ignored.

The new law displaced the previous law beginning in April of 2011, with various provisions going into effect as late as October. Most of the substantive changes took place on July 1. Our current law was presented at the 62nd legislative session as Senate Bill 423, and it is still referred to as SB423, although it has now been codified in the [Montana Code Annotated](#).

It is important that keep in mind that the cultivation, possession, and distribution of any amount of cannabis is illegal according to the federal government. The rules discussed here are based on current state laws in Montana only. The fed has made clear through at least one [letter](#) and a judicial decision that it can disregard state law, so none of these rules can protect you if you get in trouble with the federal government.

This FAQ is not legal advice. If you have a specific question about your circumstances, consult with an attorney. This is general information about our Montana Marijuana Act and not to be relied upon without the assistance of a lawyer.

How did the law change?

The 62nd legislative session created a seismic shift in the way Montana manages its medical marijuana program. The legislature repealed the existing law, known as the Montana Medical Marijuana Act (which was created through a voter initiative in 2004) with the new law, known simply as the Montana Marijuana Act, through legislative action. The new law was put together at the very end of the legislative session and saw approximately 150 proposed amendments in a short period of time. As mentioned above, the bill was known as SB423. It has since been codified at [50-46-301, et seq.](#)

When did the law go into effect?

The former law was repealed upon the adoption of the new law, but the law which passed, SB423, allowed for a somewhat gradual conversion from the old system to the new one. By in large, most of the provisions of the new law went into effect as on July 1, 2011. The [original bill](#) established the following

dates for the transition in Section 35. This summary of the timeline does not appear in the law on the books now, but was described in the bill itself:

June 1, 2011 – The Department of Public Health and Human Services (DPHHS) began issuing registry ID cards to persons with debilitating medical conditions on this date. The bill allowed DPHHS to issue provider and marijuana-infused products providers (MIPPs) as of the same date, but did not actually start accepting applications until July 1.

July 1, 2011 – Any provider who had not registered with the state under the new system was prohibited from being in possession of mature marijuana plants, seedlings, cuttings, clones, usable marijuana, or marijuana-related products. Because DPHHS had not established the new system as of July 1, the effect was that NO ONE calling themselves a provider (formerly caregiver) could be in possession. On July 1, DPHHS instituted its new program by publishing provider application forms on its website, and caregivers making the transition to provider began applying on that date, many making the trip to Helena to do so in person. Because the application process takes approximately 30 days, the effect was that there were no providers during the month of July. According to the rules, former caregivers were required to take their plants and marijuana to “the local law enforcement agency having jurisdiction in the provider’s area.” Few law enforcement agencies wanted to receive such items, and few if any did.

October 1, 2011 – Up until this date, DPHHS was allowed to issue registry ID cards to providers without doing background checks (including fingerprints). As of October 1, background checks became mandatory for all providers. Those who had not provided the information already were told to comply, and all new applications required information for background checks.

Cardholder (formerly patient) cards did not expire but were allowed to continue in effect until the cards expired in accordance with the date set when the card was issued.

What happened to the old law?

The old law has been repealed. Anyone accused of violating the state’s medical marijuana laws before July 1, 2011 would be subject to the requirements of the old law. Anyone accused of violating the law on or after July 1 is subject to the new law.

Who wrote the new law?

The new law was at least theoretically written by Senator Jeff Essman. Likely it was written by someone working for him or with him to craft the new requirements.

How did we end up with this law?

Originally, the legislature was intent on repealing the old law and sought to do away with medical marijuana completely. The bill for repeal passed both the House and Senate but the expectation of many at the legislature was that Governor Schweitzer would likely veto the bill. As a result, Senator Essman rushed through a “regulatory” bill to take the place of the old law. When it was clear that a veto would happen, we were left with SB423 as the default alternative. At the time, the perception of many was that

the former law was “broken”, and that reverting back to the I-148 would be unacceptable to many legislators.

Were there any changes in the definitions of key terms in the new law?

Several key terms changed. Most notably, “patients” under the old law were renamed simply “cardholders”, and “caregivers” have been redubbed “providers”. The various qualifying conditions were tweaked to include intractable nausea or vomiting, epilepsy or an intractable seizure disorder, and admittance into hospice care. The requirements for people to qualify based on chronic pain were increased to require a specific etiology (proof) or alternatively to get the opinion of a second physician. Also, the new law removes any references to “medical marijuana”.

Why does the new law avoid calling it “medical marijuana”?

It is not clear why the legislature was intent on removing references to “medical” marijuana in the new law. While the legislature changed terminology (from patients to cardholders, from medical marijuana to simply marijuana), they actually *increased* the standard for physicians making recommendations. Ironically, there is now a higher standard of care for physicians making recommendations for medical marijuana than there is for the same physician to write a prescription for narcotic medication.

Which state agency or agencies administer the program?

The Montana Department of Public Health and Human Services (DPHHS) runs the program for issuing cards, but does not administer any other aspect of the program. There is no agency that oversees the activities of providers or patients as such other than law enforcement. The [DPHHS site](#) for their program includes its own FAQ and numerous forms available online.

Do I need to have a card issued by the state to be a cardholder or a provider?

Yes. Under the new law, a person is not acting within the protections of the Marijuana Act unless he or she is a registered cardholder or provider. This appears at several places in the new law. The section on [legal protections and allowable amounts](#), the section on [provider types](#), and the [definitions](#) for providers and cardholders all refer to a person “registered with the department.”

In addition, [one particular statute](#) within the law specifically addresses cards, and states that a program participant must be in possession of his or her card (at all times!). The requirement also appears in the section authorizing protection from arrest, prosecution or penalty [here](#) under subsections 2 and again in subsection 7. Finally, it appears at the end of subsection 1 under the statute on [DPHHS responsibilities](#).

Put all these together and you must be registered and be in possession of a state-issued card to be acting within the scope of the law.

Do we have reciprocity with other medical marijuana states?

No. There is no provision within the law allowing reciprocity. Reciprocity does not happen by default, so without a specific allowance for it, our state would not recognize a card issued by another state.

Is there an affirmative defense in the new law?

No. The former law contained an affirmative defense for people accused of a marijuana-related offense who were acting like patients or caregivers, but who were not registered with the state. The affirmative defense went away when the former law was repealed, and the new law does not contain its own affirmative defense. It is possible that in any criminal proceeding there may be one or more affirmative defenses in the general sense, but there is no such a defense that is specific to medical marijuana under our current law.

What has the MTCIA lawsuit accomplished so far?

The law was designed to make it extremely difficult to be a provider or a physician who is willing to make medical marijuana recommendations. After filing its law suit, the MTCIA and several other plaintiffs prevented some of the worst provisions from being enforceable, even though they still appear in the text of the law. This is a temporary thing. If the case is successful, this temporary fix will become permanent. If not, then the worst of the current law will be in effect.

The sections which were enjoined by court order aim to:

- Eliminate any compensation from the cardholder to his or her provider [here](#) in paragraph 4,
- Limit a provider's patients to a maximum of three in (the same section as above), paragraph 3,
- Require providers to submit to warrantless searches by law enforcement [here](#),
- Prohibit advertising by providers [here](#),
- Require that physicians who make more than 25 recommendations in a calendar year be audited by the Montana Board of Medical Examiners, [here](#) in paragraph 10.

How can I find out more on the lawsuit?

We try and keep our blog updated with the latest on the suit, which is available on the main page of the mtcia.org website. To see the legal documents filed in the case, they are available [here](#).

How do I become a cardholder?

1. Meet with a physician who will evaluate you to see if your condition qualifies for a recommendation. A pdf of the state form that a doctor needs to fill out for most patient types is [here](#). There is a special form for chronic pain cardholders [here](#). The doctor must fill out the form and provide it to you.
2. Decide if you want to grow your own or use a provider to grow cannabis for you.
3. Decide where you will be growing, if you are. If you use a rental space, you will need the landlord's permission. A state created form for the [landlord authorization](#) is available online.
4. Next, fill out the [state application](#).
5. Send the physician's recommendation, application, a check for \$25 for new cardholders or \$10 for renewals made payable to DPHHS/MMP, and the landlord authorization form (if needed) to the state. The address is DPHHS at P.O. Box 202935, Helena MT 59620-2935.
6. The state has 30 days from the date it receives the mail to register you or reject the application, and an additional 5 days to mail the notice out to you. If a provider was selected by the patient and fills

out his or her own paperwork (see below), the provider also receives mail from the state containing a letter and a registry ID card. 50-46-303, MCA, paragraph 4.

Note there are several restrictions on who can be a cardholder. People under supervision by the Department of Corrections cannot be in the registry according to the current law under 50-46-307, MCA, paragraph 4. Minors need a different application, permission from a parent or guardian who can serve as the provider, and a recommendation for a second physician regardless of condition. 50-46-307, MCA, paragraph 3.

If I am a provider, can I consume marijuana?

Only if you are a cardholder as well. The law expressly prohibits a provider from lawfully consuming simply for being a provider under 50-46-320, MCA, however the law does not restrict providers from being separately qualified as cardholders.

Can I grow my own if I designate a provider?

No. The new law requires a cardholder to either grow their own or select a provider, but not both, in 50-46-307, MCA, see paragraph 1(e) and paragraph 5.

If I am a cardholder, can I provide marijuana to another cardholder?

No. Cardholders may not provide marijuana to any person unless the cardholder is also registered as a provider, and the recipient is registered as that cardholder's patient. 50-46-307, MCA, see paragraph 1(f). See also 50-46-330, MCA, paragraph 1(b)(ii).

Can I be a cardholder if I am on supervision?

No. A person may not be a registered cardholder if the person is in the custody of or under the supervision of the department of corrections or a youth court. See 50-46-307, MCA, paragraph 4. This issue is currently being litigated in the MTCIA challenge to the law.

If I want to grow my own, how do I get plants or seeds?

The law is vague about how patients can lawfully obtain plant stock. On the one hand, if a cardholder has selected a provider, that cardholder is not authorized to be in possession of live plants. Similarly, if the cardholder has elected to grow his or her own, there is no person legally authorized to provide plants to that person. On the other hand, there is an indirect reference to providers selling live plants in 50-46-329, MCA, which requires that "a provider or marijuana-infused products provider shall maintain records showing the names and registry identification numbers of registered cardholders to whom **mature plants, seedlings**, usable marijuana, or marijuana-infused products were transferred and the quantities transferred to each cardholder." The provision of live plants to cardholders does not appear any other place under the current law.

What restrictions are there to being cardholder?

There are quite a few. Many of these appear elsewhere in this FAQ:

- Cardholders must be residents of Montana. 50-46-307, MCA, paragraph 1.
- A cardholder must be in possession of the registry ID card at all times. 50-46-317, MCA. The same section also requires the person to display valid photo identification upon demand by a law enforcement officer or judge.
- If a cardholder has “any change in the cardholder’s name, address, physician, provider, or marijuana –infused products provider or change in the status of the cardholder’s debilitating medical condition” the cardholder has 10 DAYS to notify the department or the registry identification card is void. 50-46-303, MCA, see paragraph 7.
- The cardholder, if growing his or her own, must notify DPHHS of the grow location (which happens in the course of applying for a card). 50-46-307, MCA, paragraph 1(h).
- If a cardholder has any law enforcement interaction and an officer runs his or her driver’s license through the law enforcement database (for instance at a traffic stop), the officer will see that the individual is listed as a cardholder in the registry.
- A cardholder who is suspected of DUI must submit to a blood draw to analyze the amount of THC in the system. 50-46-320, MCA, paragraph 7.
- Cardholders may not provide marijuana to any person unless the cardholder is also registered as a provider, and the recipient is registered as that cardholder’s patient. 50-46-307, MCA, see paragraph 1(f). See also 50-46-330, MCA, paragraph 1(b)(ii).
- Cards typically expire in 1 year from the date of issuance, but they can be limited to a shorter period of time by the recommending physician. 50-46-303, MCA, paragraph 6. There is no “grace period” for failing to re-apply far enough in advance to get the new card before the old one expires.
- If a cardholder intends to grow his or her own, there is no clear lawful way to obtain live plants or seeds under state law.
- If a cardholder lives in a rental space, he or she must get written and notarized permission from the landlord before growing.
- If a cardholder lives with another cardholder, that person cannot grow at the residence unless related by blood or marriage. 50-46-307, MCA, paragraph 7.
- The current law expressly prohibits people who are under supervision of the Department of Correction from being registered as cardholders. 50-46-307, MCA, see paragraph 4.
- Minors who want to be patients can only have one provider – a parent or guardian. The parent or guardian MUST grow it for the minor, since there is no legal way for a provider to obtain marijuana from another provider or any other source.
- Plants may not be visible from the street or other public area. 50-46-320, MCA, paragraph 2.
- Cardholders are not protected from drug use policies at the workplace. 50-46-320, MCA, paragraph 4(b) and (5).
- Use is restricted in several respects. According to 50-46-320, MCA, paragraph 1, cardholders cannot consume in the following locations:
 - A healthcare facility,
 - A school or postsecondary school,
 - Property owned by a school district or postsecondary school,

- Property leased by a school district or postsecondary school when used for school-related purposes
- A school bus or other form of public transportation,
- When ordered by a court to be placed in a correctional facility or program,
- When a court has placed that restriction on a person,
- Any public park, beach, recreation center or youth center,
- A church synagogue or other place of worship,
- In plain view of the public or in a place open to the general public, or
- Where exposure to the marijuana smoke “significantly adversely affects the health, safety or welfare of children”, which could be a residential location.
- Prior to admission to a health care facility, the facility is authorized to remove medical marijuana from a person and have it taken (either by a provider, guardian, or a person with power of attorney) to the person’s residence. If no one is available and authorized, it can be removed and then destroyed by law enforcement. 50-46-318, MCA.
- Cardholders may not exceed 4 mature plants, 12 seedlings, and one ounce of usable marijuana. 50-46-319, MCA.
- Insurers are not required to compensate cardholders for the cost of medical marijuana, and it cannot be subsidized through a government program. 50-46-320, MCA, paragraph 4.
- Cardholders who are convicted of a DUI because of marijuana use will have their cards revoked during the period of suspension of driving privileges that comes with sentences for DUI. 50-46-320, MCA, paragraph 7(b).
- DPHHS must revoke and cannot reissue a card if a person (presumably already in the registry) who does any of the following:
 - Is convicted of a drug offense, whether misdemeanor or felony,
 - Allows another person to be in possession of his or her registry identification card,
 - Allows another person to be in possession of plants, seedlings, usable marijuana, or marijuana-infused products, or
 - Fails to cooperate with DPHHS concerning an investigation or inspection of the person is registered and cultivating or manufacturing marijuana.
 - Any person who fraudulently represents to law enforcement that the person is a registered cardholder can face a misdemeanor charge which could include up to 1 year in jail and may not be registered as a provider. 50-46-331, MCA.
 - If law enforcement believes you are violating the law and seizes plants or seedlings, they are not obligated to care for or maintain the plants, although they are required to give it back if it is later determined that the person is or was in compliance with state law. 50-46-340, MCA.
 - DPHHS has a hotline (available as an option at the main telephone number for the registry) for reports of suspected abuse of the states medical marijuana law.
 - Penalties for medical marijuana registry members who are found to be in violation of the law are the same penalties as a person who is not in the registry faces under similar circumstances.

How many plants can I have as a cardholder?

A registered cardholder may possess up to 4 mature plants and 12 seedlings. ~~50-46-319, MCA~~, paragraph 1. A mature plant is defined as “a harvestable female marijuana plant that is flowering,” and a seedling is “a marijuana plant that has no flowers and is less than 12 inches in height and 12 inches in diameter.” ~~50-46-302, MCA~~, paragraphs 8 and 17 respectively. What is left unaddressed is how to count a plant that is not a flowering, harvestable female, but is taller or wider than 12 inches. Perhaps the intention was to force growers to flower plants that are less than 12 inches tall, but that is not clear based on the language. Presumably any plant that is over 12 inches should be considered a flowering, harvestable female, but there are no cases in Montana that have explored this yet.

How do I become a provider or a marijuana-infused products provider (MIPP)?

1. Qualify to be one by:
 1. Being at least 18, ~~50-46-302, MCA~~, paragraph 10(a),
 2. Not having a misdemeanor drug conviction or a felony of any type on your record, ~~50-46-308, MCA~~, paragraph 2.
 3. Not being in custody of the Department of Corrections,
 4. Being current on any taxes or judgments due to a government agency,
 5. Not being in default on government-issued student loans,
 6. Being current on any child support obligations
 7. Not having designated another individual as your provider.
 8. Filling out the application provided by the state,
 9. Making out a check for \$50 made payable to DPHHS/MMP,
 10. Completing two fingerprint cards for a background check. The cards along with instructions can be obtained by calling DPHHS at 406-444-0596,
 11. Filling out a Change Request Form if the cardholder is switching to you from another provider or adding a caregiver where he or she previously grew their own. If your patient is not yet registered with the state, it is best to combine your forms packet with theirs so that DPHHS sees it all and can set you both up at the same time.
 12. Obtaining written, notarized permission from a landlord if you will be using rented space for the grow. The landlord authorization form is here.
 13. Send the application, check, fingerprint cards, change request form or cardholder application packet and landlord authorization form (if needed) to DPHHS at P.O. Box 202935, Helena MT 59620-2935.

What restrictions are there to being or becoming a provider?

As with cardholders, there are numerous restrictions, and several of these restrictions are described elsewhere in this FAQ. Since most providers are also cardholders, all the restrictions on patients also apply here.

- As mentioned above, to qualify to be a provider a person must be 18 years old or older 50-46-302, MCA, paragraph 10(a), have a record clean of any misdemeanor drug convictions or felony convictions of any type, not be in custody or under supervision of the Department of Corrections, be current on all taxes and court judgments, not be in default on any government-issued student loans, not owe any outstanding child support, and not list anyone else as your provider, 50-46-308, MCA, paragraph 2.
- Authorization to serve as a provider expires at the time indicated on the state-issued provider card or as soon as DPHHS issues a card to a new provider. 50-46-303, MCA, paragraph 6.
- The grow location will be provided to state law enforcement. 50-46-303, MCA, paragraph 9.
- A provider must be named as a provider by a cardholder. 50-46-308, MCA, paragraph 1.
- A provider must be a Montana resident. 50-46-308, MCA, paragraph 1.
- A provider cannot provide to anyone who has not registered that person as their provider with the state. 50-46-308, MCA, paragraph 1.
- Plants grown for a particular patient must only be grown at one location. 50-46-308, MCA, paragraph 1.
- A provider or marijuana-infused products provider (MIPP) can have a maximum of three registered cardholders. 50-46-308, MCA, paragraph 3. If the provider is also a patient, he or she is limited to two additional cardholders. [THIS REQUIREMENT WAS ENJOINED IN THE MTCIA LAWSUIT.]
- A provider or MIPP cannot receive “anything of value” including money from a cardholder for anything other than the provider’s application or renewal fee. [SAME SECTION AS ABOVE, ALSO ENJOINED].
- A provider may not consume marijuana unless that person is also registered as a cardholder. 50-46-320, MCA, paragraph 6.
- A provider must either grow at property he or she owns or, if a rental, must be done with permission from a landlord. 50-46-308, MCA, paragraph 7.
- Providers may not share locations. Same as above, paragraph 7.
- MIPPs have their own specific requirements, below.
- Physicians may not accept or solicit anything of value from a provider or MIPP. 50-46-327, MCA.
- Providers, along with cardholders, must keep their registry identification cards in their immediate possession at all times. They are also required to provide valid photo ID any time a law enforcement officer or judge demands it. 50-46-317, MCA.
- A provider may be contacted by a health care facility to pick up marijuana that was in a patient’s possession prior to admission into the facility and deliver it to the patient’s residence. The health care facility is not liable to the provider for costs to remove the marijuana from the premises. 50-46-318, MCA.
- Providers cannot be in possession of more than 1 ounce of usable marijuana per patient at any time, and cannot possess more than 4 mature plants and 12 seedlings. 50-46-319, MCA, paragraph 1.
- Providers do not appear to be authorized to be in possession of trim, root systems, or otherwise unusable parts of the cannabis plant. (Why is this? Because being in possession of marijuana is by default illegal under the state’s criminal code. The criminal code defines “marijuana” as “all plant material from the genus Cannabis containing tetrahydrocannabinol (THC) or seeds of the genus

capable of germination.” 50-32-101, MCA. The Montana Marijuana Act provides exceptions to the prohibition, however the section that deals with what a provider or cardholder can possess, 50-46-319, MCA, says it is up to 4 mature female plants, 12 seedlings, and 1 ounce of usable marijuana. There is no reference to seeds or unusable plant material.)

- Providers cannot cultivate marijuana in a location that is visible from the street or other public area. 50-46-320, MCA, paragraph 2.
- Being a provider alone does not authorize a person to consume marijuana or marijuana-infused products. 50-46-320, MCA, paragraph 6.
- Local governments (cities and counties) can create ordinances or resolutions to regulate providers or MIPPs operating within their jurisdiction. This can include inspections related to public health, safety, and welfare established by the local government. Local governments can also ban storefront businesses. The term “storefront” is not defined under the law. 50-46-328, MCA.
- Law enforcement can conduct unannounced, warrantless searches of a provider’s registered location from under 50-46-329, MCA. This statute also requires that providers must keep a complete set of records of all sales with registered cardholders and make them available to law enforcement during normal business hours. The provider must provide information that DPHHS considers necessary for administration of this requirement. The location, storage locations, or the grow or processing location is subject to search by DPHHS or law enforcement during “normal business hours”. All locked areas must be opened and made available for inspection without delay or otherwise upon request by DPHHS or law enforcement. [THIS SECTION WAS ENJOINED.]
- Providers and MIPPs must maintain records showing the names and registry identification numbers of cardholders to whom mature plants, seedlings, usable marijuana, or marijuana-infused products were transferred and the quantities transferred to each cardholder. 50-46-329, MCA. Not this section was NOT enjoined in the lawsuit and is currently a requirement under the law.
- Provider card status will be revoked upon conviction of a criminal drug offense, or if the person allows another to be in possession of the person’s registry ID card, or any mature marijuana plants, seedlings, usable marijuana, or marijuana-infused products, or fails to cooperate with DPHHS concerning an investigation. 50-46-330, MCA.
- Any person who fraudulently represents to a law enforcement official that the person is a registered provider faces a misdemeanor criminal charge which could carry a 1 year jail sentence IN ADDITION to any other penalties allowed under the criminal provisions of Montana law. That person further is prohibited from ever becoming a registered provider. 50-46-331, MCA.
- A provider commits the offense of disclosure of confidential information related to registry information if the person knowingly or purposely discloses confidential information in violation of the Montana Marijuana Act. 50-46-332, MCA.
- Despite apparent protections within the Act for providers, 50-46-339, MCA, states that “nothing in this chapter may be construed to limit a law enforcement agency’s ability to investigate unlawful activity in relation to a person with a registry identification card.” So yes there are protections, unless law enforcement thinks there may be unlawful activity going on.

- Any plants or seedlings seized in the course of an investigation must be returned to the provider if it is determined the person is acting in accordance with the law, however law enforcement is not required to care for or maintain the plants. 50-46-340, MCA.
- Providers may not advertise marijuana or marijuana-related products in any medium, including electronic media. 50-46-341, MCA. [THIS STATUTE WAS TEMPORARILY ENJOINED IN THE MTCIA LAWSUIT.]

Are there specific requirements for marijuana-infused products providers?

In addition to all the restrictions above, MIPPs are further restricted in the following ways, all of which appear in 50-46-309, MCA.

- Prepare products at a premises registered with the department, in addition to a grow location also registered with the department.
- Use equipment that is dedicated for that purpose alone.
- A MIPP is limited to growing strictly for the purposes of manufacturing marijuana-infused products, unless separately registered as a provider (who can cultivate marijuana for the purposes of smoking it).
- The premises used must meet all applicable standards set by a local board of health for a food service establishment, even though the marijuana-infused product is exempted from regulation as a food in any other part of the law.

What am I supposed to do at harvest with respect to the weight limits and other restrictions on what I can possess?

Great question! You might try Senator Jeff Essman at info@jeffessman.com.

What does DPHHS do with my fingerprints?

Providers must provide fingerprints to DPHHS with their applications for a background check. The fingerprints are forwarded to the US Department of Justice for a criminal background check. The DOJ returns the results back to DPHHS along with the fingerprint cards, and the cards are destroyed by DPHHS.

How many plants can I have as a provider?

These restrictions are the same as those for cardholders who grow for themselves, described above. A registered provider may possess up to 4 mature plants and 12 seedlings per registered cardholder. 50-46-319, MCA, paragraph 1. A mature plant is defined as "a harvestable female marijuana plant that is flowering," and a seedling is "a marijuana plant that has no flowers and is less than 12 inches in height and 12 inches in diameter." 50-46-302, MCA, paragraphs 8 and 17 respectively. What is left unaddressed is how to count a plant that is not a flowering, harvestable female, but is still taller or wider than 12 inches. Perhaps the intention was to force growers to flower plants that are less than 12 inches tall, but that is not clear based on the language. Presumably any plant that is over 12 inches should be considered a flowering, harvestable female, but there are no cases in Montana that have explored this yet.

What is wrong with the new law?

- The new law establishes many restrictions, but does virtually nothing to regulate production and distribution except through plant count, size restrictions, possession amounts, and by allowing local governments to set up rules for doing so. There is no state agency that oversees these activities, except law enforcement is responsible for enforcing these limitations.
- The law goes out of its way to eliminate references to the medical application of marijuana, yet still requires a physician's medical examination and a certification that it is for that purpose.
- The law states that marijuana-infused products are not considered food, but requires the production facilities to meet health code standards established for food preparation facilities.
- There is no clear, legal way for providers or patients to obtain live plants or seeds.
- While the federal government considers all provider activities illegal, the state requires applicants for provider to give their fingerprints to the US Department of Justice for a background check.
- A person who grows for themselves cannot live with another patient at all unless they are married or blood relatives.
- Any plant over 12 inches apparently is either illegal or must be considered a blooming female plant capable of being harvested.
- It is illegal to have cannabis tested for mold, insecticides or medicinal value.
- Nobody on probation can be a member of the registry, regardless of medical need, the opinion of a judge or a probation officer.
- If a parent or guardian has a felony on his or her record, the minor child in effect cannot be a medical marijuana patient.
- The state requires documentation of sales, which the fed would use as evidence against the provider in an investigation.



Medical Marijuana Business Daily

LEGAL, FINANCIAL & INDUSTRY NEWS FOR INSIDERS

February 15, 2013

Chris Lindsey: Montana's MMJ Struggles the Canary in Coal Mine for National Cannabis Industry?



By Chris Lindsey

To say it's been a rough year for medical marijuana businesses in Montana is something of an understatement. During the heyday of the industry in the spring of 2011, there were 4,848 registered caregivers. A year later, we have just over 400: a precipitous decline of more than 90%.

Like so many abandoned mining towns dotting the Northern Rockies, the medical marijuana industry in Montana is a virtual ghost town.

Montana's experience should serve as a warning to medical marijuana professionals, entrepreneurs and businesses across the country: You are not immune to prosecution.

To a certain extent, the situation in Montana is tied to the fact that the law significantly changed in 2011 because of the efforts of several reactionary state legislators who created a system in which few could participate.

But what has really killed medical marijuana in Montana are the aggressive tactics employed by the federal government.

The feds have engaged in a scorched-earth policy that has succeeded in scaring most operators away or underground. We saw an unprecedented series of raids on local businesses in March 2011, with a steady trickle of raids since then just to keep the population on edge. Combine that with the stricter requirements of the current state law, and it's easy to see why we've seen such a huge drop in the number of caregivers.

The government has been liberal in handing out indictments following the raids, and both the charges and penalties are staggering. The problem for those in the industry is that simply doing the things any typical business does in the course of normal operations creates a cascade of federal charges when

that business is about medical marijuana. The laws that were created specifically for drug cartels are now being aimed squarely at legitimate businesses trying to provide a much-needed service to patients. This abuse of the law creates mountains of liability for those people trying to conduct themselves like regular business professionals.

Creating a business plan with prospective partners – common sense in any other type of business – is considered “Conspiracy to Manufacture, Distribute and Possess with Intent to Distribute Marijuana.” It carries a mandatory minimum of 5 years in prison and up to 40. It also includes a fine of up to \$5 million, plus years of probation to follow.

Actually growing marijuana is its own separate “offense,” called “Manufacture of a Dangerous Drug.” It also has a mandatory minimum of 5 years and up to 40 and another \$5 million fine.

Following a harvest, a person is exposed to a charge of “Possession with Intent to Distribute Marijuana,” a bargain compared with the previous two charges. It carries a maximum of 5 years (no minimum) and a fine of \$250,000.

Any money made, or assets bought with the proceeds, is subject to forfeiture to the U.S. government and is yet another felony offense. Using a bank to deposit sales proceeds is “Money Laundering,” and, you guessed it, another felony. And don’t expect your bank to be on your side: It just might freeze your account and hand your money over to the government even before the raid starts.

Taken together, planning a business, growing, harvesting, providing marijuana to patients and using a bank can expose owners to a staggering amount of mandatory prison time and financial penalties.

The federal government has only so many resources to throw at medical marijuana. Accordingly, it has to decide where to focus its attention.

From what we’ve seen in Montana, it concentrates on two types of operators. First, it picks the low-hanging fruit: businesses that appear sketchy and could be engaged in black-market operations. The thinking is that if the initial people busted look like bad individuals, the entire industry looks bad. The second type of businesses it targets are those run by high-profile activists (think Oaksterdam University). Take out the symbolic leaders and the feds get some great media coverage.

Ironically, success can be a business owner’s biggest liability. It creates a high-profile company with assets to take, employees to flip and turn against their employer, and lots of press following raids. Like the metaphorical canary in the coal mine, when the feds decide that it’s time to roll back or even eliminate medical marijuana in a particular jurisdiction, it’s the businesses that are the first and easiest targets.

Is there a magic formula to avoid prosecution? Not that we have seen in Montana. There were no warning letters in advance of raids here like the ones sent in California, Washington and Colorado. Distance to schools or serving non-patients made no difference here. Compliance with state law has been irrelevant, except where the fed can trumpet state violations to sour public opinion. Even our own law enforcement agencies turned against us for fear of losing federal funds, and our right-wing politicians applauded federal prosecution of those who were operating under the very laws they created.

It is all too easy to operate in a bubble in this business. Your patients love you, your employees love you, your local government loves your money and the public generally likes medical marijuana. But never forget you are an Enemy of the State and a top priority of the DEA. The war on drugs, like coal mining, is a dirty business. And sometimes the biggest casualties are the ones doing everything by the rules.

This business is not for the faint of heart, and it is a serious commitment in more ways than one. Our society is in the midst of changing its long-ingrained bias against marijuana, and those of us who are part of that business often find ourselves bearing the brunt of the government's resistance to that change. Keep the faith! History is written by the victors, and we will be the victors regardless of the battles fought against us now.

Chris Lindsey is a medical marijuana attorney in Montana and serves on the boards of the Montana Cannabis Industry Association, the Montana Medical Grower's Association and Patients and Families United. Lindsey was indicted by the federal government for his involvement in a Montana medical marijuana business, with the government alleging many of the charges discussed here. Photo by Chad Harder.



Medical Marijuana Business Daily

LEGAL, FINANCIAL & INDUSTRY NEWS FOR INSIDERS

February 15, 2013

Chris Lindsey: Don't Be Fooled – Risks Remain High for Marijuana Businesses



By Chris Lindsey

Marijuana professionals, advocates and patients tend to be glass-half-full types. That was certainly the case last week, when ABC News aired a conversation between President Barack Obama and Barbara Walters. During the interview, Obama said government resources should not be spent going against the will of voters. I was getting calls by 6:30 the next morning from fellow activists declaring victory. The common refrain: "The federal government is OK with legalization!"

It took less than 24 hours for one well-known attorney in Colorado to opine that "this gives us the go-ahead to do business here in Colorado," including "users, growers and sellers."

Wow.

I don't share that sentiment. After living through what happened in Montana in the war on medical marijuana, I am practically a professional rainer on people's parades. A hired buzzkiller, if you will.

First of all, there is no way that Obama is OK with legalization. And to see and hear his interview on ABC and think it means that businesses will be protected is to miss the point entirely.

All three branches of the federal government do not like marijuana, much less marijuana businesses. Apart from the fact that both President Obama and Vice President Biden say they do not support legalization, there is an entire Controlled Substances Act, of which you may have already heard. And the judicial branch weighed in when the Supreme Court made it clear that state laws cannot change the federal position on enforcement of its own law. Then we have the Department of Justice itself in the form of the Haag Memo and the Cole Memo, as well as recent statements by Department of Justice officials in Washington and Colorado.

I mean seriously, what else could the government have done to make its position more clear?

The second reason *ex silentio* – or drawing a conclusion from Obama’s lack of specifics – is a bad argument: It sounds particularly lame in court. The defense goes something like this: “Yes, I understand it is illegal, the law hasn’t changed and the feds repeatedly said they would enforce it, but we really thought the government, you know, didn’t mean all that.” What you *thought* the federal government meant will make no difference to anyone during the trial. Wishful thinking is not a legal defense.

Next, you should not base your business plan on how likely it is the jury will sympathize with you and ignore its duty to apply the law. This is like basing a business on investing in lottery tickets. Jury nullification sounds great, but your attorney is prohibited from arguing it in court or suggesting it to the press, and the federal government and the presiding judge will do everything possible to avoid it during trial through *motions in limine* (or orders based on them) and the *voir dire* process.

Federal prosecuting attorneys are acutely aware of the threat of jury nullification and work hard to prevent it from taking root in a case. In fact, jury nullification is very rare and tends to happen spontaneously rather than because of a strategy by the defendant. It is a long shot and should not be part of your business plan.

Fourth, I would point out the Department of Justice is run by career drug warriors who want to continue to draw paychecks, take your stuff to pay for their toys and perpetuate a system that has treated them and their department very well for many decades. The Obama Administration spends \$10 Billion a year on drug interdiction and law enforcement, most of it marijuana-related.

To quote Melinda Haag, a U.S. attorney in California who has spearheaded a crackdown on the MMJ industry, “the prosecution of individuals and organizations involved in the trade of any illegal drugs is the core priority of the Department of Justice.” That is not about to change because of a vote in two state elections.

Let’s say the state revenue generated from the sale of marijuana in Colorado ends up being \$50 million next year. That is one half of one percent of the federal budget to prevent those sales from happening.

Finally, I would point out that Obama’s apparent concession to leave individual users alone is a zero sum gain. It’s like your 8-year-old promising not to foreclose on your home. As a practical matter, the DOJ really doesn’t pursue individual users and couldn’t devote the resources to it anyway. The vast majority of individual drug busts are up to local law enforcement, and those rules have already changed.

I am not saying this as an armchair pundit, I am saying it as an attorney who has been through the process as a defendant. I helped start one of the biggest medical marijuana businesses in Montana at the time, weighing in at a *whopping 274 patients* – barely a blip on the map compared with providers in other states and quite a bit smaller than several other providers here.

We and 24 other businesses were raided by the DEA and local law enforcement officials after receiving exactly zero warnings. After many attempts at jury nullification, invoking DOJ memos, and arguing about the Commerce Clause and the 10th Amendment, one of my former partners pled guilty and caught a 5-year sentence. He died in custody earlier this year. Another former partner, Chris Williams,

faces a mandatory minimum sentence of 85 years for having the cajones to go to a jury trial, where he lost on 8 counts and will be sentenced on Jan. 4. We worked hard to stay clearly within state law. The DOJ did not care, nor did the judge.

People will push the envelope. The genie is out of the bottle. There is marijuana to grow and consume, and there is money to be made. But there will be casualties, and it will get rough. Few 18-year-olds heading into a war zone think they will be the one to get injured or die, but such is the nature of war.

We may be winning the war on drugs, but a war it still is.

Chris Lindsey is a medical marijuana attorney in Montana and is president of the Montana Cannabis Industry Association. Photo by Chad Harder.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

1. Ability, Capacity and Skills.

a How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured and processed.

Our team has the capacity, skill and ability to advise the WSCLB on growing, cultivating, harvesting curing and processing marijuana. This ability is based on our direct experience professionally inspecting and consulting with a large number of medical marijuana production, processing and retail operations, each with their own unique approach to these services. Team members have also owned, operated and worked in both large and small medical marijuana production, processing and retail businesses. The team proposes to educate the WSCLB on the features and realities of production, processing, testing and retail sales of marijuana in the following areas, to enable the WSCLB to best determine which areas are appropriate for regulation within the purpose and intent of the Uniform Controlled Substances Act:

- Construction of greenhouse and other grow facilities, growing and curing rooms, and modification of retail locations for security,
- Selecting, installing and inspecting production and processing equipment related to large and small scale marijuana grow facilities including:
 - Lighting systems including ballasts and light rigs including LED, high pressure sodium, and metal halide systems, various sizes and manufacturers,
 - Exhaust systems,
 - Light movers and motion controllers,
 - Temperature control regulators,
 - Humidifiers and dehumidifiers,
 - Air flow handlers including fans and exhaust systems and conduits,
 - CO₂ infusion and regulation systems,
 - Controllers for all the equipment listed above,
 - Equipment for post-production processing including grooming/manicuring equipment and packaging systems.
- Purchasing, installing, and use of software and equipment for use at multiple retail facilities including:
 - Networked point of sale software and registers with real-time inventory control, including regular auditing capability and report generation,
 - Safes,
 - Video surveillance equipment and systems,
 - Bullet-proof protective enclosures, and
 - Building supplies for secure entryways and exits.
- Human resources programs for producers, processors and retailers including:
 - Training programs for propagating, growing, moving, inspecting, watering and feeding plants, as well as harvesting, trimming, drying and curing cannabis for use, each with written forms for tracking activity,
 - Security training, implementing check-in/check-out procedures and badges for employees.
- Developing, implementing, using, and inspecting:
 - Company books for production, processing and retail environments,

- Plant and inventory tracking systems for plants in all stages of growth - including specific varieties (“strains”) of plants, plant count, wet and dry weight following plants from propagation to sale of useable marijuana, processed plant material, and destruction of plant material. Various tracking systems include simple forms to data entry systems or barcode scanners with back-end software,
 - Additive tracking systems for nutrients, organic and non-organic supplements,
 - Post-production tracking including weight and time check in/check out procedures and department assignment
 - Reports based on revenue tracking forms, delivery manifests and sales receipts.
- Selecting and using insecticides, natural pest controls, nutrients, and mineral additives.
- Cultivating cannabis with soil-based; hydroponic, aeroponic and deep-water culture growing methods.
- The team has capacity, skills and ability regarding harvesting and curing techniques. These skills include cutting and trimming plants, disposal of low-quality plant material, grooming buds by hand or with automated systems, and collecting trichomes for use in post-production processes during and after the drying process.
- Team skills also include the construction and use of drying and curing facilities and machinery, along with various drying and curing techniques.
- The team possesses practical knowledge in monitoring and identifying the negative effects on plants due to parasites, diseases, chemical imbalance, H₂O imbalance, salts, environmental problems, or contaminant problems due to mold, powdery mildew or other pathogens, as well as the employment of specific remedial measures to avert, minimize or overcome crop damage,
- Maintenance of clean and well-ventilated environments.

b. How Marijuana is infused into food and beverages

The consequences of carefully managing this portion of the marijuana market cannot be overstated. While smoked marijuana has a long history of relative safety despite the general lack of regulation, the complexity of marijuana edibles and the naiveté of those attempting to produce them have resulted in some negative and even dangerous consumer experiences. These experiences can be drastically reduced by prudently regulating production and labeling, and a bit of consumer education. Creating quality extracts will likely be one of several subspecialties that evolve in the ‘processor’ licensing category.

Our team has the capacity to educate and advise the WSLCB in the following areas and make recommendations for the regulation of cannabis extraction and infusion of marijuana products, including:

- Multiple extracting methods; chemical or physical, solvent or lipid, supercritical fluid,
- Safety and efficacy of each type of process,
- The pros and cons of each method; process safety considerations, quality of end-product,
- Methods of chemical conversion from THCA(not psychoactive) to THC(psychoactive),
- The appropriate use of the resultant extracts in different marijuana infused products,
- Development and use of forms for tracking extracts and extracted materials and products.

Our team has extensive experience in the successful infusion of food and topical products with THC and has noteworthy and exclusive experience with:

- Precise and accurate dosing protocols,

- Product stability issues, recommended storage, packaging, and “best by” specifications,
- Extensive customer feedback data on recommended dosing strengths and “recommended best-use practices” for dosed-edibles consumers,
- Development and use of forms and logbooks for tracking infused product production and extract usage.

We will suggest Quality Control analyses be performed on extracts and infused edibles and topicals. Particularly critical is the complete conversion of THCA(not psychoactive) to THC(psychoactive) and testing for solvent residue prior to addition to an edible.

The use of a storage matrix which is stable and easy to accurately measure is critical to the quality of the final products. The security of this highly concentrated extract is very important to the integrity of the program. Its use should be stringently recorded. Waste should be properly destroyed. Infused product manufacturers, who in the largely unregulated arena of medical marijuana often thought of themselves as bakers, will need to be prepared to think more like pharmacists to precisely and accurately dose their products in order to succeed in a regulated environment.

c. How Marijuana should be packaged, labeled, transported, and sold at retail level

Our team can educate the WSLCB and make recommendations for building a regulatory system which involves weighing, packaging and labeling cannabis products in various types of containers including glass, plastic and vacuum-sealed containers including tamper-proof containers of various sizes and materials. We are also familiar with several different types of labels, which may variously include information on company, source facility, production lot, age, grow methods, nutrient or other additive use, genetics, potency, dosage information, storage suggestions, “best-by” date, health and other warnings, and legal requirements and limitations.

We also have the ability to educate and make recommendations related to the transportation of containers in bulk or individually through various conveyances including couriers, common carriers, shipping companies, and armored car carriers both to end-users and among businesses for retail sale.

Members of our team have capacity, skill and ability to educate, train, and make recommendations to the WSLCB on the various approaches to the sale of marijuana and marijuana-infused products, implementation and use of retail, real time inventory tracking systems and procedures, the selection and implementation of point of sale software, ways to design and arrange stores for maximum security, and surveillance equipment selection, installation and use.

d. How wholesale and retail product should be recalled and accounted for

The team has the capacity, skill and ability to work with the WSLCB to develop procedures, forms, training and education for producers, processors and retail outlets for returns and product recall, and either restocking or destroying procedures and tracking. The team also has experience in the inspection of recalled marijuana and destruction of plant materials and marijuana-infused products.

e. How Marijuana should be destroyed if overproduced, contaminated, or recalled

Members of our team have expertise with various methods of destroying marijuana plants, plant materials and derivative products through diluting, grinding, or incorporating into paper products, food waste, grease, compost activators, or through incineration.

2. Experience.

The team includes three core staff members each with unique skill-sets and experience, as well as a proven track record of working both together and independently operating businesses in marijuana-related businesses and demanding environments.

The Project Manager for Category 1 is currently a medical marijuana attorney and founder and owner of several former businesses directly related to cannabis production, processing and retail sales. He founded and spent 18 months operating an inspection and consulting company called Rolling Numbers, which served dozens of medical marijuana businesses. These businesses engaged in wide range of production, processing and retail sales methods. Based on the needs and functions of the business, his company identified areas for regular inspection and reporting to business owners or management. Areas commonly included compliance with state regulations, spot checks for cleanliness, bookkeeping, employee credentials, inventory control and a wide range of other specific areas at the option of the business owners or managers. He also ran training programs for management and staff members on a range of specific topics including both the law and recommended business procedures including forms and reference materials.

Before starting the inspection service in 2010, this team member was an owner and partner in the state's largest medical marijuana producer, processor and retail operator in Montana. This company refurbished a 36,000 square foot facility, acquired and installed all equipment, obtained dozens of varieties of cannabis, grew marijuana using numerous grow methods listed above and employed dozens of full time staff involved in production, sales and distribution and numerous facilities around the state. He was involved in all levels of production, sales and distribution, and all legal work for the company including zoning regulations, lease negotiation, employment contracts and compliance with state law both related to marijuana production and sales, as well as state standards for employees and subcontractors.

This team member later became a well-known marijuana attorney in both criminal and civil law for medical marijuana caregivers and consulted with hundreds of caregivers on the law best business practices. He developed forms and checklists for businesses, established policies and guidelines for producers, processors and retail operators, and trained owners and staff members on the requirements of the law as well as recommended business practices. These activities later became the basis for the inspection service described above. This team member is currently the president of the Montana Cannabis Industry Association and a board member of Montana Medical Grower's Association. His experience with rule making and bill drafting is detailed in the response to Category 4.

Another team member has a strong background as a quality assurance officer with the U.S. Navy, a beer and wine purchaser for a Montana liquor retailer, and most recently, 3 years experience running all inventory control measures for a large medical marijuana provider in Montana. He was responsible for keeping an accurate and up-to-date inventory of all marijuana products in all company stores in twice-daily inventory audits. He trained sales staff, and selected and implemented software solutions for

inventory tracking. He also implemented a barcode system for inventory tracking and control which tracked over 50 varieties of cannabis as well as edible products twice each day. This team member evaluated several point of sale platforms and implemented such a system at his employer's stores.

The Project Director and Category 2 and Category 3 Project Manager herself runs a cannabis processing facility and testing laboratory in Missoula, Montana. She has worked with a wide range of large and small producers, processors and retailers from around the state. She offers processing services that convert plant material into safe, consistently dosed edibles. She also offers pro bono advice for small scale producers who need guidance on better extraction methods for their personal needs. She works with large and small scale producers to successfully tackle insect or mold infestations including post-remediation testing.

The Project Director draws from over 20 years of work experience in regulatory laboratory facilities in multiple industries including mass food product production and nutritional supplement contract manufacturing. She has volunteered her time and expertise to join with other experts in the Herbal Products Industry (AHPA) and Cannabis Testing Industry to assist in preparing protocols and recommended practices for laboratory testing and infused product manufacturing.

She also ran a successful statewide signature-gathering political campaign project that required careful attention to deadlines, and daily contact and coordination with geographically disparate volunteers and volunteers across a wide geographic region over the course of six (6) months. She exceeded goals by 40% of the signatures needed to qualify for the ballot.

3. Team Structure and Internal Controls.

Our Project Director will manage the overall timeline and deliverables of the project and serve as the primary point of contact for the team. She will manage all subprojects and/or phases related to extractions and processing in Category 1, as well as subprojects contained in Categories 2 and 3 and oversee subcontractors assisting the team in these categories including the University of Montana math department and the Marijuana Policy Project.

Our Category 1 Project Manager will lead all subprojects related to production, retail sales, rulemaking and will assist the Category 2 Project Manager with processing subprojects contained in Category 1. He will be directly involved in rulemaking requirements established by the WSLCB, and work with Professor William Corbett with respect to rulemaking. This person will also oversee all aspects of the project related to production and retail sales, and work directly with the Washington Coalition for Cannabis Standards and Ethics to solicit input and create a group of key producers and retailers to test proposed standards, regulatory requirements and procedures wherever possible. The group will identify, investigate, report and help solve technical and systematic problems during the course of the project. He will answer to the Project Director.

Another team member will assist both the Project Director and the Category 1 Project Manager as necessary, and maintain records of the team's progress. The team has a budget which includes an office assistant who will answer directly to the Project Director. In addition, this team may request the assistance of interns or hourly wage employees based on the workload once the team's requirements are

better understood following the project evaluation phase. Any interns or hourly wage employees will then answer to either the Project Director or the Category 1 or Category 4 Project Manager based on hiring criteria.

Because the volume of work and ultimate goals are not yet clearly defined, our goal is to enter the project without an unnecessary amount of overhead in paid staff, which may become a management and financial liability. However, we are designed and able to obtain additional help as needed to best fit the project criteria. These three individuals will be entirely devoted to the needs of the potential contract and will relocate to Olympia for the duration of the project/contract.

4. Staff Qualifications and Capabilities.

Each team member has a unique set of qualifications and skills which reach across the entire project.

Chris Lindsey will serve as a Project Manager for all projects related to production, retail sales under Category 1 and Category 4. His principal qualifications for this category are (1) his education and training as an attorney that focuses on marijuana-related issues, (2) his previous experience running an inspection and consulting service for medical marijuana producers and retailers, and (3) his previous experience as one of the owners and operators of the state's largest medical marijuana producer. He is intimately familiar with wide range of growing, cultivating, harvesting, and curing techniques. Chris is also familiar with commercial packaging, labeling, transporting and both the wholesale and retail sale of marijuana in a business environment. He has direct experience with bookkeeping, plant tracking, inventory management, product recall, and destruction of cannabis material. And he has experience with inspection processes related to state standards. Chris has designed forms for use in various functions in production and retail sales and he has conducted training sessions for employees of producers and retailers.

Chris' has a Juris Doctor degree from the Washington University School of Law in St. Louis, Missouri. He worked in business for 12 years, before relocating to Montana, in sales, management, special projects and consulting positions in various telecommunications companies. Chris has been a trial lawyer beginning in 2004 working for civil litigants and criminal defense. He started his first medical marijuana business in 2008 as a sole proprietor of a caregiver business, and in early 2009 he helped form a medical marijuana business called Montana Cannabis with 3 other partners serving patients statewide, working both as operations director and in-house counsel.

Upon his departure from the company, Chris began his own law practice catering specifically to medical marijuana providers and offered legal counsel, representation in both criminal and civil legal proceedings, and business consulting for marijuana-based businesses. In 2010, he formed an inspection company that helped producers and retail business owners insure that their operations complied with state legal requirements and met business objectives. Chris has written extensively on medical marijuana legal matters, of which four writing samples are submitted as attachments to this Proposal. He currently serves as the president of the Montana Cannabis Information Association (MTCIA) and board member of the Montana Medical Grower's Association. Chris was recently indicted and pled guilty to federal charges of maintaining a drug-involved premise related to his work at Montana Cannabis, and is acutely aware of the legal risks associated with running a marijuana-based business regardless of its compliance with state law.

Rose Habib, who is designated as the overall Project Director, will also serve as the project manager for all projects related to product usage and consumption validation as well as product quality standards. She will likewise be directly involved in projects related to processors. Rose's education includes a B.S in Biology. She is an accomplished and respected scientist who has focused her background, experience and training on cannabis through methods of testing, cannabinoid extraction, and safety and efficacy. During the past four (4) years, she operated a business that specializes in the infusion of edible and topical products with THC and CBD, and has been a pioneer in precise and accurate dosing protocols. Rose has experience in issues related to storage, packaging, "best by" specifications, dosing strengths and recommended "best-use" practices for dosed edibles for consumers. She has developed and refined forms for tracking extracts, extracted material, and she has developed infused product production logbooks.

Rose also ran a successful statewide signature-gathering political campaign project to repeal a medical marijuana law that sought to eliminate all business interests from the state's medical marijuana program. Her job required careful attention to deadlines and daily contact and coordination with volunteers across a wide geographic region over the course of six (6) months. She achieved the goal of the signature drive two weeks ahead of schedule, and exceeded the minimum number of signatures by 40%. Given her organizational skills and successful track record with project management, she is the natural Project Director for this team.

Zachary Selznick spent two years as the inventory manager of a Montana medical marijuana producer with several retail outlets called Big Sky Patient Care. He worked for a year prior to that in other retail marijuana operations in a similar capacity. His duties included keeping an accurate and up to date inventory of all the marijuana and non-marijuana products, assisting customers with product questions and sales, developing and implementing technical solutions to allow employees to ensure an accurate inventory, and transporting marijuana and marijuana products between retail stores. Zach launched a system based around barcodes and scales which interfaced with a central server that freed employees from data entry on keyboards during sales. Zach got an intimate knowledge of several leading point of sale platforms and personally designed inventory systems for each platform. Zach spent a number of years as a wine and beer purchaser and he served in the U.S. Navy as a quality assurance officer involved with inventory control. Zach is a capable and professional "generalist" who can adapt to a fast-paced work environment, he understands, appreciates and has experience working with this subject matter. He brings practical knowledge on retail operations and inventory control solutions.

Professor William Corbett, a subcontractor, obtained a J.D. degree from the University of Wyoming School of Law and Master of Laws degree from Harvard University School of Law. He has been a professor at the University of Montana School of Law in 1976, during which time he received two Fulbright fellowships. Professor Corbett teaches Administrative Law at the law school which includes both federal and state administrative law. The course is highly procedural and geared toward government and rulemaking for entities doing business with government that are subject to regulation. His course takes a close look at how legislation creates substantive rights and duties expressed in procedures. He has agreed to assist us as a subcontractor, and his background is ideal for helping both the team and the WSLCB on the rulemaking portions of this potential contract with an eye toward both state and federal rulemaking procedures.

Eric L. Sevigny, Ph.D., a subcontractor, is currently an Assistant Professor in the Department of Criminology and Criminal Justice at the University of South Carolina, an Adjunct Researcher at RAND Corporation and a researcher for the White House Office of National Drug Control Policy. Professor Sevigny focuses on research related to drug control policy, criminal justice, and marijuana and other drugs. He is currently investigating the Implementation of Medical Marijuana and its Impact on Health on behalf of RAND Corporation. He has published a great number of studies, investigations and press articles too numerous to list here on a wide range of topics related to marijuana and other drug use including drug courts and their impact on prison and jail populations, the impact of the US on Mexico's drug problems, marijuana potency, and incarceration studies on drug users. He has presented at over thirty (30) conferences, seminars, colloquia, and agency briefings. He teaches Research Methods in Criminal Justice at both the graduate and undergraduate levels, Drugs and Crime, Crime, Law, and Public Policy, and several other courses related to research and criminal justice matters.

The Marijuana Policy Project (MPP), a subcontractor, is the largest organization working solely on marijuana policy reform in the United States in terms of its budget, number of members and staff, and advocates taxing and regulating the possession and sale of marijuana in a manner similar to alcohol. The MPP was the principal sponsor of I-502 in Washington. The MPP has agreed to specifically support this team as a subcontractor to help us obtain the best data possible regarding product usage and consumption validation for recreational, medical and total marijuana use in Washington State, the projected volume of marijuana needed on an annual basis to satisfy demand, and a pricing structure needed to keep pricing at or below market levels. This data simply does not exist currently anywhere in the country, and will be the cornerstone of much of the licensing that takes place in the state. We could think of no better organization to help us in this regard.

Scott Cottrell and Brenda Perkins from Arizona Med Testing, subcontractors, have operated a laboratory in the nascent Arizona medical marijuana program. Brenda has 10 years of experience working in an EPA-based regulatory environment and brings that level of precision and detail to cannabis testing and laboratory management. Scott has actively worked with the Arizona medical marijuana regulatory agencies to provide basic, achievable standards for production and testing. They will be providing regulatory guidance from the regulatory perspective of EPA protocols, and their impressions of working within the Arizona marketplace.

Professor Donald P. Land, Ph.D., a subcontractor, is Chief Scientist of Halent Laboratories. In 2011, Land helped found a private California company for Quality, Safety, and Potency testing of medicinal cannabis. That entity has operated continuously ever since, with several thousand cannabis samples of all forms tested to date. He has led the way in terpene testing, and mold and mycotoxin testing in Cannabis, and confirming the safety and quality of cannabis grown for the Medical Marijuana industry in California. Land was responsible for the development of all protocols, instrumentation, standards, and procedures for the testing laboratory. Land also performs these procedures on samples, in addition to training others to do so. Dr. Land will provide expertise on an array of instrumentation, his impressions of working in the California market, and his method development and validation expertise.

Land is also currently Full Professor at the University of California, Davis, and is a member of the Department of Chemistry, the Forensic Science Graduate Group, and the Designated Emphasis in Biotechnology. In that capacity, Land trains undergraduate and graduate students, many of whom work for crime labs, in the theory and practice of analytical and physical chemistry as applied to forensic and biological samples. Graduate students from Professor Land's Group are employed by the DEA, FBI, ATF, Oregon State Police, California Department of Justice, Sacramento County District Attorney Crime Laboratory, and numerous other crime laboratories across the U.S. Land developed and teaches undergraduate and graduate level courses in the application of the methods used to analyze controlled substances and other trace evidence. These same methods are those used to analyze cannabis for cannabinoids, terpenoids, pesticides, and other chemical and biological content. Land's experience in training and education (thousands of undergraduates and hundreds of graduate students) is extensive, and is an assurance that training and educating WSLCB staff and the staff of licensees will be effective and at the highest levels.

Tom Crane, a subcontractor, specializes in bringing producers into compliance with regulatory requirements. He is an authority on the Good Manufacturing Practices required to bring functional foods and herbal supplements to the market. He is currently a Regulatory Affairs Manager at a nutritional supplement manufacturer. He has over 5 years of consulting experience and over 10 years as product development scientist in the pharmaceutical industry. He is proficient at writing necessary documents to support government filings, and at reviewing and/or generating new analytical procedures. He has a B.S in Physiology, and a Masters in Nutrition from UC Davis. Mr. Crane will provide insight from the nutritional supplement industry and comparisons with pharmaceutical requirements. He will also provide document creation in the way of SOPs, position papers, and Quality Assurance procedures.

The Washington Coalition for Cannabis Standards and Ethics, a consultant, is a non-profit trade organization dedicated to the development and enforcement of industry standards and ethics for cannabis businesses, and consists of businesses, medical marijuana consumers as well as doctors and lawyers. The Coalition has agreed to work with this team in order to identify a set of producers and retailers who will assist in testing proposed standards, regulatory requirements and procedures during the course of the project. The team identify, investigate, report and help solve technical and systematic problems.

Category 2 – Product Quality Standards and Testing

1. Ability, Capacity and Skills.

Our team has the capacity and ability to design and construct laboratories for multiple purposes: pure analysis, extensive sample preparation, microbiological screening, and multi-use spaces. We are able to discuss the standards for safe laboratory spaces and OSHA considerations. We can recommend Good Laboratory Practices (GLPs) and minimum design specifications for testing laboratories.

Our team has the capacity to weigh the different types of testing technology available, and explain their pros and cons to the LCB. We would be able to provide methodology recommendations for THC potency analysis, pesticide screening, mycotoxin screening, and mold/pathogen and heavy metals screening. These recommendations would be based on multi-industry and academic experience. We have the ability to adapt them to the products made for a smokeable and edible marijuana marketplace.

Our team would be able to provide product safety recommendations on pass/fail specifications based on US Pharmacopeia(USP), World Health Organization(WHO) guidelines, and current Good Manufacturing Practices(cGMPs). Additionally we would be able to provide options for recalling, remediating or disposing of failed (noncompliant) crops.

Our team has the skill to apply regulatory guidelines from various realms, be it restaurant food safety (WADoH), general food manufacturing (USDA), and herbal supplement and pharmaceutical production (FDA). We can use this knowledge to meet the needs of LCB as well as stakeholders in designing minimum testing requirements that best meet the needs of all.

Our team has the ability to defend recommended testing specifications on their scientific merit as well as financial feasibility. We have the expertise to determine where and when testing should be required or recommended, and what tests meet those needs. We have the expertise and knowledge to choose specifications which are not only safe for the end user but also achievable by the producers using good manufacturing practices. We believe training and communication with the producers will help them produce the safest and finest quality products available, due to this regulatory system.

Our team has the ability to communicate to marijuana producers the processes and techniques that will lead to verifiably superior products. We can interpret the data of from their test results and constructively discuss possible sources of contamination or irregular flower production. We can create an environment in which growers of the highest quality and most consistent plants can succeed in a regulated marketplace.

Our team has the ability and desire to work within the realm of Liquor Control Board, merging their experience and strengths with our market specific knowledge.

2. Experience.

The Category 2 Project Manager has over 20 years of Quality Control testing experience. Beginning in 1988 at a corn processing facility, this team member tested the quality of factory produced corn syrups, corn oils, corn starches, ethanol, and various types of corn feeds. Statistical Process Control was monitored and utilized to keep the 24/7 operation within optimal operating range. This correlates well to testing and monitoring cannabis extracts and providing feedback to processors to improve their processes.

The Category 2 Project Manager continued to work in quality control testing in large scale manufacturing of packaged food, followed by 7 years of environmental remediation testing for a contract research laboratory. This team member utilized adapted EPA methods for Pesticide and PCB testing, Dioxin and

Furan testing, and Elemental/Heavy Metals Analysis. While she performed standard EPA testing protocols, she specialized in adapting them to unusual matrices. Typical matrices would be water or soil, but she adapted methods to test lobsters, cheese, and chicken dinners. This sort of experience lends itself to testing not only botanical material, but also the multitudes of edibles predicted to be sold in this state.

The experience that led the Category 2 Project Manager to marijuana testing was a 3 year stint testing Quality at a nutritional supplement contract manufacturer. This job specializes in testing herbal materials and extracts for their active components (checking guarana for caffeine level, or St. John's Wort for Hypericin and hyperforin.) In this capacity she has become adept at developing methods on HPLC, UV-Vis Spectrometry, and Atomic Adsorption. She managed the outside testing program, dealing with contract laboratories around the country that do specialized testing for herbal products. Additionally, she was fully trained in the Microbiology/Pathogen testing lab. She has tested raw material, finished products, raw herbs, herbal extracts and excipients for Yeast and Mold contamination and Coliform contamination. Her responsibilities included designing and conducting product stability studies and writing Standard Operating Procedures (SOPs) and Standard Analysis Methods (SAMs) . She also initiated non-conformance processes when raw materials or finished goods failed to meet Quality specifications.

This team member has led analytical method validation processes; a process by which an analytical method is proven to be optimal, rugged, repeatable, precise, accurate, and efficient. This is a step to assuring that laboratories across the state are getting reproducible, comparable results. She has worked with another team member in private industry uniting the Quality Assurance and Quality Control programs of that manufacturing company.

In response to the growing medical marijuana market, the Category 2 Project Manager built and operated an analytical laboratory. She developed and validated an analytical method specific to cannabis, and began testing cannabis for program participants. In addition to cannabinoid quantification, this team member also offered pesticide screening, and mold and pathogen screening. She worked with large and small scale growers to successfully tackle insect and mold infestations, including post-remediation testing.

The Category 2 Project Manager has taken advantage of every opportunity in the last four years to collaborate with cannabis testing scientists in other states. She has established positive, synergetic relationships with the other frontrunners of the cannabis testing profession. With these professionals, including working members of this team, she has volunteered her time with a work group sponsored by the American Herbal Products Association (AHPA.) This group has worked to develop minimum standards and recommended protocols for cannabis testing, growing, and extracting/infusing, which are derivative of the nutritional/herbal supplement industry.

Multiple team member have written protocols, validated testing methods, designed and performed stability studies, and instigated and defended product recalls. Multiple team members also have working experience with EPA, FDA, cGMPs (Good Manufacturing Practices) and US Pharmacopeia guidelines and regulations. Finally, our team members have transferred that knowledge and experience to create valid, practical Quality Control programs for marijuana.

One subcontractor specializes in creating documents including SOPs, white papers, policy papers, and government filings related to laboratory qualification.

One subcontractor has direct experience with setting up and running a Quality and Testing facility for marijuana samples of all kinds: plant materials, concentrates, edibles, tinctures, beverages, oils, and

capsules. For over two years, this facility has tested thousands of samples for dozens of pesticides, mycotoxins, molds, over a dozen cannabinoids and numerous terpenoids. In addition, one of the principals of the subcontractor has ongoing collaborations with federal, state of California, and local crime labs, including analytical methods for determination of controlled substances in forensic samples. The subcontractor is familiar with and experienced in the use of ASTM (formerly American Society for Testing and Materials, now ASTM International) and EPA standard methods for analysis of various types of samples, including, but not limited to cannabinoids, terpenoids, pesticides, mycotoxins, molds, and bacteria. The subcontractor also has experience with laboratory certification programs that establish and monitor quality assurance and technician training and certification. The subcontractor has also consulted with numerous other entities in the process of establishing cannabis testing facilities in Vancouver, British Columbia, Canada, Massachusetts, Washington D.C., Colorado, Arizona, and Nevada.

This subcontractor has assisted other entities, including the New Jersey Department of Health and Senior Services, in setting standards and methodology for marijuana testing. The subcontractor is also a member of the Association of California Cannabis Laboratories (ACCL), an industry group consisting of numerous California cannabis testing laboratories. The ACCL sets standards and protocols for member testing laboratories and those seeking membership. The subcontractor currently serves as the Chair of the Subcommittee on Standards. Additionally, this subcontractor has aided the New Jersey Department of Health and Senior Services in their efforts to establish methods and standards for cannabis testing for the State of New Jersey's medicinal cannabis program (Contact: Dr. Sherman Hom). Also, the subcontractor has, since February, 2012 and continuing at present, been an active participant in the American Herbal Product Association's efforts at "developing recommendations to regulators on best practice protocols for the cultivation, testing, packaging and provision of cannabis as an herbal medicine and supplement," serving on the "Testing" subcommittee. The subcontractor has also been involved in assisting other entities interested in setting up cannabis testing laboratories in Vancouver, British Columbia, Canada, Massachusetts, Washington D.C., Colorado, Arizona, and Nevada. The subcontractor has also made presentations regarding testing methodology to the Oakland City Council Public Safety Committee during their hearings to consider applicants for local licensing. This experience will be leveraged, including educational materials already developed, for the education and training of WSLCB and licensee staff.

3. Staff Qualifications and Capabilities.

Rose Habib is the Project Director and has gathered for collaboration some of the best minds in the current marijuana testing community. She has a B.S in Biology and over 20 years of regulatory based, Quality Assurance testing and laboratory management experience. She also ran a successful statewide signature-gathering political campaign project that required careful attention to deadlines, and daily contact and coordination with geographically disparate volunteers over the course of six (6) months. Her success was measured not only by getting the referendum on the ballot, but exemplified by a validity rate of nearly 80% and an overage of nearly 25% of the valid signatures required. Qualities that facilitated this success were sheer determination, ability to gain the trust of the volunteers, keep disparate personalities focused on the goal, and coordination and direction of volunteer staff. She possesses the ability to develop a strong team-oriented work environment for more efficient use of manpower.

Scott Cottrell and Brenda Perkins from Arizona Med Testing have operated a laboratory in the nascent Arizona medical marijuana program. Brenda has 10 years of experience working in an EPA based regulatory environment and brings that level of precision and detail to cannabis testing and laboratory management. Scott has actively worked with the Arizona medical marijuana regulatory agencies to provide basic, achievable standards for production and testing.

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has operated continuously ever since, with several thousand cannabis samples of all forms tested to date. He has led the way in terpene testing, and mold and mycotoxin testing in Cannabis. Confirming the safety and quality of cannabis grown for the Medical Marijuana industry in California. Land was responsible for the development of all protocols, instrumentation, standards, and procedures for the testing laboratory. Land also performs these procedures on samples, in addition to training others to do so.

Land is also currently Full Professor at the University of California, Davis, and is a member of the Department of Chemistry, the Forensic Science Graduate Group, and the Designated Emphasis in Biotechnology. In that capacity, Land trains undergraduate and graduate students, many of whom work for crime labs, in the theory and practice of analytical and physical chemistry as applied to forensic and biological samples. Graduate students from Professor Land's Group are employed by the DEA, FBI, ATF, Oregon State Police, California Department of Justice, Sacramento County District Attorney Crime Laboratory, and numerous other crime laboratories across the U.S. Land developed and teaches undergraduate and graduate level courses in the application of the methods used to analyze controlled substances and other trace evidence. These same methods are those used to analyze cannabis for cannabinoids, terpenoids, pesticides, and other chemical and biological content. Land's experience in training and education (thousands of undergraduates and hundreds of graduate students) is extensive, and is an assurance that training and educating WSLCB staff and the staff of licensees will be effective and at the highest levels.

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Chris Lindsey is currently a medical marijuana attorney and founder and owner of several former businesses directly related to cannabis production, processing and retail sales. He founded and spent 18 months operating an inspection which served called Rolling Numbers which served dozens of medical marijuana businesses which variously included production, processing and retail components. Based on the need of the business, Chris' company worked with businesses to identify areas of interest for regular inspection and reporting to business owners or management. Areas commonly included compliance with state regulations, spot checks for cleanliness, bookkeeping, employee credentials, inventory control and a wide range of other specific areas at the option of the business owners or managers. Chris also ran training programs for management and staff members on a wide range of topics including both the law and recommended procedures.

Before starting the inspection service in 2010, was an owner and partner in the state's largest medical marijuana producer, processor and retail operator in the state. This company refurbished a 36,000 square foot greenhouse in addition to two outlying buildings, acquired and installed all equipment, obtained dozens of varieties of Cannabis, grew marijuana using numerous grow methods listed above and employed dozens of paid greenhouse staff. Chris was involved in all levels of production, sales and distribution, and all legal work for the company including zoning regulations, lease negotiation, employment contracts and compliance with state law both related to marijuana production and sales, as well as state standards for employees and subcontractors.

4. Approach and Methodology.

Our team's primary approach to developing a reputable protocol for WSLCB will emphasize multi-industry collaboration and scientific accuracy. The final protocol needs to meet many criteria to successfully fit into the regulatory program adopted by Washington State.

These criteria include:

- Scientifically valid methods,
- Differentiating between required tests and value-added tests,
- Differentiating between tests which could spur product recalls and tests which discern product quality,
- Testing must be both affordable to the producers and processors AND profitable for the participating labs,
- Controlling the liability of participating labs AND WSLCB in the event of flawed results, and
- Setting attainable specifications which correlate to analogous industry standards.

Initially we'd like to educate WSLCB on the types of tests available and their relative importance in a controlled, contained, safe consumer market. We will draw regulatory comparisons to analogous markets and crops. Based on WSLCB direction, the breadth of the project will be determined. WSLCB will decide between several layers of involvement in the testing industry:

- Providing minimum guidelines for testing and labeling--specific results required, standardized units of measure for reporting, sample retainment and disposal,
- Provide minimum standards of Quality Assurance--sampling techniques, minimum analytical instrumentation, data calculation, maximum residue and pathogen limits
- Providing (recommending or requiring) Standard Analytical Methods to be used for each analysis and screen, including Quality Assurance monitoring, and
- Ultimate WSLCB involvement would be certification of testing laboratories for specific analyses.

The level of involvement WSLCB decides to undertake will determine the scope of the project from that point. We may suggest a managed rollout of increased regulation. The depth of experience on our team will be an asset regardless of the direction selected. We will be able to:

- Assist WSLCB in creating rules and systems that lead to a safe, contained, transparent, and functional system,
- Establish defensible, attainable specifications for cannabinoid levels, suggesting that cannabis flowers be marketed within 'THC ranges' rather than discrete 'exact percentages,'
- Establish minimum standards for consumer safety (mold/bacteria, pesticide residue, and mycotoxins) These are the results that can trigger a recall,
- Create systems that track and trace crops and infused products so they can be efficiently contained for a recall event,
- Assist WSLCB in establishing a recall procedure for non-conforming products,
- Create an 'Out of Specification' (OOS) protocol, involving lab process investigation, retesting failed lots, tracing the source of contamination, and assisting in remediation of production growing sites,
- Establish relevant sampling and testing protocols for cannabis extracts, cannabis edibles, cannabis topicals, and alternative cannabis smoking products,
- Establish minimum labeling standards, providing production lot information, ingredient labeling, safety warnings for health, and penalty warnings for redistribution,
- Provide WSLCB standardized methods for testing facilities interested in certification for Quality Control testing of WA cannabis,

- Provide WSLCB with a training/certification program for participating laboratories--including instrumentation recommendations, maintaining Quality Assurance standards, best practices for sample preparation, data interpretation and data storage,
- Establish relevant sampling techniques and lot definitions for relevant results. For example, sampling for mold/bacteria testing will be different than sampling for THC concentration, which will be different than sampling for pesticide and mycotoxin screening,
- Provide minimum standards for analytical instrumentation selection and capabilities, and minimal routine maintenance requirements. We will advise you of inappropriate methodologies that will be proposed,
- Establish guidelines that educate and compel producers and processors to use Good Manufacturing Practices.
- Explain the pros, cons, and limitations of DNA analysis.

Our goal is to assist WSLCB in creating a testing program with the level of consumer safety and control that they deem sustainable and necessary.

Category 3 – Product Usage and Consumption Validation

9. Ability, Capacity and Skills. In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise to estimate Product Usage and Consumption levels by geographic areas in Washington State.

Our team, including our subcontractors, is capable of designing a well-considered survey and collating data in a meaningful form to enable the WSLCB to implement the licensing requirements consistent with the current law. The Marijuana Policy Project will help design a survey of Washington residents in an effort to anticipate the psychographic segmentation and gross number of marijuana consumers and usage trends by geographic region. The Applied Mathematics CORE at the University of Montana will then construct reliable model predictions based on collected data. We have the ability to:

- Utilize data to estimate and target supply requirements over time and by location,
- Create surveys and tools to collect consumption rate and type data,
- Create a system infrastructure through distribution and licensing to target supply needs based on demographics,
- Apply our skills working with varied demographic and economic data in making decisions in systems design,
- Utilize psychographic segmentation in formulating system design.

We can help produce the numbers which will make or break the success of this regulatory system.

10. Experience. In two (2) pages or less, please describe your firm's experience in statistical research, specifically related to determining demographic and/or psychographic segmentation, preferably related to the use of Cannabis.

Team experience includes working with economic, psychographic, and resource data to build systems that match the resource with the client, or supply with demand. Experience includes creating systems that ensure proper matching of government and NGO services and resources with target populations/markets. We have worked with psychographic data including framing resources and supply in a manner appropriate to the demographic. Further experience includes working with polling data to target resources and frame messages to audiences and markets.

Our Applied Mathematics specialist teaches graduate level mathematics and offers consulting in the fields of multivariate methods and statistical learning. He specializes in Design of Experiments and identification of dynamic models' parameters from experimental data and construction of statistically reliable model predictions. The six Applied Math CORE group members each have over 15 years of postgraduate applied math modeling experience applied to many population models including biological and human behavioral. They have been contracted for academic, government, and private sector exercises.

Our team also has experience predicting the time and resources necessary to produce a target quantity of consumer-ready cannabis and ensuring the availability of a steady but not excessive supply of marijuana over a period of time in order to meet demand.

The Marijuana Policy Project (MPP) is the largest organization working solely on marijuana policy reform in the United States in terms of its budget and number of members and staff. They advocate taxing and regulating the possession and sale of marijuana in a manner similar to alcohol. The MPP was the principal sponsor of I-502 in Washington. The MPP has agreed to specifically support this team as a subcontractor to help us obtain the best data possible regarding product usage and consumption validation for recreational, medical and total marijuana use in Washington State. They will help project the volume of marijuana needed on an annual basis to satisfy demand, and a pricing structure needed to keep pricing at or below black market levels. This data simply does not exist currently anywhere in the country, and will be the cornerstone of much of the licensing that takes place in the state. We could think of no better organization to help us in this regard.

Our Adjunct RAND researcher has been involved with counseling, researching and writing about illicit drug use, drug enforcement policy, and the repercussions of specific regulatory policies on consumer and law enforcement behavior. He would be a key figure in designing a predictive consumer use survey on a county by county basis in Washington state. Additionally, having reviewed and used drug use data from sources around the world, he would be particularly adept at designing the post rollout data collection model for optimal predictive qualities as well as marketability of valuable data.

11. Staff Qualifications and Capabilities. Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

In recent years, the Marijuana Policy Project has conducted more marijuana-based surveys than any other organization in the country, which it uses in its political campaigns. We believe they are ideally suited to this project, and have extensive experience in Washington.

The Applied Math CORE at the University of Montana consists of at least 6 doctorates experienced in applying mathematically, predictive models to multivariate data. They work for academic and private sector projects routinely. They would be able to complete a Design of Experiment for the post program rollout to competently collect the most comprehensive data on legal market consumption rates available in the United States and maybe the world.

Eric L. Sevigny, Ph.D., is currently an Assistant Professor in the Department of Criminology and Criminal Justice at the University of South Carolina, an Adjunct Researcher at RAND Corporation and a researcher for the White House Office of National Drug Control Policy. Professor Sevigny focuses on research related to drug control policy, criminal justice, and marijuana and other drugs. He is currently investigating the Implementation of Medical Marijuana and its Impact on Health on behalf of RAND Corporation. He has published a great number of studies, investigations and press articles too numerous to list here on a wide range of topics related to marijuana and other drug use including drug courts and their impact on prison and jail populations, the impact of the US on Mexico's drug problems, marijuana

potency, and incarceration studies on drug users. He has presented at over thirty (30) conferences, seminars, colloquia, and agency briefings. He teaches Research Methods in Criminal Justice at both the graduate and undergraduate levels, Drugs and Crime, Crime, Law, and Public Policy, and several other courses related to research and criminal justice matters.

12. Approach and Methodology. In two (2) pages or less, please provide a complete description of your firm's proposed approach and methodology to be used for Product Usage and Consumption validation as requested in this RFP, to estimate demographic and psychographic segmentation, specifically related to the use of Cannabis

Right now there is no data pool from which to derive consumption predictions, which creates an urgent need in the state of Washington given the statutory requirements of the current law. We propose a multi-pronged approach.

First, we believe the WSLCB should conduct an end user consumption survey as soon as possible. From this data, initial production quotas can be predicted. The team and its subcontractors have the knowledge and means to design the survey and estimate usage patterns based on results.

Independently of a consumer survey, we will present the LCB with an opportunity to use both retailers and existing POS system monitors working for marijuana retail sellers in Washington and other states to help gather anonymous but actual consumption data.

Finally, we believe that by closely monitoring producers, processors and retail sellers once the system is in place and matching them with our predictive models, we will help the WSLCB establish unparalleled data available nowhere else in the United States - a valuable commodity both for economics researchers and other state governments across the country.

Category 4 – Product Regulation

13. Ability, Capacity and Skills.

This team possesses the ability, capacity and skill in the following areas:

- Ability to operate within, and familiarity with, the rulemaking procedures on the local, state and federal levels including the Administrative Procedure Act, and the Washington Administrative Code,
- Familiarity with WAC Title 314 and ability to write rules consistent with the format of Title 314,
- Ability to research and write legal papers on regulatory matters,
- Ability to work with attorneys or other specialists in crafting a regulatory framework to meet the goals of the WSLCB,
- Ability to obtain and incorporate legislative input on proposed rules during the rulemaking process,
- Ability to work with multiple agencies where needed to craft a comprehensive regulatory system,
- Ability to meet and comply with the unique requirements in the first-time adoption of administrative rules,
- Ability to understand and comply with federal requirements which may impact rules such as EPA standards for pesticides, nutrients or other additives used on products intended for human consumption,
- Ability to identify and incorporate references to statutes and related rules.
- Ability to engage with interested parties and responding to public or stakeholder comments,
- Ability to distill complex rules into simple instructions,
- Ability to explain rules and regulations to the general public in both written or oral form,
- Ability to engage directly with producers, processors and retailers.

14. Experience.

One of our team members is a medical marijuana attorney, former marijuana provider, speaker, author, and former industry consultant. He specializes in assisting others in compliance with state law and local ordinances. He has worked both on rule-making related to medical marijuana as well as statutory requirements for medical marijuana at the state level since 2009. He has worked extensively with Montana's administrative agency for medical marijuana, the Department of Public Health and Human Services, and he has received specific legal training in administrative rulemaking.

He has written and published numerous articles on the meaning, interpretation and implications of medical marijuana laws as well as several FAQ's describing the requirements of the current and former medical marijuana law as it applies to providers, marijuana-infused product providers and medical marijuana cardholders.

This team member has participated in meetings hosted by the Child and Family Services Interim Committee to help identify areas of weakness in the state's regulatory framework and to develop a robust set of medical marijuana regulations in conjunction with the state's attorney general's office, county attorneys, law enforcement, industry representatives and patients groups.

In the course of his practice, this team member has brought claims on behalf of medical marijuana patients and providers seeking clarification on the interpretation of legal requirements imposed on them under the medical marijuana law which established case law at the Montana Supreme Court. He has also successfully challenged local ordinances and successfully represented criminal defendants in cases involving first-impression issues related to the medical marijuana law. He has provided instruction for attorneys through a Continuing Legal Education seminar hosted by the Montana Bar Association, run a series of state-wide seminars for medical marijuana patients on both state and federal law, and presented at several seminars for the medical marijuana industry.

This team member is currently the president of the Montana Cannabis Information Association, the state's largest medical marijuana advocacy group, which seeks positive change and robust and effective regulation in both the state's medical marijuana, and marijuana laws generally, through the legislative process, ballot initiative process and through direct legal action.

This team member has assembled and conducted focus groups, round table discussions, and he has written and administered surveys with marijuana producers, processors and retailers in his capacity as board member of the Montana Medical Grower's Association in order to establish best practices relating to the cultivation, harvesting, processing, infusion, testing, and retail and wholesale sale of marijuana and infused marijuana products.

Finally, this team member previously worked as a project manager for a telecom and internet service provider company in the Midwest and is familiar with the management of complicated, long term projects involving multiple departments to implement products and services within a specific timeframe and in accordance with management goals and budgets.

Another team member and subcontractor is an Administrative Law professor at the University of Montana School of Law who has taught administrative law for nearly forty (40) years including both state and federal administrative law. He is intimately familiar with the highly procedural nature of administrative law. He understands and teaches future attorneys on matters related to rulemaking for regulated business enterprises entities doing business with government, and he understands how legislation creates substantive rights and duties expressed in procedures. He has agreed to assist the team as a subcontractor, and his background is ideal for helping both the team and the WSLCB on the rulemaking portions of this potential contract with an eye toward both state and federal rulemaking procedures. He will assist with advice and guidance in rulemaking, administrative law, recommendations and oversight of the team's work to complete the objectives established by the WSLCB.

15. Staff Qualifications and Capabilities.

This team has two team members, both attorneys, who have experience in administrative law and who will contribute to tasks related to Category 4.

Chris Lindsey, Project Manager, is a medical marijuana attorney who graduated from the Washington University School of Law in St. Louis Missouri in 1992. He has worked both on rule-making related to medical marijuana as well as statutory requirements for medical marijuana at the state level since 2008. He has worked extensively with Montana's administrative agency for medical marijuana, the Department of Public Health and Human Services, and he has received specific legal training in administrative rulemaking. Chris has written numerous articles on the meaning, interpretation and implications of medical marijuana laws and published several FAQ's describing the requirements of the current and former medical marijuana law as it applies to providers, marijuana-infused product providers and medical

marijuana cardholders. He has participated in meetings hosted by the Child and Family Services Interim Committee to help identify areas of weakness in the state's regulatory framework and to develop a robust set of medical marijuana regulations in conjunction with the state's attorney general's office, county attorneys, law enforcement, industry representatives and patients groups.

Chris has assembled focus groups and round table discussions with marijuana producers, processors and retailers affiliated with the Montana Medical Grower's Association to establish best practices relating to cultivation, harvesting, processing, infusion, testing, and retail and wholesale sale of marijuana and infused marijuana products.

Professor William Corbett teaches Administrative Law at the University of Montana Law School, and has been an administrative law professor since 1976. He is a former trial attorney with the National Labor Relations Board in Washington, D.C. (Appellate Court Division of General Counsel) and Legal Counsel to a U.S. Senator. Professor Corbett obtained a J.D. degree from the University of Wyoming School of Law and Master of Laws (LL.M.) from Harvard University School of Law. He is the recipient of two Fulbright fellowships, and is widely published in areas including drugs and alcohol and their effect on criminal intent and responsibility, negotiation and alternative dispute resolution, and administrative law. His course is highly procedural and geared toward government and rulemaking for entities doing business with government that are subject to regulation. The course takes a close look at how legislation creates substantive rights and duties expressed in procedures. He has agreed to assist us as a subcontractor, and his background is ideal for helping both the team and the WSLCB on the rulemaking portions of this potential contract with an eye toward both state and federal rulemaking procedures. He has been retained by this team to help provide written independent third party assumptions, recommendations and oversight following guidelines established by the Open Government Act.

16. Approach and Methodology.

Approach:

This team believes that project management plans need to be as simple as possible. We anticipate an initial project evaluation meeting or series of meetings with WSLCB in order to clearly identify objectives, requirements, benchmark dates, project timeline, evaluation criteria, and potential stumbling blocks and bottlenecks. We would then identify the most appropriate methodology, create an executive summary to circulate among project stakeholders in order to make modifications as needed, and conduct a kick-off meeting to insure there is buy-in on the plan. We plan to build in base lines so that we can continuously monitor progress to insure we are meeting timelines and the WSLCB's ultimate goals.

We believe it could be fatal to the success of the project to wait until after the system is in place to find out if particular features of the regulatory system are defective. Accordingly, we believe it will be important to identify a representative sampling of end users (most likely a set of medical marijuana producers, processors and retailers who wish to help develop the system) in order to test specific aspects of the regulatory system during the course of the project. We would then seek feedback and adjust as necessary.

The team will endeavor to create easy-to-understand documentation for stakeholders and participants in the project and regularly keep them apprised of progress through the timeline.

We will try to avoid common problems in project management, including overly-complicated project timelines (keep it simple!), and we will re-tool the project to avoid overly burdensome or time-intensive sub-projects. We will continuously look for bottlenecks throughout the project execution, and if needed, either discontinue wasteful sub-projects or identify and hire individuals to augment the group who can

assist during critical phases. We will also document processes through the timeline for future reference so that we can learn from our own timeline what works and what does not.

We will also establish evaluation criteria to enable us to evaluate key components of the regulatory system and give the team and the WSLCB the ability to recalibrate as necessary.

Methodology:

While this team understands the ultimate goal and the need for a tight and transparent regulatory system, we appreciate the fact that we do not yet know all of the project requirements expected of us.

Accordingly, the team anticipates using the traditional methodology of project management which is a linear sequence of steps to be completed. This approach would include six steps, including initiation, planning, execution, monitoring progress, completion, and evaluation. If, after the initial meetings with the WSLCB, we find that we must more carefully manage by phase, we would expect to implement a PRINCE2 methodology, enabling us to continually return to the WSLCB to authorize the next phase of the project.

Strategy and Philosophy for Consultation with the WSLCB:

We do not expect to push a particular agenda or attempt to tell the WSLCB how to do its job. With over 80 years regulating alcohol, it knows more about regulating controlled substances than any of the applicants for this contract. Moreover, Washington is not California, or Colorado, or Montana, and it has its own unique experiences and resources. Finally, full legalization is not the same thing as medical marijuana and will carry its own unique challenges.

Rather, we see our role as consultants to (1) educate the WSLCB on the features and realities of production, processing, testing and retail sales of marijuana with the specific requirements of the Uniform Controlled Substances Act in mind, (2) help it identify the usage rates and population of consumers in the state to meet statutory licensing and other requirements, and (3) facilitate the implementation of rules to create a safe, functional, transparent and contained system of regulation that meets the goals in I-502 and those established for our team by the WSLCB. In essence, we want to provide the WSLCB with the tools it needs to determine how best to regulate, help put those tools in place in the most efficient way possible, and help evaluate the system once it is in place.

The core staff members are pragmatists who have learned some hard lessons on the regulation of marijuana. We fully respect the uncomfortable fact that until federal law changes, every single participant in this regulatory system is a felon in the eyes of the federal government and the US Attorney. They each take a significant risk with both their investment and their liberties, and in fact, they are the most vulnerable citizens in the state should the federal government decide to take action. Marijuana production, processing and sales is not for the faint of heart, and we respect that fact, even where participants in the program may not fully appreciate the risk during the inevitable "green rush" phase of this emerging industry.

In fact, the Washington system of regulation may inadvertently expose producers, processors and retailers to a heightened risk of federal prosecution because it contemplates numerous businesses working in concert with one another. What many would consider normal business practices in any traditional industry may well expose participants in this particular industry to allegations of conspiracy to violate federal law. Ironically, the more successful the business relationships and performance is, the greater the peril.

In order for this system to succeed, we believe four factors must be securely in place: (1) Support from the population, who must not see a system out of control, (2) support from the leadership in the state for

the same reason, including the state legislature, Congressional delegates, and the governor's office, (3) a tight regulatory framework that is safe, functional, transparent, contained and works better than the black market, and (4) open lines of communication with federal authorities.

Everything hinges on the success of the regulatory system the WSLCB must put in place. If it succeeds, the citizens benefit through the elimination of the black market and the government realizes a substantial increase in revenue for other needed services. Failure places Washington's citizens at great risk and feeds illicit marijuana trafficking in other states. The stakes could not be higher.

This team is interested in practical solutions and is functional, highly competent, professional, adaptable and able to incorporate the views and concerns of a wide range of participants and stakeholders. We are encouraged by the fact that, unlike many other states, Washington is willing to roll up its collective sleeves and implement meaningful regulation. This is a credit to the state but also creates a great deal of responsibility. Our team is ready and prepared to help meet that task.

Contractors, Resources

Name	Business	phone	address	city,st,zip
R. Thomas Crane	Crane Consulting	406-360-9888	225 Nighthawk Lane	Hamilton, MT 59840
Leonid Kalachev	UMT Applied Math CORE	406-243-4373	Mathematical Sciences	Missoula, MT 59812
Donald P. Land PhD	Halent Laboratory	530-219-4366 (cell)	PO Box 73613	Davis, CA 95617
Rev Dr. Kymron deCesare	Halent Laboratory	916-717-7567	220 Jessie Ave	Sacramento, CA 95838
Steve Cottrell	AZ Med Testing	480-231-0544	6501 E Greenway Pkwy	Scottsdale, AZ 85254
Brenda Perkins	AZ Med Testing	480-459-9603	6501 E Greenway Pkwy	Scottsdale, AZ 85254
William L. Corbett	UMT Law School	406-243-4741	32 Campus Dr	Missoula, MT 59812
Eric L Sevigny	Dept of Crim and Justice	803-777-7043	1305 Greene St	Columbia, SC 29208
Marijuana Policy Project		202-462-5747	PO Box77492	Washington D.C. 20013

email	Fed ID	specialty	OMWBE
rthomascrane@gmail.com	<div data-bbox="571 264 761 305" style="background-color: black; color: orange; padding: 2px;">PersonallInfo</div> <div data-bbox="571 305 761 520" style="background-color: black; width: 100%; height: 130px;"></div>	GMP documents	no
kalachevL@mso.umt.edu		Applied Math and Statistics	no
Dland@Halent.com		Cannabis Labs, Forensic Science	no
kdecesare@halent.com		Cannabis Labs, Herbal Medicine	no
Steve@Azmedtest.com		Cannabis Labs, CO2 extraction	no
Brenda@AZMedtest.com		Cannabis Labs, CO2 extraction	no
william.corbett@montana.edu		Administrative Rule Writing	no
sevigny@mailbox.sc.edu		marijuana use populations	no
rkampia@mpp.org			

Norton, Melissa K

From: Todd Dalotto <todd@canresearch.net>
Posted At: Friday, February 15, 2013 1:26 PM
Conversation: RFP- K430, CAN! Research, Education & Consulting
Subject: RFP- K430, CAN! Research, Education & Consulting

Please review the four (4) attached Submittal Documents for my bid for RFP-K430.

Respectfully,

Todd Dalotto
CAN! Research, Education & Consulting
www.CanResearch.net · 541-752-9053

Confidentiality Notice: This email message, including any attachments, is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply e-mail and destroy all copies of the original message.



February 15, 2013

Washington State Liquor Control Board
lcbids@liq.wa.gov

Re: Letter of Submittal, RFP- K430, CAN! Research, Education & Consulting

LETTER OF SUBMITTAL – PROPOSER INFORMATION

Legal entity with whom contract would be written:

CAN! Research, Education & Consulting
551 SW 4th St., Corvallis, OR 97333 (address & principle place of business)
Tel: 541-752-9053
Fax: 541-752-9417
todd@CanResearch.net

Principal Officer:

Todd Dalotto, President
P.O. Box 1221, Philomath, OR 97370
o) 541-752-9053 c) 541-829-0961

Location of facility:

CAN! Research, Education & Consulting
551 SW. 4th St., Corvallis, OR 97333

Category:

For RFP K430, Proposer is responding to Category 4: Product Regulation

There are no Washington State employees or former state employees employed or on the governing board of CAN! Research, Education & Consulting as of the date of the proposal.

All of the above information is true and accurate to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Todd Dalotto", is written over a horizontal line.

Todd Dalotto, President



February 15, 2013

Washington State Liquor Control Board
lcbids@liq.wa.gov

Re: Letter of Submittal, RFP-- K430, CANI Research, Education & Consulting

I'm very happy to have the opportunity to assist the Washington State Liquor control Board in this historic act of crafting rules for the implementation of Initiative 502, which will provide the framework for Washington's new cannabis regulatory system.

I'm confident after reviewing my proposal that you'll find me to be the most qualified proposer for Category 4: Product Regulation. My extensive experience promulgating administrative rules, advising on legislation & administrative policy, and pioneering hemp & medicinal cannabis industries is unmatched by anyone in the United States.

The attachment to this *Letter of Submittal* includes additional information as per your request.

I look forward to hearing your response to my proposal!

Sincerely,

A handwritten signature in black ink, appearing to read "Todd Dalotto", is written over a horizontal line.

Todd Dalotto, President

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to **lcbbids@liq.wa.gov**.
- Clearly mark the subject line of the email: RFP- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the **lcbbids@liq.wa.gov** inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

Proposer's Authorized Offer (see page 2)	<input checked="" type="checkbox"/>
Proposer Information (see page 3)	<input checked="" type="checkbox"/>
Subcontractor Information (see page 4)	<input checked="" type="checkbox"/>
Letter of Submittal (see page 5)	<input checked="" type="checkbox"/>
Non-Cost Proposal (see page 6)	<input checked="" type="checkbox"/>
Cost Proposal (see page 8)	<input checked="" type="checkbox"/>

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER
(PROPOSAL SIGNATURE PAGE)

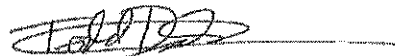
Initiative 502 Consulting Services – RFP K430
Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.



Proposer Signature

President

Title

CAN! Research, Education & Consulting

Company Name

February 15, 2013

Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name	<u>CAN! Research, Education & Consulting</u>
Street Address	<u>551 SW 4th St.</u>
City, State, Zip	<u>Corvallis, OR 97333</u>
Federal Tax ID Number	<u>PersonallInfo</u>
UBI	<u>To be obtained upon award</u>
Website URL	<u>www.CanResearch.net</u>

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name:	<u>Todd Dalotto</u>
Telephone:	<u>541-752-9053</u>
Email:	<u>todd@CanResearch.net</u>

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount 2.0 % 7 days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input checked="" type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

<p>Subcontractor 1</p> <p>Name: _____</p> <p>Services: _____</p> <p>Address: _____</p> <p>Telephone: _____</p> <p>Email: _____</p> <p>Fed ID: _____</p> <p>UBI: _____</p> <p>Work to be Performed: _____</p> <p>OMWBE certified: ___ Yes ___ No</p>	<p>Subcontractor 2</p> <p>Name: _____</p> <p>Services: _____</p> <p>Address: _____</p> <p>Telephone: _____</p> <p>Email: _____</p> <p>Fed ID: _____</p> <p>UBI: _____</p> <p>Work to be Performed: _____</p> <p>OMWBE certified: ___ Yes ___ No</p>
<p>Subcontractor 3</p> <p>Name: _____</p> <p>Services: _____</p> <p>Address: _____</p> <p>Telephone: _____</p> <p>Email: _____</p> <p>Fed ID: _____</p> <p>UBI: _____</p> <p>Work to be Performed: _____</p> <p>OMWBE certified: ___ Yes ___ No</p>	<p>Subcontractor 4</p> <p>Name: _____</p> <p>Services: _____</p> <p>Address: _____</p> <p>Telephone: _____</p> <p>Email: _____</p> <p>Fed ID: _____</p> <p>UBI: _____</p> <p>Work to be Performed: _____</p> <p>OMWBE certified: ___ Yes ___ No</p>

LETTER OF SUBMITTAL

The Proposer's Letter of Submittal must be signed by the individual within the organization authorized to bind the bidder to the offer. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Proposer and any proposed subcontractors:

- Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.
- Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)
- Location of the facility from which the Proposer would operate.
- Statement of which of the following Categories Proposer is responding to:
 - Category 1: Product and Industry Knowledge
 - Category 2: Product Quality Standards and Testing
 - Category 3: Product Usage and Consumption Validation
 - Category 4: Product Regulation
- Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Proposer's organization. If following a review of this information, it is determined by the WSLCB that a conflict of interest exists, the Proposer may be disqualified from further consideration for the award of a contract.

NON-COST PROPOSAL

Please refrain from using company name or other information that will identify your company while preparing your response for the Non-Cost Submittal. The Washington State Liquor Control Board (WSLCB) reserves the right to modify proposals in order to eliminate company names or any other information that may identify a specific company brand.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:
 - a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
 - b. How Marijuana is infused into food and beverages
 - c. How Marijuana should be packaged, labeled, transported, and sold at retail level
 - d. How wholesale and retail Product should be recalled and accounted for
 - e. How Marijuana should be destroyed if overproduced, contaminated, or recalled
2. **Experience.** In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.
3. **Team Structure and Internal Controls.** In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.
4. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Please answer the questions listed below, attaching additional pages as necessary:

5. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or expertise in Product Quality Standards and Testing, including but not limited to the following:
 - a. Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations
 - b. Assisting the WSLCB with establishing quality standards for testing Marijuana
6. **Experience.** In two (2) pages or less, please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.
7. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
8. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminants, and Product strain.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Please answer the questions listed below, attaching additional pages as necessary:

9. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise to estimate Product Usage and Consumption levels by geographic areas in Washington State.
10. **Experience.** In two (2) pages or less, please describe your firm's experience in statistical research, specifically related to determining demographic and/or psychographic segmentation, preferably related to the use of Cannabis.
11. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
12. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firm's proposed approach and methodology to be used for Product Usage and Consumption validation as requested in this RFP, to estimate demographic and psychographic segmentation, specifically related to the use of Cannabis.

CATEGORY 4 – PRODUCT REGULATION

Please answer the questions listed below, attaching additional pages as necessary:

13. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise in Product Regulation, including but not limited to, the following:
 - a. Experience with State, local or Federal government processes and procedures
 - b. Experience in crafting system regulations
14. **Experience.** In two (2) pages or less, please describe your firm's experience in working within the confines of a regulatory system, and experience in creating and/or modifying rule, law, ordinance, and/or guidelines.
15. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
16. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB with developing rules and a regulation strategy for the state of Washington's new Marijuana System.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ <u>55</u> p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ <u>440</u> p/day

Norton, Melissa K

From: Amber Figueroa <afigueroa@changelabsolutions.org>
Posted At: Thursday, February 14, 2013 11:28 AM
Conversation: RFP K430, ChangeLab Solutions
Subject: RFP K430, ChangeLab Solutions

Dear Sir or Madam,

Attached please find our Submittal Document in response to RFP K430. Should you have any difficulties accessing this document, please do not hesitate to contact me for assistance. We look forward to the opportunity to partner with the Washington State Liquor Control Board on this groundbreaking project.

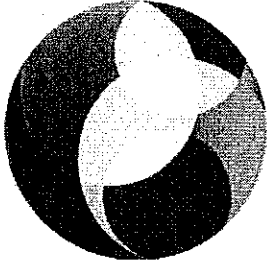
We respectfully request confirmation of receipt.

Sincerely,

Amber Figueroa
Vice President & Development Director
ChangeLab Solutions
2201 Broadway, Suite 502
Oakland, CA 94612
O. 510.302.3384 | m. 510.423.3113
changelabsolutions.org
afigueroa@changelabsolutions.org

ChangeLab Solutions — formerly known as Public Health Law & Policy — is a national nonprofit creating law and policy innovation for the common good. We help transform neighborhoods, cities, and states with laws and policies that make communities more livable, especially for those with the fewest resources.

The content in this message is provided for information purposes only and does not constitute legal advice. ChangeLab Solutions and its projects do not enter into attorney-client relationships.



ChangeLab Solutions
Law & policy innovation for the common good.

2201 Broadway, Suite 502
Oakland, CA 94612
510.302.3380
changelabsolutions.org

Letter of Submittal

February 14, 2013

John Farley
Contracts Specialist
State of Washington, Liquor Control Board
3000 Pacific Ave SE
P.O. Box 43090
Olympia, WA 98504
By electronic mail

Re: RFP-K430, ChangeLab Solutions

Mr. Farley:

On behalf of ChangeLab Solutions, I ask that you accept the attached proposal which we submit in response to the Liquor Control Board's K430 Initiative 502 Consulting Services Request for Proposals (RFP). As requested in the RFP, information about our organization and the consulting category to which we are responding appear below.

- The contact information of the entity with whom the contract would be written is:

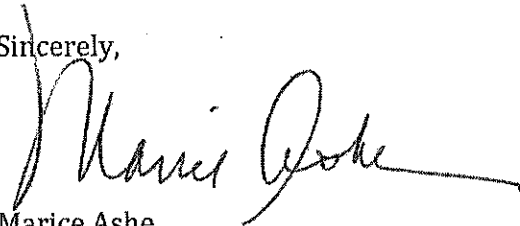
ChangeLab Solutions
Attn: Keith Nagayama, Staff Attorney & Contracts Manager
2200 Broadway, Suite 502
Oakland, CA, 94612
phone: 510-302-3380
fax: 510.444.8253
knagayama@changelabsolutions.org.

- A contact list providing the name and address of each principal officer is attached.
- The locations of the facilities from which we would operate are Oakland, California and Olympia, Washington.
- We are responding to Category 4 of the request for proposals (Product Regulation).

ChangeLabSolutions

- There are no Washington state employees or former employees employed by ChangeLab Solutions or on our governing board. However, if awarded a contract we would enter into a sub-contract with Victor Colman, chief of Uncommon Solutions, an Olympia-based consulting firm. Mr. Colman is a former employee of the WA State Department of Health, but his employment with the state ended on September 5, 2007.

Sincerely,

A handwritten signature in black ink, appearing to read "Marice Ashe", with a long horizontal flourish extending to the right.

Marice Ashe
Founder & Chief Executive Officer

Encs.

Proposer's Authorized Offer
Proposer Information
Subcontractor Information
Non-Cost Proposal
Cost Proposal

ChangeLab Solutions

ChangeLab Solutions – Contact List of Principal Officers

Marice Ashe, JD, MPH
Founder & CEO
2201 Broadway, Suite 502
Oakland, CA 94612
510-302-3380
mashe@changelabsolutions.org

Sandra Whisler
Chief Financial Officer
2201 Broadway, Suite 502
Oakland, CA 94612
510-302-3380
swhisler@changelabsolutions.org

Genie Gratto
Vice President & Director of
Communications
2201 Broadway, Suite 502
Oakland, CA 94612
510-302-3380
egratto@changelabsolutions.org

Amber Figueroa
Vice President & Director of Development
2201 Broadway, Suite 502
Oakland, CA 94612
510-302-3380
afigueroa@changelabsolutions.org

Manel Kappagoda, JD, MPH
Vice President & Deputy Director of the
National Policy & Legal Analysis Network
to Prevent Childhood Obesity (NPLAN)
2201 Broadway, Suite 502
Oakland, CA 94612
510-302-3380
mkappagoda@changelabsolutions.org

Robert Ogilvie, PhD
Vice President of Strategic Engagement
2201 Broadway, Suite 502
Oakland, CA 94612
510-302-3380
rogilvie@changelabsolutions.org

Anne Pearson, JD, MA
Vice President of Programs
2201 Broadway, Suite 502
Oakland, CA 94612
510-302-3380
apearson@changelabsolutions.org

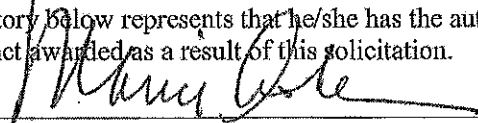
PROPOSER'S AUTHORIZED OFFER
(PROPOSAL SIGNATURE PAGE)
Initiative 502 Consulting Services – RFP K430
Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a organization offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.



Proposer Signature
Founder & CEO

Title

Marice Ashe, ChangeLab Solutions

Company Name
2/14/13

Date

ChangeLab Solutions Contract Exceptions

For your consideration, ChangeLab Solutions (Contractor) proposes modifications to the "Indemnification" and "Ownership/Rights in Data" sections of Exhibit A (General Terms & Conditions) of the Consulting Model Contract (Contract No. K430). In summary, we request a limitation to the indemnification requirement in the event a negligent act by the WSLCB or its agents, agencies, employees and officials inhibits or presents ChangeLab Solutions from performing the contract. We further request a license to any work product created under this contract in order to further our public health purpose and attribution if our preexisting intellectual property is used for this contract. Proposed additions are shown in double underline and proposed deletions are in ~~strikethrough~~.

INDEMNIFICATION

To the fullest extent permitted by law, Contractor shall indemnify, defend, and hold harmless the WSLCB and all officials, agents and employees of the WSLCB, from and against all claims for injuries or death arising out of or resulting from the performance of the contract. "Claim," as used in this contract, means any financial loss, claim, suit, action, damage, or expense, including but not limited to attorney's fees, attributable for bodily injury, sickness, disease, or death, or injury to or destruction of tangible property including loss of use resulting there from.

Contractor's obligations to indemnify, defend, and hold harmless includes any claim by Contractor's agents, employees, representatives, or any Subcontractor or its employees.

Contractor expressly agrees to indemnify, defend, and hold harmless the WSLCB for any claim arising out of or incident to Contractor's or any Subcontractor's performance or failure to perform the contract. ~~Contractor's obligation to indemnify, defend, and hold harmless the WSLCB shall not be eliminated or reduced by any actual or alleged concurrent negligence of WSLCB or its agents, agencies, employees and officials.~~ *Ma*

OWNERSHIP/RIGHTS IN DATA

The WSLCB and Contractor agree that all data and work products (collectively called "Work Product") produced pursuant to this Contract shall be considered work made for hire under the U.S. Copyright Act, 17 U.S.C. §101 et seq, and shall be owned by the WSLCB. Contractor is hereby commissioned to create the Work Product. Work Product includes, but is not limited to, discoveries, formulae, ideas, improvements, inventions, methods, models, processes, techniques, findings, conclusions, recommendations, reports, designs, plans, diagrams, drawings, Software, databases, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions, to the extent provided by law. Ownership includes the right to copyright, patent, register and the ability to transfer these rights and all information used to formulate such Work Product.

Wk

If for any reason the Work Product would not be considered a work made for hire under applicable law, Contractor assigns and transfers to the WSLCB the entire right, title and interest in and to all rights in the Work Product and any registrations and copyright applications relating thereto and any renewals and extensions thereof. WSLCB hereby grants to Contractor a nonexclusive, irrevocable, perpetual, royalty-free license to reproduce, publish, republish, summarize, excerpt or otherwise use and license other to use, in print or electronic form, including in electronic databases or in any future form not yet discovered or implemented, any and all Work Product produced in connection with this Agreement.

Contractor shall execute all documents and perform such other proper acts as the WSLCB may deem necessary to secure for WSLCB the rights pursuant to this section.

Contractor shall not use or in any manner disseminate any Work Product to any third party, or represent in any way Contractor ownership in any Work Product, without the prior written permission of the WSLCB. Contractor shall take all reasonable steps necessary to ensure that its agents, employees, or Subcontractors shall not copy or disclose, transmit or perform any Work Product or any portion thereof, in any form, to any third party.

Ma

Material that is delivered under this Contract, but that does not originate therefrom ("Preexisting Material"), shall be transferred to the WSLCB with a nonexclusive, royalty-free, irrevocable license to publish, translate, reproduce, deliver, perform, display, and dispose of such Preexisting Material, and to authorize others to do so except that such license shall be limited to the extent to which Contractor has a right to grant such a license. Contractor shall retain attribution to Contractor's Preexisting Material, including without limitation, copyright notices, citation to Contractor, general notice of attribution that a derivative work is based upon Contractor's Preexisting Material, and/or acknowledgment of Contractor's funders. Contractor shall exert all reasonable effort to advise the WSLCB at the time of delivery of Preexisting Material furnished under this Contract, of all known or potential infringements of publicity, privacy or of intellectual property contained therein and of any portion of such document which was not produced in the performance of this Contract. Contractor agrees to obtain, at its own expense, express written consent of the copyright holder for the inclusion of Preexisting Material. the WSLCB shall receive prompt written notice of each notice or claim of copyright infringement or infringement of other intellectual property right worldwide received by Contractor with respect to any Preexisting Material delivered under this Contract. ~~The WSLCB shall have the right to modify or remove any restrictive markings placed upon the Preexisting Material by Contractor.~~

Ma

PROPOSER INFORMATION

Proposer Profile:

Organization Name ChangeLab Solutions
 Street Address 2200 Broadway, Suite 502
 City, State, Zip Oakland, CA 94612
 Federal Tax ID Number **PersonalInfo**
 UBI _____
 Website URL www.changelabsolutions.org

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name: Anne Pearson
 Telephone: 510-302-3304
 Email: apearson@changelabsolutions.org

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount _____ % _____ days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input checked="" type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your organization intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

<p>Subcontractor 1</p> <p>Name: Victor Colman, Uncommon Solutions</p> <hr/> <p>Services: Consulting</p> <p>Address: 812 Decatur St., SW Olympia, WA 98502</p> <hr/> <p>Telephone: 360-878-2543</p> <p>Email: Vicsolutions@comcast.net</p> <p>Fed ID: PersonallInfo</p> <p>UBI: 602767519</p> <p>Work to be Performed: Stakeholder convening, research, drafting</p> <p>OMWBE certified: ___ Yes <u>X</u> No</p>	<p>Subcontractor 2</p> <p>Name: Alan Lieberman</p> <hr/> <p>Services: Consulting</p> <p>Address: 5907 Pentz Road Paradise, CA 95969</p> <hr/> <p>Telephone: 530-570-1406</p> <p>Email: alanlieberman@gmail.com</p> <p>Fed ID: PersonallInfo</p> <p>UBI:</p> <p>Work to be Performed: Stakeholder convening, research, drafting</p> <p>OMWBE certified: ___ Yes <u>X</u> No</p>
<p>Subcontractor 3</p> <p>Name: Seth E. Mermin, Public Good Law Center</p> <hr/> <p>Services: Consulting</p> <p>Address: 3130 Shattuck Ave., Berkeley, CA 94705</p> <hr/> <p>Telephone: 510-393-8254</p> <p>Email: tmermin@publicgoodlaw.org</p> <p>Fed ID: PersonallInfo</p> <p>UBI:</p> <p>Work to be Performed: Stakeholder convening, research, drafting</p> <p>OMWBE certified: ___ Yes <u>X</u> No</p>	<p>Subcontractor 4</p> <p>Name: _____</p> <hr/> <p>Services: _____</p> <p>Address: _____</p> <hr/> <p>Telephone: _____</p> <p>Email: _____</p> <p>Fed ID: _____</p> <p>UBI: _____</p> <p>Work to be Performed: _____</p> <p>OMWBE certified: ___ Yes ___ No</p>

NON-COST PROPOSAL

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE – We are not applying for this category of service.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING – We are not applying for this category of service.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION – We are not applying for this category of service.

CATEGORY 4 – PRODUCT REGULATION

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your organization's ability, capacity, and skills and/or expertise in Product Regulation, including but not limited to, the following:
 - a. Experience with State, local or Federal government processes and procedures
 - b. Experience in crafting system regulations

Our organization seeks to deliver an independent, public health perspective to the implementation of I-502. Our experience in Product Regulation is founded on nearly two decades of thought leadership and partnership to the State of California's tobacco control movement specifically focused on the regulation of tobacco products at the State and local level. Our team also brings decades of experience in alcohol regulation and the development of responsible retailer best practices.

We build the capacity of state and local governments and public health stakeholders to effectively use the tools of law and policy to create healthy and safe communities. Our interdisciplinary team of lawyers, policy analysts, and public health specialists crafts regulatory strategies that are both fiscally responsible and evidence-based to ensure adoption, enforcement and sustainability. We work directly with government agencies, elected officials, and community groups by providing expert legal and policy technical assistance that strengthens each of their capabilities and accelerates action towards positive health outcomes. We specialize in researching and drafting model laws and policies, providing analysis and recommendations on regulatory strategies, and providing on-demand training and technical assistance to support stakeholders in their policy development and implementation efforts.

Our methodology is rooted in our successful leadership in tobacco control; as a key technical legal advisor to the state of California, and to individual cities and counties within the state, our work has helped save \$86 billion in health care costs and resulted in 25 percent fewer lung cancer deaths than other states. Through this partnership we have provided in-depth expertise on a broad array of issues in the following areas:

- Advertising and promotion of tobacco products ;
- Licensing tobacco retailers and wholesalers;
- Regulating relationships between distinct parts of the tobacco supply chain;
- Developing land use controls to regulate the location and operation of tobacco retailers;
- Protecting individuals from exposure to secondhand smoke;
- Crafting excise taxes to raise revenue;
- Developing protocols to prevent tax avoidant sales.

Uptake of this work is significant. The potent combination of close collaboration with our State and local public health partners paired with our model ordinances and one-on-one legal technical assistance has delivered the following outcomes: 137 cities/counties require tobacco retailers to obtain a local license to sell tobacco products; 28 cities/counties restrict the sale of tobacco products within a certain distance of schools/parks; 30 cities/counties restrict the sampling (free distribution) of tobacco products; 315 cities/counties restrict smoking in recreation areas; 109 cities/counties restrict smoking in indoor and/or outdoor common areas of multi-unit housing; and 33 cities/counties require landlords to disclose information about the smoking policy to tenants.

Our team's work in the area of alcohol regulation has been equally influential. Through the development of best practices for retailers and negotiated settlements, our collaborating attorneys have used law and policy to ensure that products intended for adults stay out of the hands of kids.

The regulation of marijuana sales, possession, promotion, and use promises to present many of the same challenges that we have successfully addressed in tobacco control and alcohol regulation. The following issue areas are particularly suited to benefit from our deep expertise in those areas:

- The legalization of retail sales of marijuana creates a potential for the siting of retail outlets in residential communities. While I-502 prohibits such outlets from locating within 1,000 feet of children's institutions, a

transparent regulatory scheme will be necessary to provide guidance to both retailers and communities about where and how such retailers may operate. We have extensive experience in regulating the location, density, and operation of tobacco and alcohol retailers which would be directly applicable here.

- With the sale of products comes the marketing of products. There is no question that exposure to the marketing and promotion of tobacco and alcohol products is associated with increased use of those products among youth. For this reason, tobacco and alcohol control advocates have sought to restrict advertising, and we have developed deep expertise in First Amendment jurisprudence and commercial speech regulation. We will bring this expertise as the Liquor Control Board seeks to develop restrictions on the promotion of a product that is legal at the state level, yet remains unlawful at the federal level.
- Just as state laws restrict the sale of tobacco products based on age, I-502 prohibits sales to persons under 21 years old. In order to keep tobacco and alcohol out of the hands of youth, we've developed expertise in the drafting and enforcement of youth access laws. Yet decades of research have demonstrated that enforcement protocols are not enough. If products intended for adults – including marijuana – are to be kept away from kids, jurisdictions need to keep the price of those products high, regulate access and marketing, and operate comprehensive prevention programs. Our experience in the broad array of youth access interventions will be directly on point.
- Tobacco products, like marijuana, are regulated by both federal and state law. The relationship between those bodies of law can be complex. For example, in some instances federal tobacco law preempts local authority of tobacco product regulation, while in others federal law expressly preserves the rights of states and localities to enter the regulatory field. Over the course of our work we have developed expertise in the navigation of dual regulatory systems and in crafting state and local laws that complement the federal scheme.
- Marijuana smoke, like the secondhand smoke of tobacco products, contains particulate matter that is dangerous to inhale. Our hands-on technical support in the adoption and implementation of our model ordinances has made California a leader in smoke-free air laws, and creates a solid base of experience from which to draft regulations to implement the prohibition on public use of marijuana.
- Although tobacco tax increases are one of the most effective ways to reduce consumption, high tobacco prices can have the effect of creating a “black market.” The taxation of marijuana will present a similar challenge. We have decades of experience in working with law enforcement to ensure that tobacco products are taxed at each stage of their delivery into the retail market and in implementing interventions designed to reduce the tax avoidant sales that create a black market.
- Although the health risks of tobacco and marijuana use are well documented, they are not fully understood by the public. Through our work in tobacco and alcohol control, we have expertise in the legal issues surrounding health warnings, including limitations on compelled speech imposed by the First Amendment, as well as the unique legal challenges posed by graphic health warnings. Our legal expertise in government speech and product labeling make us uniquely qualified to assist the Liquor Control Board as it crafts effective warnings on the potential adverse health effects of marijuana use.
- A key lesson learned from tobacco control and alcohol policy is that regulators must keep pace with a rapidly evolving industry seeking to appeal to new markets. For example, in recent years the tobacco and alcohol industry have both increased their stock of flavored products, such as flavored cigars and “alco-pops.” Our policy analysts track emergent trends in consumption and product evolutions, allowing us to develop regulatory solutions to meet new challenges as they arise.

2. **Experience.** In two (2) pages or less, please describe your organization's experience in working within the confines of a regulatory system, and experience in creating and/or modifying rule, law, ordinance, and/or guidelines.

As set forth above, our organization brings nearly two decades of experience working within the federal, state and local systems that regulate the sale, promotion and use of tobacco products, and creating model ordinances and guidelines. Our tobacco control work is informed by and relevant to every level of government, and is guided by our commitment to promoting the public health. We are joined in this project by attorneys who are experts in the field of alcohol regulation and who bring a depth and breadth of experience in the policy issues that arise out of the regulation of products intended for an adult market.

In our efforts on tobacco control, we have worked at every level of government. At the Federal level, we look to the Family Smoking Prevention and Tobacco Control Act, enacted by Congress in 2009, which vested the U.S. Food and Drug Administration (FDA) with regulatory authority over tobacco products. Since its enactment, we have worked closely with the FDA to ensure that our efforts at the state and local level complement efforts at the federal level. Further, we have provided extensive technical assistance to cities and counties about the scope of the federal law, and have assisted in adopting ordinances that do not encroach upon federal authority. At the State level, we partner with the California Department of Public Health to shape and advance a statewide tobacco-control policy agenda. Through this partnership, we collaborate with a network of researchers, organizers, educators and law enforcement officials to implement and enforce policies within the state.

Similarly, our team's work on alcohol policy has spanned all levels of government. At the federal level, our team members have worked extensively with the FDA, the Federal Trade Commission, the Centers for Disease Control and Prevention, and the Substance Abuse and Mental Health Services Administration. At the state level, our team consists of three attorneys who previously worked within Attorney General's Offices, and who continue to collaborate with those offices on issues relating to the advertising and marketing of restricted products. And at the local level, our team members working in alcohol regulation have worked with and provided support to local law enforcement, including District Attorneys' offices, County Counsel and police departments.

Since our inception we have developed a vast array of policy tools, model ordinances, implementation strategies, and legal guidelines addressing not only tobacco control but also obesity and chronic disease prevention. In fact, we've created the largest library of model laws and policies for chronic disease prevention in the nation, with special emphasis on land use and transportation planning, economic development, redevelopment, food systems planning, healthy housing, and schools, as well as tobacco policy. For purposes of this proposal, we are highlighting tobacco control topic areas we believe to be the most relevant and transferrable to the regulation of marijuana as follows:

- **Tobacco retailer licensing.** Licenses are one way to ensure compliance with local business standards, to reduce youth access to tobacco, and to limit the negative public health effects associated with tobacco use. Our Model Ordinance contains all the essential elements for a local tobacco retailer license, including descriptions of who must obtain a license, requirements and prohibitions for licensees, enforcement provisions, and penalties.
- **Land use for tobacco retailers.** A city or county that adopts some or all of its provisions must consider where they would best fit into its existing code, and must cross-reference appropriate existing provisions. These provisions may stipulate the means of enforcing zoning ordinances, as well as provisions concerning notification, fines and penalties; issuance, denial, suspension, and revocation of a conditional use permit; appeals of conditional use permit denials and other administrative and quasi-judicial decisions.
- **Self-Service Display of Tobacco Products.** This model ordinance was produced to help guide cities and counties that wish to regulate youth access to tobacco by prohibiting the self-service display of tobacco products. A prohibition on self-service displays also increases the level of interaction required before a clerk can sell tobacco to a minor by requiring the minor to specifically ask for tobacco and the clerk to consciously provide it.

- **Tobacco sampling.** This model ordinance limits the free or low cost distribution of tobacco products, also known as “sampling.” An example would be when tobacco companies sponsor “bar nights” where they give away free samples of their products in bars. Restrictions on sampling can help to prevent smoking initiation among non-smokers who might be drawn to the appeal of a free product.
- **Comprehensive Smoke-Free Places.** As the dangers of tobacco use and secondhand smoke become increasingly well documented, one of the most important steps a community can take to protect and improve its residents’ health is to create more smokefree or tobacco-free spaces. Our Model Ordinance is drafted to help jurisdictions limit tobacco use and unwanted exposure to secondhand smoke both indoors and outdoors. It is fully customizable to fit the specific needs of an individual community.
- **Enforcement Road Maps.** In order for laws to have their intended effect, there must be a clear strategy for enforcement. We have created a series of three roadmaps to help tobacco control advocates identify potential enforcement roadblocks and see the context in which these barriers exist. The three different enforcement pathways are criminal enforcement, civil enforcement, and administrative enforcement. Our tools include a narrative description, which explain the process and suggest potential solutions to overcome administrative enforcement roadblocks.
- **New and Emerging Products.** Increasingly, tobacco products come in all shapes and sizes, designed to appeal to a variety of markets, including youth. We have developed policies that keep pace with industry innovations by restricting the sale and marketing of those that are targeted at youth market. For example, we have drafted legislation restricting the sale of flavored tobacco products as well as the sale of single cigars, which are packaged and priced in a way that is designed to appeal to kids.

3. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your organization. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Lead Project Staff

Anne Pearson, JD, MA, Vice President of Programs.

Ms. Pearson directs our organization's tobacco control program and will be the lead project manager and primary point of contact for the Liquor Control Board. She is an attorney, licensed to practice in Washington, California and New York, with over 15 years experience working in the field of public health.

Before joining our organization, Ms. Pearson served as a Strategic Policy Advisor to Public Health – Seattle & King County where she worked with the agency's chronic disease programs to develop policy interventions aimed at reducing tobacco use and preventing childhood obesity. While working at King County, Ms. Pearson drafted legislation adopted by the King County Board of Health that restricted the sale and use of electronic cigarettes and provided for more robust enforcement of the county's smoke-free air law. Through her work with King County's tobacco control program, Ms. Pearson has a deep familiarity with the Liquor Control Board and its enforcement mechanisms.

Before working in Washington State, Ms. Pearson served as the Senior Legal Counsel for Policy in the New York City Health Department's Bureau of Tobacco Control. In that capacity, she participated in the drafting of legislation that restricted the sale of flavored tobacco products and mandated the posting of health warnings in retail tobacco outlets.

Prior to working in the field of tobacco control, Ms. Pearson was Chief of the Health and Reproductive Rights Section in the Civil Rights Bureau of the New York State Attorney General's Office and practiced poverty law. Ms. Pearson has taught public health law at Seattle University School of Law. She received her law degree from New York University School of Law.

Alan Lieberman, JD, Sub-Contractor

Alan Lieberman has extensive experience in matters concerning the sale and marketing of tobacco and alcohol products, with particular expertise in the development of best practices in responsible retailing. His experience in alcohol regulation includes developing model policies and practices for alcohol retailers in recently privatized states, serving as co-leader of the multi-state attorney general Youth Access to Alcohol Group, and negotiating settlements with major alcohol companies concerning advertising practices and the sale and marketing of alcohol products designed to appeal to youth.

Mr. Lieberman also brings years of experience in the field of tobacco regulation. In his capacity as Deputy Attorney General in the California Office of the Attorney General, Mr. Lieberman monitored compliance of the Tobacco Master Settlement Agreement, conducted major complex litigation concerning advertising practices and served as leader of the Attorney General Tobacco Retailer Group, leading multi-state settlements with major retailers concerning the sale and marketing of tobacco products.

Mr. Lieberman earned his law degree from New York University School of Law, and is the author of several articles, including:

- Krevor, Lieberman, Gerlach, Application of Consumer Protection Authority in Prevention Tobacco Sales to Minors, "Tobacco Control," June 2002, 11:109-111.
- Lieberman, The Effect of Enforcement of the Master Settlement Agreement on Youth Exposure to Print Advertising, "Health Promotion Practice," July 2004, 66S-74S.

Victor Colman, JD, Sub-Contractor

Victor Colman has worked in the public health field for over 29 years. His focus is in primary prevention and related policy, systems and regulatory solutions. In Washington State he was a legislative liaison and policy advisor at the State Department of Health for eight years. He is currently co-principal of Uncommon Solutions, Inc., a public policy consultant organization based in Olympia and serves as the director of the statewide Childhood Obesity Prevention Coalition. Mr. Colman earned a BA from Michigan State University and a JD from University of San Francisco

Mr. Colman is the author of several publications related to legal and regulatory efforts, including:

- *Medical Marijuana Dispensaries: An Overview of Regulatory Approaches for Localities*. Community Prevention Institute (2010). Co-authored with Michael Sparks.
<http://www.ca-cpi.org/docs/Publications/Other/MedicalMarijuanaDispensaries.pdf>
- *Tobacco Prevention and Control in Washington State: A Comprehensive Approach*. Seattle, WA, Northwest Public Health, P. (Fall/Winter 2002). Co-authored with Brenda Suiter.
http://www.nwpublichealth.org/docs/nph/f2002/tobacco_f2002.pdf
- *Understanding Retail Alcohol Availability: A Community Action Handbook*. San Jose, CA: Santa Clara Valley Health & Hospital Systems, Department of Alcohol & Drug Services, Prevention Division (1997).

Ted Mermin, JD, M.Ed, Sub-Contractor

Ted Mermin, JD, M.Ed., is the co-founder and Executive Director of Public Good. For the past decade, he has litigated consumer protection, First Amendment, and civil rights law cases at the trial and appellate levels, and has written and spoken extensively on issues of preemption, privacy, free speech, and unfair competition. Mr. Mermin is a frequent consultant to our organization, particularly on issues relating to the constitutionality of restrictions on the advertising and promotion of legal products.

Prior to founding Public Good, Mr. Mermin served for eight years as a Deputy Attorney General in the California Department of Justice, where he brought consumer cases against abusive loan companies, rental car outfits and telecom providers. Mr. Mermin also authored a wide variety of amicus briefs on behalf of the California Attorney General (and often the AGs of many other states) in appellate courts around the nation in cases addressing deceptive advertising, tobacco promotion and digital marketing.

Mr. Mermin is an adjunct professor of consumer law at UC Berkeley School of Law, and of counsel to the consumer law clinic at the East Bay Community Law Center. He is a graduate of Yale and the University of California at Berkeley, where he was Senior Articles Editor of the California Law Review.

Key Support Staff

Ian McLaughlin, JD, Senior Staff Attorney and Program Director

Ian McLaughlin is a senior staff attorney and program director with our organization, working both on tobacco control and childhood obesity issues. Ian's practice focuses on tobacco retailer licensing, public financing (taxes and fees), and code enforcement issues, and he provides training and individualized legal technical assistance in all of these areas. Ian also serves as a municipal administrative hearing officer for the City of Petaluma, California, conducting hearings and deciding a variety of code enforcement matters. Prior to joining our organization, Mr. McLaughlin practiced municipal law with a private law organization, Meyers, Nave, Riback, Silver & Wilson, and served as City Attorney for the City of Clearlake, California, and Assistant City Attorney for the City of Healdsburg. He has also served as legislative counsel to the Hawaii State Senate and the National Legislature of the Republic of Palau. Mr. McLaughlin is a graduate of the University of California at Berkeley and the UC Berkeley School of Law.

Matthew Moore, JD, MPH, Staff Attorney

Matthew Moore is a staff attorney with our organization, specializing in legal issues involving tobacco product use and exposure to secondhand smoke, particularly with regard to workplaces, recreational areas, and multi-unit housing. He provides technical assistance to communities across the nation and throughout California as they develop and implement policies to protect residents from involuntary exposure to secondhand tobacco smoke. Prior to joining our organization, Mr. Moore worked at the U.S. Department of Health and Human Services, where he worked on civil rights cases involving denial of access to health services. Matthew is a graduate of Northeastern University School of Law and received his master's in public health from Tufts University School of Medicine. He also holds a master's degree in cultural anthropology from San Francisco State University, where he first became interested in understanding the social determinants of health.

Meliah Schultzman, JD, Staff Attorney

Meliah Schultzman is a staff attorney with our organization, specializing in legal issues involving tobacco product sales, promotions and use. Prior joining our organization, Ms. Schultzman was an attorney with the National Housing Law Project.

Ms. Schultzman has extensive legislative drafting experience at all levels of government. At the federal level, Ms. Schultzman drafted portions of the Violence Against Women Act reauthorization, which were introduced by Senator Patrick Leahy as part of S. 1925. At the state level, Ms. Schultzman has assisted policymakers in drafting state legislation protecting eviction protections for domestic violence survivors and elder abuse victims. She has also drafted legislation that enables crime victims to break their leases so that they can relocate for their safety. And at the local level, she has drafted language for housing ordinances and housing authority planning documents. Ms. Schultzman is a graduate of the U.C. Berkeley School of Law.

Sabrina Adler, JD, Staff Attorney

Sabrina Adler is a staff attorney with our organization, focusing primarily on legal and policy issues related to the advertising and promotion of food and tobacco products. Before joining our organization, she was a staff attorney at the Child Care Law Center, where she assisted legal aid attorneys with child care cases and did policy work on health and obesity prevention in the child care setting, due process protections for parents with child care subsidies, and child care licensing standards. In addition, she received a Skadden Foundation Fellowship to found the San Francisco Medical-Legal Partnership -- a collaboration between Bay Area Legal Aid and San Francisco General Hospital -- in which she provided direct legal services to low-income pediatric patients and their families. Her practice included advocacy in the areas of housing, health, public benefits, disability, education, and family law. Ms. Adler is a magna cum laude graduate of Brown University and received her law degree at Stanford.

4. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your organizations' proposed approach and methodology to be used in assisting the WSLCB with developing rules and a regulation strategy for the state of Washington's new Marijuana System.

Our unique methodology is founded and proven in our historic leadership of the California tobacco control movement where we have created cutting-edge laws and policies that reduce exposure to second-hand smoke, decrease incidence/prevalence of in-direct marketing to youth, and limit the sale and availability of tobacco products, with special emphasis on vulnerable populations. We have accomplished these outcomes by partnering with government agencies, academics, practitioners and community members to ensure that policies are legally defensible, flexible, understandable, and responsive to community needs.

The adoption of I-502 represents a pioneering effort to regulate the sale and use of a product that is known to be associated with increased health risks. We recommend that this endeavor proceed with legal guidance that is independent of the regulated industry and with a lens on public health. The history of tobacco and alcohol regulation is instructive to this recommendation. Historically, efforts to regulate and tax tobacco and alcohol in ways that promote public health have been met with strong opposition from the tobacco and alcohol industries. Because those industries benefit financially from increased numbers of users, they have frequently opposed regulations that would restrict access to or limit the promotion of their products. Further, experience tells us that a public health perspective must be incorporated from the outset of any implementation strategy to be truly effective. Attempts to think through public health implications post-implementation are met with resistance from a variety of constituents that would be affected by proposed changes; this resistance is best mitigated by creating a comprehensive approach from the start.

As a consultant to the Liquor Control Board, we will be both proactive and responsive to the agency's needs. We will deliver evidence-based, expert legal and technical assistance *with a public health lens* on potential regulatory strategies, and will respond to requests for information as necessary and required, commensurate with the ground-breaking nature of this project. While we have deliberately chosen to submit our application independently for the reasons outlined above, we commit to working collaboratively with the Liquor Control Board's other consultants chosen to bring a depth of experience in product and industry knowledge, product quality standards and testing, and product usage and consumption validation. Our experience proves that collaboration among all stakeholders will be essential to the success of I-502 program and policy implementation, and that it is also critical that the regulatory scheme be developed in a manner that is insulated from industry influence.

We will work collaboratively with the State of Washington and this program's partners to develop an appropriate scope of work. We recommend and anticipate the following tasks as necessary to the development of regulations required to implement I-502:

1. **Immersion in I-502:** Implementation of I-502 requires a deep familiarity with the text of the Initiative itself, as that is the touchstone for all of the regulations that will stem from it. Our staff will immerse themselves in the law and in the process that led to its creation.
2. **Needs Assessment/Compile Required Regulations:** I-502 sets forth those areas over which the Liquor Control Board has regulatory authority. Our staff will compile a comprehensive list of the regulations that are required, and will develop a sequence for their development in advance of the December 2013 deadline.
3. **Research and Analysis:** Our team of lawyers and policy analysts will conduct the research necessary to support the development of regulations. While our experience in tobacco and alcohol control provides us with a firm basis upon which to grow, we will conduct the research necessary to ground our regulations in Washington state law and to ensure that they take into consideration the unique properties of marijuana.
4. **Convene Stakeholders/Solicit Input:** As directed by the Liquor Control Board, we will convene stakeholders to solicit input into the rulemaking process. Our team's presence in Olympia, coupled with our experience in stakeholder engagement, ensures that opportunities are provided for all voices to be heard.

5. **Solicit/Convene Expert Peer Review/Input:** As necessary, we will seek expert advice to inform our work. During our nearly 20 years of experience in the field of public health law drafting, we have developed relationships with experts in a variety of relevant fields, including First Amendment jurisprudence, municipal law and finance, addiction and substance abuse dependence, and tax law. We will augment our team to meet the needs of the project.
6. **Collaborative drafting.** In partnership with the Liquor Control Board, we will work to draft, review, edit and revise the regulations as they make their way from proposal to adoption.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 **or** Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate **or** Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ <u> 198 </u> p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ <u> </u> p/day

Norton, Melissa K

From: jon cronk <cronkjonathan@gmail.com>
Posted At: Friday, February 15, 2013 12:59 PM
Conversation: RFP K-430 Commencement Bay Consulting Services
Subject: Fwd: RFP K-430 Commencement Bay Consulting Services

The Lcbids email listed in the submittal document was returned as undeliverable so i am forwarding you the original message along with our submittal

----- Forwarded message -----

From: jon cronk <cronkjonathan@gmail.com>
Date: Fri, Feb 15, 2013 at 12:55 PM
Subject: RFP K-430 Commencement Bay Consulting Services
To: lbids@liq.wa.gov

Mr. Farley

Attached you will find the documents requested in K-430 we hope that you will find them helpful and we look forward to hearing from you soon.

Sincerely,

Jonathan Cronk
Project Manager
CBay Consulting Services
[253-592-0881](tel:253-592-0881)

Norton, Melissa K

From: jon cronk <cronkjonathan@gmail.com>
Posted At: Friday, February 15, 2013 1:03 PM
Conversation: RFP k 430 Commencement Bay consulting Services
Subject: RFP k 430 Commencement Bay consulting Services

Mr. Farley '

Attached please find our submittal for the regulatory element of K 430 we are willing to assist in other areas if needed and we hope to be working with you in the future.

Sincerely,

Jonathan Cronk
Project Manager
C-Bay Consulting Services
253-592-0881



Mr. John Farley

Please consider this our letter of submittal for RFP K430. Commencement Bay Consulting Services is pleased to offer our knowledge and experience to assist the Washington State Liquor Control Board (WSLCB) in the regulation of the new Marijuana industry in Washington State. We hope that you find our qualifications consistent with the needs of the WSLCB in accomplishing these goals.

Commencement Bay Consulting Services (C-Bay) is a Washington State company located at 3043 Center St. Tacoma WA 98409. C-Bay has been in operation since 2007 providing consulting on land use and business regulations to private individuals and companies in Washington State. C-Bay is three individuals who have come together to provide a collaborative team approach to solving complex problems and providing the most cost effective solution to our client's problems. We sincerely desire to count the Washington State Liquor control Board as one of our satisfied clients.

Sincerley,

Jonathan Cronk
Project Manager
C-Bay Consulting Services
253-592-0881
Cronkjonathan@gmail.com

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Jonathan L. Cronk

Proposer Signature

Project Manager

Title

Commencement Bay Consulting

Company Name

2-14-13

Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name Commencement Bay Consulting
 Street Address 3043 Center Street
 City, State, Zip Tacoma WA 98409
 Federal Tax ID Number PersonallInfo
 UBI 602542534
 Website URL www.cbayconstruction.com

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name: Jonathan Cronk
 Telephone: 253-592-0881
 Email: Cronkjonathan@gmail.com

Payment Options:

- YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.
 Prompt Payment Discount 5 % days, net 30 days.
- YES NO Will you accept the State's Purchasing Card (P-Card)?
- YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input checked="" type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Category 4 Product Regulation

Throughout the seven years that our consulting firm has operated we have had to interact with numerous jurisdictions and regulatory agencies. These interactions have provided us with a vast knowledge base of the regulatory process, which we frequently utilize to our clients advantage. We have permitted hundreds of projects including medical marijuana dispensaries, aquaculture operations, churches, wetlands, and public improvements. Our permitting operation has brought us into contact with multiple state, county, municipal and federal regulatory departments such as: Washington State Liquor Control Board, Department of Ecology, Department of Transportation, Health department and Fish and Wildlife as well as the Army Corp of Engineers and most counties in Washington state. Our employees come from various backgrounds and experience.

We employ a former County Planner who assisted in the development of long range planning for the growth management act as well as provided regulatory oversight of project compliance. We also employ a US Army veteran who has worked under Federal Grants in a non-profit, as well as a municipality ensuring compliance with Federal, State and local Fair Housing Laws.

From time to time regulations and laws do not permit some activities for reasons that are not entirely compatible with the needs of the community, when these moments arise it becomes necessary to craft system regulations to our advantage an example of our ability to accomplish this is our project to expand an existing drug and alcohol treatment facility. The Facility had been in operation for over 20 years and was in need of expanding but because zoning did not allow for the facility to operate the County would not allow for its

expansion. Through numerous meetings with county officials it became apparent that zoning laws would need to be improved for the changing demographics of the area. We decided to lobby our elected officials to get involved; this action enabled us to gain the necessary permissions to proceed, with the zoning laws scheduled to be amended in 2013.

Staff Qualifications

Jonathan Cronk- Project Manager

Mr. Cronk has worked for Commencement Bay Consulting since 2007 during his tenure he has provided regulatory guidance on Hundreds of projects. Through Mr. Cronk's permitting responsibilities he has been brought into contact with multiple state, county, municipal and federal regulatory departments such as: Washington State Liquor Control Board, Department of Ecology, Department of Transportation, Health department and Fish and Wildlife as well as the Army Corp of Engineers.

Previously, Mr. Cronk was employed by the US Army, GeoEngineers as a Lab Manager, Bureau Veritas as a Lab Manager, City of Lakewood, WA as a Fair Housing Coordinator and with The Fair Housing Center of Washington as an Investigator/ Educator. While at the City of Lakewood Mr. Cronk assisted with the writing of the proposed Fair housing ordinance for the City of Lakewood.

Mr. Cronk holds a Degree from The Evergreen State College in Olympia WA where he studied Business Administration, Public Administration and Economics during his time at Evergreen in addition to other studies Mr. Cronk spent one year studying Non-Profit Management and One Year of Institutional Dynamics at the Tacoma Campus. These Educational experiences have uniquely qualified Mr. Cronk to lead a team to address regulating a new industry. Mr. Cronk's unique skill is an asset to an organization in that he has been educated to see how all institutions interact and that no institution should be overlooked when implementing regulation.

Natalie Kamienecki-Staff Researcher

Ms. Kamienecki is a former Planner with Pierce County Washington while employed with Pierce County her Responsibilities involved the review of environmental threshold determinations pursuant to the State Environmental Policy Act, including Determinations of Non-significance and Mitigated Determinations of Non-significance. Staff report preparation to establish project parameters, map review, verification of zoning issues and code compliance. Typical applications reviews include preliminary, short and large lot subdivisions, administrative and conditional use permits, change-of-use and non-conforming rights confirmation, general commercial and residential development permits and shoreline management application. Field review and inspections of individual project requirements as well as responding to developer and citizen inquiries regarding planning and zoning issues. Extensive daily public contact regarding administration of County codes, guidelines, regulations, ordinances and policies. Collaboration with internal and external governmental

agencies as projects warrant. Frequent public presentations to the Hearing Examiner, and local land use advisory and review groups.

Ms. Kamienecki holds a degree in Geography from Central Washington University her work experience and education lend greatly to the team and she is a valuable asset in determining the proper course to travel when it comes to regulating the new Marijuana industry

Sheldon Smith- Owner

Mr. Smith has provided regulatory assistance for over a hundred projects ranging in scale from small carports to large aquaculture facilities in the tidelands. Mr. Smith is a life long resident of Washington state with an inside knowledge of the Marijuana industry as it operates today.

Lombino Martino, P.S.- Law Firm on retainer used as necessary

Approach and Methodology

Our firm intends on taking a multi pronged approach utilizing existing regulations and developing new regulations through input from stakeholders such as local jurisdictions and the general public. We anticipate the need to hold approximately 10 seminars with local jurisdictions, and at least 15 public meetings. At each of the public meetings and seminars we will seek input on new regulations, and compile the information into a database in order to streamline the consensus process. In addition to these public meetings we intend on adapting existing and former liquor regulations to be applicable to the regulation of marijuana depending on input received from various stakeholders.

COST PROPOSAL

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ ____ p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ <u>1,700</u> p/day

Norton, Melissa K

From: Strawberry Fields <admin@strawberryfields719.com>
Posted At: Monday, February 11, 2013 7:53 PM
Conversation: RFP- K430, Compliance Initiatives LLC
Subject: RFP- K430, Compliance Initiatives LLC

To whom it may concern:

Please find attached one PDF document.

Very best regards,
Mike Kwesell

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Compliance Initiatives, LLC
dba "Strawberry Fields Alternative Health and Wellness"
3404 West Colorado Avenue
Colorado Springs, CO 80904
Phone: 719-471-2837
Fax: 719-457-5920

MMCLICENSE#: 402-00167
MIP LICENSE#: 404-00068

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to **lebbids@liq.wa.gov**.
- Clearly mark the subject line of the email: RFP- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the **lebbids@liq.wa.gov** inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

Proposer's Authorized Offer (see page 2)	<input checked="" type="checkbox"/>
Proposer Information (see page 3)	<input checked="" type="checkbox"/>
Subcontractor Information (see page 4)	<input checked="" type="checkbox"/>
Letter of Submittal (see page 5)	<input checked="" type="checkbox"/>
Non-Cost Proposal (see page 6)	<input checked="" type="checkbox"/>
Cost Proposal (see page 8)	<input checked="" type="checkbox"/>

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.


PROPOSER'S AUTHORIZED OFFER
(PROPOSAL SIGNATURE PAGE)
Initiative 502 Consulting Services – RFP K430
Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (I) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.



Proposer Signature
Co-Owner

Title

Compliance Initiatives LLC

Company Name
02/12/13

Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name Compliance Initiatives LLC
Street Address 3404 West Colorado Avenue
City, State, Zip Colorado Springs, CO 80904
Federal Tax ID Number PersonallInfo
UBI None at this time
Website URL www.strawberryfieldsmmj.com

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name: Michael R. Kwesell
Telephone: 719-471-2837 (office) / 719-491-9441 (cellular)
Email: admin@strawberryfields719.com

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount _____% _____ days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input type="checkbox"/>
1	Product and Industry Knowledge	<input checked="" type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: Not applicable
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: Yes No

Subcontractor 2

Name: Not applicable
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: Yes No

Subcontractor 3

Name: Not applicable
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: Yes No

Subcontractor 4

Name: Not applicable
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: Yes No

LETTER OF SUBMITTAL

The Proposer's Letter of Submittal must be signed by the individual within the organization authorized to bind the bidder to the offer. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Proposer and any proposed subcontractors:

- Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.
 - *Per instructions, please see attachment titled "Letter of Submittal"*

- Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)
 - *Per instructions, please see attachment titled "Letter of Submittal"*

- Location of the facility from which the Proposer would operate.
 - *Per instructions, please see attachment titled "Letter of Submittal"*

- Statement of which of the following Categories Proposer is responding to:
 - *Per instructions, please see attachment titled "Letter of Submittal"*

 - Category 1: Product and Industry Knowledge
 - Category 2: Product Quality Standards and Testing
 - Category 3: Product Usage and Consumption Validation
 - Category 4: Product Regulation

- Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Proposer's organization. If following a review of this information, it is determined by the WSLCB that a conflict of interest exists, the Proposer may be disqualified from further consideration for the award of a contract.
 - *Per instructions, please see attachment titled "Letter of Submittal"*

NON-COST PROPOSAL

Please refrain from using company name or other information that will identify your company while preparing your response for the Non-Cost Submittal. The Washington State Liquor Control Board (WSLCB) reserves the right to modify proposals in order to eliminate company names or any other information that may identify a specific company brand.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:
 - a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
 - b. How Marijuana is infused into food and beverages
 - c. How Marijuana should be packaged, labeled, transported, and sold at retail level
 - d. How wholesale and retail Product should be recalled and accounted for
 - e. How Marijuana should be destroyed if overproduced, contaminated, or recalled

Per instructions, please see attachment titled "Non-Cost Proposal"

2. **Experience.** In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.

Per instructions, please see attachment titled "Non-Cost Proposal"

3. **Team Structure and Internal Controls.** In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.

Per instructions, please see attachment titled "Non-Cost Proposal"

4. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Per instructions, please see attachment titled "Non-Cost Proposal"

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

We are not responding to this category.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

We are not responding to this category.

CATEGORY 4 – PRODUCT REGULATION

We are not responding to this category.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 **or** Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate **or** Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$75.00 p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	N/A

ATTACHMENT 1: "LETTER OF SUBMITTAL"

By way of introduction, we are Michael and Richard Kwesell and collectively we own and operate Compliance Initiatives LLC, a prominent medical marijuana business based in Colorado Springs, CO. We do business under our trade name "Strawberry Fields Alternative Health and Wellness" and today we have built one of the largest, fully-licensed medical marijuana businesses in Colorado. Below are responses to the questions posed in the original Letter of Submittal document (referenced above):

Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written:

Name: Compliance Initiatives LLC
d/b/a "Strawberry Fields Alternative Health and Wellness"
Address: 3404 West Colorado Avenue, Colorado Springs, CO 80904
Place of Business: 3404 West Colorado Avenue, Colorado Springs, CO 80904
Telephone #: 719-471-2837
Fax #: 719-457-5920
Email: admin@strawberryfields719.com

Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)

Michael R. Kwesell Co-Owner & Founder 202 Cheyenne Blvd, Colo. Spgs., CO 80905 719-491-9441 (cellular) mike.kwesell@gmail.com	Richard R. Kwesell Co-Owner & Founder 1111 Terrace Road, Colo. Spgs., CO 80904 719-331-7572 (cellular) rich@therichmagic.com
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Location of the facility from which the Proposer would operate:

We would operate primarily from our office in Colorado located at 3404 West Colorado Avenue, Colorado Springs, CO 80904. We anticipate that fulfillment of this contract will also require commuting to Washington on an "as-needed" basis.

Statement of which of the following Categories Proposer is responding to:

We are responding to Category 1, "Product Industry and Knowledge". We are not responding to categories 2 through 4. While we are experienced in all categories solicited through this RFP, we are experts first and foremost in operations and it is in that area where our consultation would be most helpful to the State of Washington.

Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Proposer's organization. If following a review of this information, it is determined by the WSLCB that a conflict of interest exists, the Proposer may be disqualified from further consideration for the award of a contract:

Not applicable.

ATTACHMENT 2: "NON COST PROPOSAL"

Please refrain from using company name or other information that will identify your company while preparing your response for the Non-Cost Submittal. The Washington State Liquor Control Board (WSLCB) reserves the right to modify proposals in order to eliminate company names or any other information that may identify a specific company brand.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

Ability, Capacity and Skills. In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:

- a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
- b. How Marijuana is infused into food and beverages
- c. How Marijuana should be packaged, labeled, transported, and sold at retail level
- d. How wholesale and retail Product should be recalled and accounted for
- e. How Marijuana should be destroyed if overproduced, contaminated, or recalled

Since our inception in 2009 we have created and currently own one of the largest fully licensed and vertically integrated medical marijuana companies in the state of Colorado. Because of the evolving laws and guidelines that define this high profile industry we have designed our company to adhere strictly to the letter of the law while retaining the necessary corporate flexibility to enable us to respond quickly and efficiently to evolving regulations. We have worked cooperatively with the Colorado Medical Marijuana Enforcement Division as well as with other jurisdictional authorities such as Colorado Springs City Council and the local Cannabis Council to help build industry regulations that guarantee product quality and ethical standards required of any human service industry and legal/medical compliance. We have functioned as a "model" in the industry and often hosted regulators and inspectors from the Colorado Medical Marijuana Enforcement Division at our facility to learn our protocols and internal controls that have been hailed as some of the most effective and efficient in the industry. As owners/operators of our company we have "set the bar" on standards, quality and ethics in the marijuana industry.

Regarding our expertise in the area of production we have created a duplicable system of detailed protocols along with checks and balances that maximize quality and efficiency in growing, harvesting, packaging, selling and propagating the highest quality marijuana and marijuana products. We manage a team of 15 people and operate two large commercial grow facilities with approximately 20,000 square feet of cultivation area where we grow thousands of marijuana plants at any given time in compliance with requirements defined both by law and best practice standards of the horticultural industry. We harvest marijuana daily and carefully complete all aspects of processing via a series of highly regimented protocols that monitor and guarantee quality, efficiency, performance and compliance and result in market-ready marijuana of the highest quality available to our retail store daily. In order to ensure quality we handle every aspect of marijuana growth, cultivation, harvesting, processing and curing in-house without assistance from vendors or third party experts.

Our seed-to-sale process starts with premium "mother plants" that are maintained indefinitely and are the inexhaustible source from which we cut clones for new plants. The internal protocols we have created to ensure that our plants are cultivated successfully during all stages of growth are very precise and protect our crop from the hundreds of variables that could go wrong during the life cycle of each plant such as infestation, mold, nutrient lock-up, undernourishment, etc.

Not only do we distinguish ourselves from our competition by following procedures and protocols that guarantee compliance, quality and efficiency but we also provide and require ongoing trainings for every employee in every setting of our operation from the retail store to the grow rooms. Weekly staff meetings are held to make sure that every employee has a crystal clear understanding of the current rules and laws, plant care procedures, plant disposal procedures, packaging procedures and retail protocols. We conduct ongoing audits of our procedures in all aspects of our operation to ensure compliance, efficiency of product movement and reduction of wasted steps. We continually update protocols to make sure that compliance is intact, maximum efficiency is maintained and that the systems developed for the growing process ensure compliance and a successful harvest. We are arguably one of the most

efficient operations in the state of Colorado and can bring this expertise to our role as consultants, providing clarity regarding complicated compliance issues while simultaneously providing easily implemented and cost effective solutions to complex regulatory issues.

Regarding the question of infusing marijuana into food and drinks, we also own and operate a MIP license ("Manufacturer of Infused Products") that allows us to manufacture and distribute edible products that have been infused with marijuana. We create and market products ranging from edibles to hash products to extracts and work extensively with a network of vendors to bring quality products to market. We have extensive experience in the delicate procedure of transferring trimmings that remain after the harvesting process to a MIP location to be extracted so that the essential oils of the plant are separated from any leaf matter. We are very familiar with the machines that are used for this process, have engineered and built such a machine ourselves and can serve in an advisory role regarding all aspects of infused and extracted products.

Regarding packaging and retail sales, we complete thousands of retail transactions every week with full documentation to ensure compliance in regard to accurate packaging, historical purchase data and inventory control. We can expertly advise on what constitutes safe packaging, what kind of information should be on the label that is affixed to each package of marijuana and protocols regarding how marijuana should be removed from the retail store by the customer. Additionally, our protocols for keeping track of historical information regarding purchase dates for each and every client has also been hailed as a highly efficient and streamlined approach that ensures we sell to only compliant patients and also guards against anyone buying for the purpose of reselling illegally. We hold mandatory weekly training seminars for our staff to ensure that everybody has a clear understanding regarding laws and compliance issues and to keep a heightened sense of awareness in all staff members regarding all aspects of sales in the retail store. Regarding the question of marijuana destruction in the event of overproduction or contamination, we dispose of just as many plants as we grow (thousands of them) in a manner that renders all waste unusable and worthless. We have had our methods for the destruction of marijuana audited by both Medical Marijuana Enforcement Division Investigators as well as Detectives from the local Vice, Narcotics & Intelligence department of the Colorado Springs Police Department to ensure that there is no possible way for usable marijuana to land in the trash.

In summation, we are qualified to expertly consult on the following topics:

- All aspects of growing marijuana
- All aspects of processing (harvesting) marijuana
- Bulk product storage
- Safe transportation methods
- Security camera systems
- Security and cognizance protocols
- Commercial grow room construction/development/setup
- Retail store construction/development/setup
- Business systems development
- Compliance protocols development
- Reporting requirements
- Retail product storage/display
- All aspects of retail sales/distribution
- All aspects of wholesale sales/distribution
- All aspects of infused products/edibles
- All aspects of extraction
- Internal staff training protocols and requirements
- Asset protection
- Cultivating and working with investors to everyone's mutual benefit
- Cash management and accountability (in the absence of access to commercial banking services)
- Risk assessment and management
- Marijuana regulation, laws and compliance

Experience. In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.

Our product and industry knowledge has grown exponentially from a grassroots initiative that started in our home in 2009 to one of the largest production and retail facilities in the state of Colorado. Early in our evolution we began transporting eligible patients to a local doctor to obtain a recommendation for medical marijuana with the understanding that we would grow it for them and sell it back to them at fair market value. From 6 plants we went to 30 plants and quickly outgrew the spare bedroom. At this point we obtained a cash loan and built our first commercial grow room in late 2009 with a goal of having enough patients to legally justify the number of plants we were growing so that they could be harvested and sold wholesale to dispensaries in the area. By definition we have "been here since the beginning."

During this period we were still in a learning phase with regard to growing marijuana and we were still under-capitalized despite a loan. As co-owners we mastered all aspects of construction to save money wherever possible. Following completion of the first successful harvest produced by our commercial grow room we took out another cash loan and built 4 more grow rooms, again doing all the work ourselves. Because we still didn't have employees all aspects of growing from seed to sale were performed solely by the two co-owners. Our learning curve leveled off very quickly with 5 grow rooms under our management. However, before we were able to reap our second harvest, HB1284 (the Colorado Medical Marijuana Code) became effective and completely redefined the marijuana industry.

We were required to convert our company from a wholesale-only model to a vertically-integrated model in which we not only managed the growing side of the business, but also the distribution/retail side of the business. The passing of HB-1284 brought with it mandatory changes required of all companies in order to become compliant within a matter of months. Our value as consultants is largely due to the fact that we paid our dues in order to survive in a highly competitive and highly regulated industry and became experts at every facet of the operation--creating, developing, operating and monitoring every detail of our business. We have successfully developed our organization to not only survive by complying with changing laws but also to thrive and become the ultimate business model for what the Medical Marijuana Enforcement Division defines as a vertically integrated business. Today we are the most award-winning medical marijuana business in our region of the state - we have won the local Independent's Gold category for "Best Medical Marijuana Center in Colorado Springs" 3 years in a row (2010, 2011, 2012 - every year since they have created this category) and the more prestigious "Best Medical Marijuana Center in Colorado" award in a state-wide competition hosted by WeedMaps.com (2011). Today we have more patients assigned to our MMC than competitors that have ten times the production square footage coupled with multiple retail outlets. The business name by which we operate is known statewide.

While there was no way to anticipate what would be required to get our company to where it is today the hurdles that we were able to successfully clear were the same hurdles that put about 60% of our competitors out of business in our local market. Today our company exists as one of the largest in the state with the greatest number of plants in the ground and the largest number of patients for whom marijuana can be legally grown. We have become experts in all aspects of what it takes to successfully establish and operate one of the most difficult business models in existence today in one of the most controversial markets in the United States. We would be honored to be selected as consultants to this industry and would like to contribute to its growing image as a valid and medically beneficial treatment choice for a wide variety of debilitating human ailments.

Team Structure and Internal Controls. In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.

For the contract with the State of Washington, Michael Kwesell and Richard Kwesell will be the sole members of the advisory team. With so much at stake in the marijuana industry we have focused on becoming experts ourselves rather than depending on the reliability of either internal or third-party experts and so all knowledge we bring to the table will come directly from us. We will not be relying on—and the contract will not need to fund—additional employees or other associates of our company during the consultation period. Lines of authority and areas of expertise between the partners during our consultation will be crystal clear and well defined in the same way the partners have fulfilled their management roles within the corporation. This will allow us to be as effective as possible throughout the consultative process with the State of Washington and will also allow us to maintain the same standard of excellence and efficiency we apply to our roles as corporate owners.

Staff Qualifications and Capabilities. Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Name: Richard Kwesell

Title: Co-Owner / Manager of Production

Particular Skills: Business Systems Development, Corporate Training, Commercial Horticultural Management, Microsoft Office, Open Office, Adobe Photoshop, Adobe Illustrator, Quickbooks Financial, Quickbooks Point of Sale, MMJ Freeway, MMJ Menu, WeedMaps, Leafly

Current Job Responsibilities:

Manager in Charge of Production (all aspects), development of internal controls, staff training and education, internal compliance, security protocols, cognizance training, commercial grow room development & setup, safe transportation methods, general business development, marketing, plant care and proliferation, pest and fungus mitigation, processing, safe storage and curing.

Education:

Cheyenne Mountain High School, Colorado Springs, CO – Diploma

Experience:

- Worked in commercial agriculture on a farm in northern Israel as part of a twenty-person crew. Richard was introduced to and became proficient in nutrient administration, pest control and high volume plant management with quota-based production.
- Performed in over 30 countries since he was 18 years of age as a Magician, Mentalist, Corporate Trainer and Speaker in front of such prestigious corporations as NBC, Mercedes, Wachovia, Nascar, The American Red Cross, Farmers, AGI, Nissan, the American Cancer Society, Chevrolet, Wells Fargo, Exxon Mobil, The RWC Group, GlaxoSmithKline and Conoco Phillips.
- Authored a best-selling book at the age of 25 which speaks boldly in today's precarious business marketplace: The Definitive Guide to Creating and Keeping Customers for Life: Tips, Techniques, and Strategies For Growing ANY Business Even In the Toughest Economies.
- Brought his motivational experience and his 19 years of competitive Lacrosse background to his position as Head Coach for one of the Top 5 "Under 13" Lacrosse teams in Colorado.
- Retains membership of the Society of American Magicians, The International Brotherhood of Magicians, The Enchidad Magico Argentina, Masonic Lodge # 76, the Lions Club, and is one of a select handful of foreigners to receive the honor of "Special Member" status in the Circle of Brazilian Illusionists.
- Sought continuously by top corporations and organizations to present new products, speak at conventions and trade shows, train, and entertain at corporate events, sales meetings, awards banquets, team building, holiday galas, roasts, fundraisers, corporate hospitality suites, and universities.
- Co-Founded our current medical marijuana company.
- Richard currently wrestles between his two passions and professions - the Magic career and his medical marijuana business - and plans on creatively building both businesses to be unique, amazing, warm, and nurturing to patients, regulators, competitors, and critics.

Name: Michael Kwesell

Title: Co-Owner / Manager of Retail Sales and Compliance

Particular Skills: Business Systems Development, Corporate Training, Commercial Horticultural Management
Microsoft Office, Open Office, Adobe Photoshop, Adobe Illustrator, Quickbooks Financial,
Quickbooks Point of Sale, MMJ Freeway, MMJ Menu, WeedMaps, Leafly

Current Job Responsibilities:

Manager in Charge of Retail Sales (all aspects), development of internal controls, staff training and education, internal compliance, document management, security protocols, cognizance training, commercial grow room development & setup, retail store development & setup, cash management and security, safe transportation methods, graphic design, general business development, vendor and contractor management, marketing, print and web advertising, customer outreach.

Education:

Cheyenne Mountain High School, Colorado Springs, CO – Diploma
Graduated from Tel Aviv University Ulpan
University of Montana, BS with a major in Spanish

Experience:

- Worked in commercial agriculture on a farm in northern Israel as part of a twenty-person crew. Michael was introduced to and became proficient in nutrient administration, pest control and high volume plant management with quota-based production.
- Developed protocols for efficient operation of a 90,000 acre cattle ranch in southern Colorado. Became proficient in commercial farming and irrigation techniques including the design and construction of industrial watering systems.
- Worked on commercial fishing vessels on Bristol Bay and Bearing Sea – developed techniques for high-volume harvesting and managerial support to line staff.
- Founded first company (a t-shirt and apparel company) in his garage during his junior year at the University of Montana. With slightly less than a thousand dollar investment and zero experience he developed a brand that was eventually carried in popular retail stores such as Urban Outfitters and Hot Topic throughout the country as well as being sold in over 80 countries worldwide via our company website.
- Served as Branch Manager, TCF Bank, Colorado Springs, CO 80907
- Developed expertise in corporate operations and business systems, cash flow management and asset protection, employee hiring and training, corporate security and quality control that is applicable to any business setting.
- Co-Founded current medical marijuana company.

Final Page / End of Document

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Norton, Melissa K

From: atamburro@ddancona.com
Posted At: Friday, February 15, 2013 12:38 PM
Conversation: RFP - K430, Daniel D'Ancona and Associates
Subject: RFP - K430, Daniel D'Ancona and Associates

WSLCB,
Please find the necessary documentation for the RFP-K430. We are excited to be included in the proposing firms.

If there are any questions, comments or you require additional clarification on any details, feel free to contact one of us below:

Daniel D'Ancona
1331 46th Ave. Suite A
San Francisco, CA 94122
ddancona@ddancona.com
(855) 463-6332 ext. 1

Alexander Tamburro
1738 Funston Ave.
San Francisco, CA 94122
atamburro@ddancona.com
(855) 463-6332 ext. 3

Documents Attached:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 **or** Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate **or** Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ 275.00 p/hour

LETTER OF SUBMITTAL

Daniel D'Ancona and Associates
Address: 1331 46th Ave. Suite C
San Francisco, CA 94122
(855)463-6332
Fax: (855)463-6332
info@ddancona.com

February 15th 2013

WSLCB Headquarters
3000 Pacific Ave. S.E.
Olympia, WA 98501
Email: lcbids@liq.wa.gov

Enclosed are Daniel D'Ancona and Associates (the "Proposer") Letter of Submittal, Proposer's Authorized Offer, Proposer Information, Subcontractor Information, Non-Cost Proposal, and Cost Proposal. These documents were prepared for the RFP- K430 by the Washington State Liquor Control Board (the "WSLCB")

Our firm intends to bridge the gap between the commercial cannabis industry and mainstream institutions. Our partners have joined together from both sides of the information divide. We integrate industry wide knowledge and experience with cutting-edge biological and microbiological research at one of our nation's top research institutions. We have formed project partnerships with highly qualified firms to best suit the requests in this proposal.

Our firm considers an effective regulatory system paramount to the economic and political success of this program. Keeping legal cannabis out of the hands of minors and reducing the role of organized crime in the industry will be central concerns. Our legal-regulatory subcontractor was chosen for their vast knowledge and practical experience working within the Washington State regulatory system and setting up new regulatory systems elsewhere. This experience paired with our internal industry knowledge uniquely prepares our firm to work with The WSLCB.

Proposer:

Name: Daniel D'Ancona and Associates
Address: 1331 46th Ave. Suite C
San Francisco, CA 94122
Phone Number: (855)463-6332
Fax: (855)463-6332
Email: info@ddancona.com

Principal Officers:

Daniel D'Ancona
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Dr. Mark Gultinan Mark Gultinan
BioScipher LLC
2658 Sleepy Hollow Dr.
State College, PA 16803
814 237-7958

Alexander Tamburro
1738 Funston Ave.
San Francisco, CA 94122
atamburro@ddancona.com
(855) 463-6332 ext. 2

D'Ancona and Associates is responding to all four categories;
Category 1: Product and Industry Knowledge
Category 2: Product Quality Standards and Testing
Category 3: Product Usage and Consumption Validation
Category 4: Product Regulation

There is one State Employee participating as a subcontractor. Amber Parsons owner of Parsons Statistics also works as a Manager responsible for Hiring, scheduling and training tutors and Promoting quantitative literacy among students, staff and faculty at The University of Washington Bothell since 2011.

NON-COST PROPOSAL

CATEGORY 1.– PRODUCT AND INDUSTRY KNOWLEDGE

1. Ability, Capacity and Skills. Please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:

- a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
- b. How Marijuana is infused into food and beverages
- c. How Marijuana should be packaged, labeled, transported, and sold at retail level
- d. How wholesale and retail Product should be recalled and accounted for
- e. How Marijuana should be destroyed if overproduced, contaminated, or recalled

a. Commercial marijuana agriculture can be divided into two main categories: indoor grown marijuana, which utilizes high-wattage electric light-driven photosynthesis, and outdoor grown marijuana, which is solar-driven photosynthesis. Although indoor grown plants tend to be better maintained, and hence often have more uniform product results, there is not necessarily any inherent difference in the potential quality of the product between the two methods. However, one major advantage to indoor plant production is that it can be carried out year- round.

There are two commonly used techniques to start a new marijuana plant. Directly 'from seed' is the traditional and most widespread method, mainly because no specialized equipment is required and access to seed is widespread. The second technique is vegetative propagation (cloning), which is popular in traditionally high production regions such as Northern California and Colorado. With Cannabis, the traditional cloning process involves excision of stem cuttings followed by induction of root development to form a new plant. Each of these two methods has different advantages. 'From seed' plants tend to be larger, more vigorous, and more potent. Cloned plants do not require the production of seeds and are true to type, meaning they have the identical genetic background as their progenitor stock. This advantage enables more uniformity among traits such as THC concentration, and can also reduce the growth period.

Once the marijuana plant is rooted it must be placed in a growing medium; commonly soil or a hydroponic soil replacement, and grown under an extended light cycle, (16-20 hours per day), until the plant has reached its desired height and size. At this point the light cycle is shifted, (12 hours per day), to initiate flower growth and development of THC. This light cycle continues until the flower clusters, (buds), have reached their desired size and density. The entire process can take from 45 to 120 days, depending on the strain and methods used. Watering and constant maintenance of the plants is needed during the growing period.

When the growing is complete the plants are cut into sections and prepared for drying. They should be hung inverted in a temperature and humidity controlled space with constant airflow. After 4 to 10 days the dried product can be trimmed, but it can also be left on the stems in a controlled environment for extended curing. Trimming is done either manually or mechanically. Stems and waterleaves, (fan leaves), are discarded and inside trim, (small leaves surrounding buds containing significant THC levels), is set aside for THC extraction. Trimmed buds are ready for sale, however some producers will continue to cure the product in sealed containers for an additional 1-3 months to increase flavor and potency.

Our firm would propose an that an intensive educational seminar be offered to WSLCB project managers and personnel to introduce them to the traditional growing, cultivating, curing, harvesting, and curing procedures, as well as expose them to current innovation as the industry evolves. Included in the seminar would be education about cannabinoids and their properties, current marijuana scientific research, endocannabinoid system functions, as well as how to optimize cannabinoid accumulation in growing plants, and how effective and consistent ingestible products are produced.

b. There are several methods for infusion of cannabinoids into food and beverage including fat infusion, solvent extraction, and concentrated cannabinoid addition. Each infusion method has its benefits and is best suited for specific applications, depending on the potency and overall volume of extract that can be used.

Fat infusion is achieved by adding trim to the butter or oil over controlled heat. Over the years there have been many methods and recipes for this process. The ratio of leaf to fat varies greatly, and will depend upon the potency of the strain and desired final potency of the butter or oil. The length of time required to extract the Cannabinoids from the leaf matter into the fat varies; with this method, 95% of extraction occurs within the first hour. The major drawback to the fat extraction method is that there are many other plant compounds that bind to the fat and give the butter or oil an "herbal" taste. Another medium for infusing cannabinoids into food and beverage is to first extract the cannabinoids into neutral food grade compounds, such as glycerin or propylene glycol, then add the compound to edible or beverage.

The solvent extraction method involves the use of a solvent, such as high proof alcohol. When dried and decarboxylated trim is mixed with super-cooled alcohol, the extraction is almost instantaneous. The extract is strained and the leaf pressed to maximize the volume of liquid recovered. Prolonged contact of the leaf product with the solvent may extract chlorophylls and other compounds which can affect color and taste. This "tincture" may be used as is, but it is often concentrated further by using a controlled evaporative process to recover the alcohol, which can greatly reduce overall cost and yield. This extraction method provides the most consistent and quantifiable extract, as well as the most neutral flavor.

Before infusion occurs, the leaf matter is prepared by removing the water leaves, which contain little extractable THC. The remaining leaf matter is then subjected to decarboxylation, which greatly increases the amount of extractable THC. It is this temperature controlled drying process that converts THC-A and CBD-A into THC and CBD. Marijuana produces THC-A, an acid with the carboxylic group (COOH) attached. In its acid form, THC is not very active. It is only when the carboxyl group is removed that THC becomes psychoactive. Liquid THC and other cannabinoids have a boiling point of between 180-200 C. Before they turn gaseous the carboxyl group is released from the molecule as carbon dioxide and water vapor. Since the extract will not be burned for consumption, it is important to decarboxylate to maximize the available THC by chemical or mechanical means. Concentrated cannabinoid addition method involves THC being added directly to food products in the form of hashish. Although common, this method is not well suited for some applications as it will affect the look and texture of the finished product.

c. Our firm will recommend product packaging and labeling that adheres to a standard created from the experiences garnered from existing regulation in the fields of food (FDA), liquor, tobacco, and gaming (WSLCB). Fundamental tenants to include:

- Tamper-proof packaging requirements throughout the supply chain
- Retail standards to eliminate exposure to minors (adapted from tobacco and liquor regulation best practices)
- Labeling standards akin to nutritional panel information, required on all retail packaging
- Safe transport within state and specific protocols to prevent products from crossing state borders
- Marketing restrictions similar to federal tobacco and liquor standards already in place.
- A standardized system to inform consumers of active ingredients, accompanied by fiscal penalties for non-compliance, (some non-compliance dollars should be earmarked to improve the industry and facilitate management of abuse, addiction and public health concerns).

d. A vital component of our strategic regulatory plan involves an integrated barcode system in which each point of the supply chain can be instantly retrievable. We will suggest that each rooted plant will be given an individualized barcode tag to be affixed to the stem. All points of production, packaging, and sale will use the barcode and add additional data to the record to identify each unit of production. This system will feed into a centralized, secure, and backed-up database that will record all transactions in real-time. At any given moment, regulators will have the capability to retrieve real-time summary reports indicating the status and amounts of inventory at each stage of the process. In this way, a unified system will be developed to track all product flow, including product return, and disposal of excess production. This high degree of traceability has been developed for other commodity chains and we will use well-established practices to accomplish this. We can provide Washington State with a model of cultivation regulation that will promote a free market, while accurately tracking each unit of product from the farm to its eventual sale.

e. The product flow will be monitored and accounted for by a real time bar-coded system from the growers to the consumers. Through this system, all overproduction, and recalled/contaminated product will be specifically coded and tracked to points of destruction or utilization through repurposing. Our firm will suggest the creation of highly regulated processing centers to ensure that legally grown product will not be accessible to minors. In addition to sequestering overproduced, contaminated or recalled product, our plan will have regulatory benefits by reducing access to plant trim, which is a common component of concentrates. Excess product along with normal processing byproducts is utilized for secondary applications. Cellulosic waste products from the production of cannabis products can be recycled into compost and reused as growing media for future production. Non-THC containing waste products can be used as feedstock in the production of cellulosic ethanol and can be used as a fuel additive. The Energy Department has invested more than \$1 billion in research, development and construction of cellulosic-fuel plants, and the U.S. Department of Agriculture has announced more than \$1 billion in federal loan guarantees that companies including ZeaChem of Boradman, WA. Federal money also has flowed to the University of Washington and Washington State University, which are administering \$80 million in grants for research on cellulosic fuels. Our team will develop approaches to leverage this huge investment through joint projects with companies like ZeaChem and Washington State University to test and eventually implement waste product to ethanol production as an alternative to composting if it is economically feasible.

2. Experience. *Please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.*

Our firm intends to bridge the gap between the commercial cannabis industry and mainstream institutions. Our partners have joined together from both sides of the information divide. We integrate industry wide knowledge and experience with cutting-edge biological and microbiological research at one of our nation's top research institutions. We have formed project partnerships with highly qualified firms to best suit this proposal.

Our firm considers an effective regulatory system paramount to the economic and political success of this program. Our legal-regulatory subcontractor was chosen for their vast knowledge and practical experience working within the Washington State regulatory system and setting up new regulatory systems elsewhere.

Our testing consultant subcontractor has been a leader in the California cannabis testing industry. Their team will work with Dr. Guiltinan to build a system of standards. This combined workgroup is best prepared to consider the practical application of a statewide testing policy. It will build upon industry standards while accounting for unforeseen risks and scalability issues.

Individuals on our supply chain and retail team have wide ranging experience including dispensary ownership, consultation with statewide organizations, product storage design and delivery systems. The California medical marijuana industry was a testing ground for a commercial retail system and Washington State will benefit from our ground floor experience. Through careful analysis our firm will best educate the Board on the failings and unforeseen issues faced by California. Members of our firm have consulted with and lectured many California growers associations and collective groups on topics not limited to "The Cannabis Economy" "Working Within the California Regulatory System" and "The Impact of Environment Contamination on the Cannabis Industry".

We have assembled a team of cannabis industry experts in cultivation, supply and products, industry analysis and retail sales. Our expert growers, have in-depth knowledge of indoor and outdoor cannabis cultivation. Each team member has over 5 years of industry experience in Humboldt, Mendocino and Trinity Counties (Emerald Triangle). The Emerald Triangle can be considered a center of excellence in the cultivation, processing and production of medical grade cannabis. The importance of 40 years of tolerance in this region has had and will continue to have a market leader status in the world industry. Like many times in history, masters and enthusiast collecting in a particular geographical area has lead to innovation and diversity. Our consultants are actively participating in the development of many innovative new products and the refinement of developing techniques.

3. Team Structure and Internal Controls. *Please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.*

Our firm's goal is to provide education, analysis, and information about emerging industries. Utilizing experience and strategic alliances to increase efficiencies, innovations and profitability of our clients in the evolving arena of new cannabis industries. Approaching all consulting services with an eye on stewardship and improvement of the environmental, societal, and socioeconomic results affected by a new industry.

During the first year of the project our firm will be working exclusively with the WSLCB. We will institute internal controls to protect our research and internal strategies. We will be creating a secure virtual office for our consultants to interface with team-members across the country. All staff and subcontracts will operate under non-compete non-disclosure contracts effective for at least the duration of participation in the project. The senior partner most knowledgeable to that particular sub-field will coordinate each of the workgroups and subcontractors within.

Daniel D'Ancona (DD), founding partner will be the project manager and has extensive experience in team creation and organization in business, political and non-profit sectors. DD will be responsible for our firm's infrastructure and setup in Washington. DD will oversee the heads of each workgroup and be the primary point of contact with the Board. DD will coordinate with the workgroup managers to focus the direction of group projects within the overall project framework. He will manage daily operational logistics and the communication and exchange of information between our firm and WSLCB

The workgroup managers will supervise consultants and staff, direct group projects and be secondary contact points with WSLCB officials. The managers will meet as a group bi-weekly with the project manager either in person or by video conference. These meetings will discuss project progression, internal dynamics and satisfying deliverables.

Our firm will use a traditional pyramid consulting structure consisting of Senior Partners managing separate workgroups and subcontractors to complete this project:

1. Legal/Regulatory Subcontractor

This subcontractor will work with the WSLCB to create a regulatory framework. The subcontractor will operate independently and our firm will provide an unedited version of their consultation. Alexander Tamburro (AT) will be our firm's liaison with the subcontractor, but WSLCB will have the option of working with them directly

2. Regulatory Analysis Workgroup

The Regulatory Analysis Workgroup, lead by Daniel D'Ancona will analyze and comment on the legal/regulatory subcontractor's consultation. The workgroup will assist

the board to anticipate regulatory effectiveness and potential issues. This group will be comprised of the three Sr. Partners, Steve Castillo and 2-3 researchers and administrators.

3. Product Safety/Testing Subcontractor

The product safety and testing subcontractor will work in conjunction with Dr Guiltinan to provided information about procedures and methodologies.

4. Validation Workgroup

Lead by Daniel D'Ancona, Alexander Tamburro, and Amber Parsons, the validation team will include light input and from Dr. Guiltinan.

5. Agriculture/Cultivation Workgroup

Lead by Dr. Guiltinan the Agriculture/Cultivation Workgroup will be comprised of, Daniel D'Ancona, Steve Castillo, Francisco Muchado and 2-3 researchers. This group will consult with the WSLCB on cultivation and processing, cultivation equipment, products and supplies. This workgroup will also consult on overproduced, contaminated, or recalled product destruction and utilization Additionally, this group will consult on environmental effects associated with cultivation as appropriate.

6. Supply Chain/Logistics Workgroup

Lead by Dr. Guiltinan the Supply Chain/Logistics Workgroup will be comprised of, Daniel D'Ancona, Alexander Tamburro, Steve Castillo, Francisco Muchado and 2-3 researchers. This work group will consult the WSLCB on packaging, transportation, labeling, tracking and recalls.

7. Food and Product Standards/infusions Workgroup

Lead by Alexander Tamburro the Food Standards/infusions Workgroup will analyze various infusion techniques to consult on dosage standardization and meeting commonly accepted food safety standard. This group will be comprised of Steve Castillo, Samantha Miller and Francisco Muchado.

4. Staff Qualifications and Capabilities. Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Daniel D'Ancona (DD), Senior Partner DDA

The founding partner will be the primary contact with the WSLCB and oversee the managers of each workgroup. DD has worked with many California cannabis associations to promote regulatory compliance and financial and environmental responsibility. DD has studied the economic development in the California market since 2007, with a focus on strategic modeling of emerging Cannabis markets. He has extensive experience in team creation and organization in business, political and non-profit sectors and will be responsible for our firm's infrastructure in Washington.

Dr. Mark Guiltinan - Senior Partner DDA and Agriculture/Cultivation Workgroup manager

Dr. Guiltinan is a co-founder of DDA and Professor of Plant Molecular Biology, Department of Plant Science at Pennsylvania State University. Dr. Guiltinan has managed an independent plant science lab since 1991, and brings his expertise in plant genetics, molecular biology, breeding, gene isolation, DNA sequencing, DNA fingerprinting and forensic testing, analytical measurement of various metabolites via mass spectrometry, HPLC etc., plant propagation, horticulture and agronomy. Dr. Guiltinan is well versed in the quantitative measurement of all types of molecules found in plants. Dr. Guiltinan also brings extensive experience in design, management and operation of plant growth facilities (greenhouses and growth chambers) and design and operation of farming operations. Dr. Guiltinan has designed two large research greenhouses and over 10 plant growth chambers, and conducted field tests of plants at outdoor research farms. Owned and operated a plant nursery company in Pennsylvania selling cocoa plants through a major distribution outlet. The growth of these plants involved building and operating an indoor plant growth facility. Experience for over 21 years with compliance to USDA APHIS regulations on plant pests, pathogens and plant importation from foreign countries, and with NIH regulatory guidelines for recombinant DNA including transgenic plants.

Dr. Guiltinan will oversee and manage all Category 2 and 3 subcontractors and scientific recommendations. He will also assist with his expertise in overall project recommendations where applicable.

Alexander Tamburro - Senior Partner DDA and Food and Product Standards/infusions Workgroup manager

Mr. Tamburro is an entrepreneur, product marketer and professional chef. Mr. Tamburro brings his 6 years solving and evolving marketing campaigns for fortune 500 companies like ConAgra Foods, Coca-Cola, Activision and General Mills. With BSBA in Marketing from Georgetown University and an AOS from the California Culinary Academy Mr. Tamburro has a well-rounded perspective on product marketing, labeling and packaging. Mr. Tamburro is the founder and co-owner of the corporate teambuilding and event company Executive Chef. Mr. Tamburro will coordinate subcontractors and oversee business management, accounting and internal contracts and vendor relations. Mr.

Tamburro will also assist in product packaging, marketing and overall project recommendations where applicable.

Frank Miller – Legal/Regulatory Subcontractor

Mr. Miller has spent over thirty years of his career in all aspects of the gaming industry, from regulation to legal representation. During the last ten years, he has added alcohol, tobacco and insurance regulation to his areas of expertise. Frank graduated from Gonzaga Law School in Spokane, Washington, and began his career with the Washington State Attorney General's Office in 1982. In 1984, he was assigned as Chief Legal Counsel to the Gambling Commission. In 1986, he became the Commission's Deputy Director and, in 1988, was given the responsibility of developing the Class III gaming regulatory program and negotiations process in Washington. In January 1991, Frank was appointed as Director of the Gambling Commission. He led the negotiations team for the state for nine years, resulting in nineteen Tribal-State Compacts for Class III Gaming. In 1995, Frank was President of the North American Gaming Regulators Association (NAGRA). He resigned as Director in 1997 to pursue private practice.

Frank has worked with numerous tribes, states and provinces in the development of gaming regulations and programs since the fall of 1997. He has consulted with governments in Latin America and the South Pacific in the area of Internet gaming regulation. He is also a founding member of the International Masters of Gaming Law. He has consistently been recognized as one of the best gaming and regulatory lawyers by his peers, as has the MM&T law firm last year by US News and Business.

David Malone - Legal/Regulatory Subcontractor

Mr. Malone has been with Miller Malone & Tellefson since October 1999. He is a recognized expert in regulatory licensing issues in the areas of gaming, alcohol, tobacco and insurance. In addition to extensive administrative hearings work before the Washington State Gambling Commission and the Washington State Liquor Control Board, Mr. Malone has written advisory opinions on Class II and III gaming in several states, as well as regulatory gaming compliance in Washington and internationally. Mr. Malone has served as co-chair of the Northwest Gaming Summit since 2006, and is currently the President of the Evergreen Council on Problem Gambling.

Prior to joining Miller Malone & Tellefson, Mr. Malone spent five years with the Washington State Attorney General's Office where he represented both the Washington State Department of Natural Resources and the State Parks and Recreation Commission. As an Assistant Attorney General, Mr. Malone provided legal counsel on such issues as the DNR Habitat Conservation Plan and the State's salmon recovery efforts. Mr. Malone also took part in litigation at the state and federal level involving the Habitat Conservation Plan, the Loomis State Forest, and aquatic lands.

Mr. Malone earned a BA with distinction from the University of Washington, a J. D. from Seattle University School of Law (formerly the University of Puget Sound School of Law), and a Master degree from the University of Washington's School of Marine Affairs. In addition to being admitted to practice in Washington State, Dave is admitted to both the U.S. District Court for the Western District of Washington, the U.S. District Court for the Eastern District of Washington and the Ninth Circuit Court of Appeals.

Steve Castillo – DDA Associate and Supply Chain Workgroup manager

DDA's Cultivation and Retail Specialist, Mr. Castillo graduated from The University of California, Irvine with a BA in Business Economics. He has been the

President of The Variety Business Cooperation, Inc. located in Orange County California, for over 8 years. Steve is an expert in cultivation and retail sales, and has a vast knowledge of California regulatory standards and the cannabis industry as a whole. Steve brings our firm a solid industry background in cultivation, retail sales, packaging and product knowledge.

Francisco Muchado – Associate DDA

A chef and a scientist, Francisco has been working in food science for over 5 years becoming a trusted expert in infusion, distillation and potency. Francisco also appreciates the culinary aspects of the emerging industry, as a James Beard nominated chef and San Francisco Bay Area caterer he brings a high standard to culinary applications and food safety. He leads the production and development for Aunties Edibles, a California Cannabis Edibles producer. Aunties Edibles produce a variety of foodstuffs for its own label and for other dispensaries under its private label program.

Samantha Miller – Analytics Subcontractor, President and Chief Scientist of Pure Analytics Laboratory

Samantha Miller graduated with a B.S. in Biochemistry, cum laude, San Francisco State University. Ms. Miller brings her expertise in performing cannabis potency and safety screening to the team. She has also contributed to design, development, validation and support of new technologies for use in mass spectrometry, chromatography and other analytical and diagnostic instrumentation. Ms. Miller has done extensive evaluation of literature currently available regarding cannabis plant physiology, therapeutic applications and contraindications. Ms. Miller is a leader in establishing cost-effective, non-biased analytical methods with the needs of the consumer in mind. Ms. Miller has analyzed over 15,000 cannabis samples for pesticides, mold and fungus and cannabinoids.

Amber Parsons – DDA Associate,

Owner and statistician for Parsons Statistical Consulting.

MS in Quantitative Ecology and Resource Management from the University of Washington.

Assisted in medical device engineers streamline product testing procedures and determine product performances by making recommendations for methods and analyses, performing statistical analysis, and writing results in reports.

Advised salmon fisheries managers and researchers on statistically valid population size estimate methods.

A member of the American Statistical Association since 2009.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

5. Ability, Capacity and Skills. Please describe your firm's ability, capacity, skills and/or expertise in Product Quality Standards and Testing, including but not limited to the following:

a. Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations:

b. Assisting the WSLCB with establishing quality standards for testing Marijuana

Our firm and its subcontractor(s) have a depth of knowledge regarding analyses of cannabinoid compounds of interest, pertinent instrumentation and world-class quality management systems to bring a unique skill set to the development of regulations concerning product quality and safety in the emerging cannabis industry.

- 15+ years of experience with site requirements, equipment purchase and specifications, installation, capabilities, validation and operation of chromatography instrumentation such as Gas Chromatography, Mass Spectrometry, Ion Chromatography, HPLC (High Performance Liquid Chromatography), UHPLC and most general lab equipment.
- A background in federally-regulated analytical work (EPA) with specific expertise in and extensive experience with trace level pesticides analysis and semi-volatile contaminants analysis as well as method development and validation for the analysis of such compounds and oversight of facilities performing such work.
- 10+ years of experience in the development and implementation of quality control and management systems in production laboratory and manufacturing environments including principals of Good Laboratory Practice (GLP) and management of ISO 9001:2000 quality systems as well as extensive training in LEAN principals.
- 5+ years of experience in the design, development and manufacture of enabling technologies for scientific instrumentation (HPLC, UHPLC, Mass Spec) used to analyze cannabis for active ingredient content, pesticide contamination and other chemical characteristics.
- 2+ years experience working with EPA-certified analytical laboratories, cannabis laboratory and chromatography instrumentation manufacturers.
- 2+ years experience working with three separate industry groups including AHPA to collaborate with other service providers both in the U.S. and internationally to develop standards for cannabis industry laboratory practice, site requirements, staff qualifications and more.
- Intimate knowledge of the specific variances between methods currently in use across cannabis lab service providers in the U.S., how these compare to those used internationally as well as the implications of the disparities of these various analytical methods with respect to the integrity of information available to qualified patients.

6. Experience. Please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.

Providing analytical services and consulting to the CA cannabis industry since June 2010. Analytical services include but are not limited to:

- Cannabinoid analysis using gas chromatography and HPLC to determine cannabinoid content for THC, THCA, CBD, CBC, CBG and CBN in cannabis flowers, concentrates and other cannabis-infused products.
- Conducting trace-level pesticides analysis and screening for contaminants such as mold and fungus.
- Daily production analysis of incoming samples and support to special projects requiring a combination of analysis and knowledge of the quality control considerations for the growing, harvesting and processing of cannabis to achieve a result that is acceptable and desirable for the consumer market. This all occurs in the context of a constant survey of the most current and available journal articles and research regarding the physiology and therapeutic potential of cannabis as well as the development of relationships with key international researchers.
- Development of unique vegetative stage testing program to isolate characteristics of interest, in conjunction with Seed companies or breeders. This involves vegetative stage testing of up to 100's of specimens and categorizing their attributes and performance in cannabinoid accumulation. Specimens with preferred attributes may be isolated and used for asexual reproduction or for breeding purposes. Final fluorescent products are verified and seed progeny are germinated and characterized once more for the next breeding cycle. This allows development of seed stock with consistent and preferred attributes.
- Support for clients with plant disease issues affecting cannabis crop yields and overall product quality/acceptability. These are generally short-term consultations (1 day – 1 month) to address a concern at a specific point in growth or harvest. Related to this is coaching support to growers who work with our dispensary clients. A grower with a preferred product, but a systemic plant health issue will be given assistance in evaluating the root cause, for example. Recommendations for remediation are provided.
- Consultation for the effective production of cannabis-infused ingestible items. These projects usually span a month or more and involve testing to verify raw material, intermediate extracts and final products for activation states and amounts of cannabinoids. We develop comparisons of theoretical vs. actual potency results and process recommendations to achieve goals of desired potency/activation or lack of activation. We provide software tools for producers of ingestibles to use to calculate dosages and produce products with consistent active ingredient content. We are currently working with multiple groups to characterize and optimize the cannabis-infused ingestibles they are treating their autistic and epileptic children with as well as producers who package and distribute to regional dispensaries.
- Optimization and cost-control strategies for juiced cannabis programs for both individuals and dispensaries. These generally involve multiple rounds of testing of raw plant material and resulting cannabis juice to characterize active ingredient content and establish dosage regimen based on physician recommendation.

Juiced cannabis can be a very expensive therapeutic undertaking and can be difficult for patients to obtain the volume of raw material needed. We coach on strategies one can use to reduce cost and optimize active ingredient content in the juice produced. These projects are generally 1-3 months in duration.

- Consultation on optimization of extraction techniques and equipment for concentrated cannabis product production. There are many different techniques used to produce Butane, Propane, Nitrogen and CO2 extracts. The marketplace demonstrates certain preferences that must be met to obtain maximum wholesale value and product quality
- Support for cannabinoid content optimization in crops. This is accomplished through vegetative stage characterization and strategic plant selection as well as coaching on environmental conditions to promote cannabinoid accumulation.
- Utilization of our database to provide consultation on questions such as “what should I grow next year” or what is the average potency and cannabinoid profile of X, Y and Z strains a grower is considering for his garden.
- Conducting pesticide contamination investigations. Through various means, mass pesticide contamination can be experienced in a commercial garden. This can be due to a garden manager who doesn't want pest issues to affect his job security, it can originate from clones obtained from outside sources, contaminated watering equipment and reservoirs from previous treatments, etc. A series of tests in different areas and cannabis products is performed to determine source of and severity of contamination.

7. Staff Qualifications and Capabilities. Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Samantha Miller - President and Chief Scientist of Pure Analytics, LLC
B.S. Biochemistry, cum laude, San Francisco State University

- Research performed in pro-drug development for potential cancer and AIDS pharmaceuticals as part of undergrad work, extensive synthesis and chromatography. Included publication of findings: Miller, S. Efficient reduction of sulfoxides with 2,6-dihydropyridine, Tetrahedron Letters 41 (2000) 3781-3783.
- Oversaw EPA-certified commercial semi-volatiles laboratory and gained extensive expertise and certification in trace level analysis of all classes of pesticides, coal-combustion by-products, semi-volatile environmental contamination, explosives, surfactants, cyanide, heavy metal contaminants and more with tens of thousands of analyses performed. Responsible for all data validation, instrumentation maintenance and validation, certification of analyses and successful completion of Dept. of Health and Human Services audits.
- Project Engineer for large technology manufacturer (IDEX). Contributed to design, development, validation and support of new technologies for use in mass spectrometry, chromatography and other analytical and diagnostic instrumentation. Managed product lines and development projects as Product Manager in Marketing group and finally oversaw ISO 9001:200 quality management system as Quality Manager in Operations group.
- Trained in LEAN manufacturing principals.
- Own and operate Pure Analytics Laboratory in CA, performing cannabis potency and safety screening for the CA market since June 2010.
- A leader in establishing cost-effective, non-biased analytical methods with the needs of the consumer in mind. More than 15,000 cannabis samples analyzed for pesticides, mold and fungus and cannabinoids including, THC, THCA, CBD, CBDA, CBC, CBG and CBN. Responsible for all analysis and data validation as well as oversight of all operational areas including finance, customer relations, daily operations, quality assurance and quality control.
- Author of articles for O'Shaughnessy's, journal of the Society of Cannabis Clinicians. Worked extensively with Society of Cannabis Clinicians to develop and implement data gathering mechanism for first-person feedback on the effects of CBD in lab-verified cannabis through online survey and outreach through dispensaries.

8. Approach and Methodology. Please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminants, and Product strain.

We will employ an approach informed by GLP principals and assist in the development of a documentation structure aligned with standard protocols for federally regulated analyses such as in EPA and FDA certified laboratories. This will include the development of basic guidelines for:

- Unknown Sample Handling
- Chemical / Laboratory Safety
- Laboratory - Instrumental Maintenance and Upkeep / Record Keeping
- Standard Reference Materials
- Data Storage and Record Keeping
- Reporting to Clients
- Transparency
- Physical Location
- Training / Education for Staff
- Sanitation / Disposal / Security

We will assist in the development of specific analytical protocols as well as requirements and validation protocols to become certified as an analytical facility and analyst. Analytical methods will be qualified first by single-lab validation using AOAC protocol and then via multi-lab validation where appropriate. We recommend the development of an Industry guide for successful implementation of requirements by small business owners and others seeking to provide analytical services to the cannabis industry. We also recommend the development of an educational outreach program that industry professionals can attend to rapidly gain expertise in key considerations for product quality control and testing of cannabis. Such a program could be a requirement for licensing to participate as an analytical service provider.

CATEGORY 3: PRODUCT USAGE AND CONSUMPTION VALIDATION

9. Ability, Capacity and Skills. *Please describe your firm's ability, capacity, and skills and/or expertise to estimate Product Usage and Consumption levels by geographic areas in Washington State.*

Our firm and its subcontractor(s) will conduct precise and innovative statistical analysis integrating multiple sources of information. We will develop a data-collection strategy that will generate data suitable for statistically accurate analyses to provide inference regarding the consumption of Cannabis. We would recommend a comprehensive data collection and analysis plan including our analysis of the generated data.

10. Experience. *Please describe your firm's experience in statistical research, specifically related to determining demographic and/or psychographic segmentation, preferably related to the use of Cannabis.*

Our firm and its subcontractor(s) training includes extensive research in the methods of estimating abundances in widely dispersed geographic regions of the Pacific Northwest, including Washington, Alaska, Oregon, Idaho and California. The methods of geographically stratified estimation strongly parallel and are easily adapted to methods of estimation, which are stratified demographically.

11. Staff Qualifications and Capabilities. *Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.*

Amber Parsons - Owner and statistician for Parsons Statistical Consulting.

MS in Quantitative Ecology and Resource Management from the University of Washington, Seattle

Assisted in medical device engineers streamline product testing procedures and determine product performances by making recommendations for methods and analyses, performing statistical analysis, and writing results in reports.

Advised salmon fisheries managers and researchers on statistically valid population size estimate methods.

A member of the American Statistical Association since 2009.

Publications include:

Parsons, A. L., and J. R. Skalski. 2010. Quantitative assessment of salmonid escapement. Reviews in Fisheries Science, 18(4): 301-314.

Parsons, A. L., and J. R. Skalski. 2009. A statistical critique of estimating salmon escapement in the Pacific Northwest. Volume XXIV in The Design and Analysis of Salmonid Tagging Studies in the Columbia Basin. Bonneville Power Administration, Portland, OR.

12. Approach and Methodology. Please provide a complete description of your firm's proposed approach and methodology to be used for Product Usage and Consumption validation as requested in this RFP, to estimate demographic and psychographic segmentation, specifically related to the use of Cannabis.

Important demographic and psychographic details must be identified and connected to measureable attributes. For example, if age is determined to be important, then age should be included in the data collected. The decisions about what details are considered important will depend on the WSLCB and other industry experts.

Once the required metrics have been decided on, the next step will be agreeing upon a data collection method. Since the RFP requests information at the county level, similar data collection measures and analyses would be conducted for each county, with exceptions made as logistics and county-specific requirements dictate. Likely the chosen data collection method will include personal surveys, but may also include known demographic information from recent census data or sales information where available. In order to address the medical use of Marijuana in Washington State, pharmaceutical records may also be utilized. The sampling strategy behind the data collection methods will likely be a stratified random sample; with the stratification criteria determined by the WSLCB and other industry experts.

The stratified samples would provide inference about the overall use patterns in each county. They could also be used to establish a trend in usage over time of specific Cannabis products which could, in turn be used to estimate projected market demand.

CATEGORY 4 – PRODUCT REGULATION

13. Ability, Capacity and Skills. *Please describe your firm's ability, capacity, and skills and/or expertise in Product Regulation, including but not limited to, the following:*

- a. Experience with State, local or Federal government processes and procedures*
- b. Experience in crafting system regulations*

a. Combined, our regulatory attorneys have over fifty years of governmental and regulatory law experience. Their respective work experience is summarized below.
b. Our subcontractors experience include, gaming, tobacco, insurance and general regulatory law. Legal services include licensing, administrative law and regulatory compliance, researching and drafting legal opinions, advising corporate boards and tribal governments, reviewing and working with the WASLB in drafting gaming codes/ordinances, development of regulatory and licensing programs and proceedings, and negotiating with state and federal agencies.

14. Experience. *Please describe your firm's experience in working within the confines of a regulatory system, and experience in creating and/or modifying rule, law, ordinance, and/or guidelines.*

Our subcontractors have worked with numerous tribes, states and provinces in the development of gaming regulations and programs since the fall of 1997. Additionally have consulted with governments in Latin America and the South Pacific in the area of Internet gaming regulation. Our subcontractors have over 5 years experience with the Washington State Attorney General's Office representing both the Washington State Department of Natural Resources and the State Parks and Recreation Commission. Additionally our sub contractors bring experience in litigation at the state and federal level involving the Habitat Conservation Plan, the Loomis State Forest, and aquatic lands.

15. Staff Qualifications and Capabilities. *Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.*

MILLER MALONE & TELLEFSON

Miller Malone & Tellefson (MM&T) is a law firm specializing in governmental law. The firm has two distinct divisions: Legal and Regulatory Services and Government Affairs. The Legal and Regulatory Services division focuses on beverage, gaming, tobacco, insurance and general regulatory law. The Government Affairs division focuses on lobbying at the state level and would not be involved with any part of this bid or project. MM&T represents a variety of domestic and international clients before state agencies in Washington State and other jurisdictions.

Frank Miller – Mr. Miller has spent over thirty years of his career in all aspects of the gaming industry, from regulation to legal representation. During the last ten years, he has added alcohol, tobacco and insurance regulation to his areas of expertise. Frank graduated from Gonzaga Law School in Spokane, Washington, and began his career with the Washington State Attorney General's Office in 1982. In 1984, he was assigned as Chief Legal Counsel to the Gambling Commission. In 1986, he became the Commission's

Deputy Director and, in 1988, was given the responsibility of developing the Class III gaming regulatory program and negotiations process in Washington. In January 1991, Frank was appointed as Director of the Gambling Commission. He led the negotiations team for the state for nine years, resulting in nineteen Tribal-State Compacts for Class III Gaming. In 1995, Frank was President of the North American Gaming Regulators Association (NAGRA). He resigned as Director in 1997 to pursue private practice.

Dave Malone - BA from the University of Washington, J. D. from Seattle University School of Law and MS from the University of Washington's School of Marine Affairs.

Mr. Malone has been lawyer with Miller Malone & Tellefson since October 1999. He is a recognized expert in regulatory licensing issues in the areas of gaming, alcohol, tobacco and insurance. In addition to extensive administrative hearings work before the Washington State Gambling Commission and the Washington State Liquor Control Board, Dave has written advisory opinions on Class II and III gaming in several states, regulatory gaming compliance in Washington, and machine gaming in numerous jurisdictions including Mexico, Canada, and Israel. Dave has served as a co-chair of the Northwest Gaming Summit since 2006, and is currently the President of the Evergreen Council on Problem Gambling.

16. Approach and Methodology. Please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB with developing rules and a regulation strategy for the state of Washington's new Marijuana System.

Based on extensive experience practicing administrative law and developing regulatory programs, the subcontractor (MMT) would conduct independent research, consult with experts, and evaluate stakeholder input to provide written analysis of legal, economic, and cultural/social issues to assist the WSLCB in developing I-502 implementation policies and regulations.

Appendix A - List of Publications

Amber Parsons

- 1) Parsons, A. L., and J. R. Skalski. 2010. Quantitative assessment of salmonid escapement. *Reviews in Fisheries Science*, 18(4): 301-314.
- 2) Parsons, A. L., and J. R. Skalski. 2009. A bibliography of literature on estimating salmon escapement with focus on the Pacific Northwest. Volume XXV in *The Design and Analysis of Salmonid Tagging Studies in the Columbia Basin*. Bonneville Power Administration, Portland, OR.
- 3) Parsons, A. L., and J. R. Skalski. 2009. A statistical critique of estimating salmon escapement in the Pacific Northwest. Volume XXIV in *The Design and Analysis of Salmonid Tagging Studies in the Columbia Basin*. Bonneville Power Administration, Portland, OR.

Dr. Mark Guiltinan

- 1) Bailey, B.A., Crozier, J., Sicher, R.C., Strom, M.D., Melnick, R., Carazzolle, M.F., Costa, G.G.L., Pereira, G.A.G., Zhang, D., Maximova, S., Guiltinan, M., and Meinhardt, L. (2013). Dynamic changes in pod and fungal physiology associated with the shift from biotrophy to necrotrophy during the infection of *Theobroma cacao* by *Moniliophthora roreri*. *Physiological and Molecular Plant Pathology* 81, 84-96.
- 2) Costa, G.G.L., Cabrera, O.G., Tiburcio, R.A., Medrano, F.J., Carazzolle, M.F., Thomazella, D.P.T., Schuster, S.C., Carlson, J.E., Guiltinan, M.J., Bailey, B.A., Mieczkowski, P., Pereira, G.A.G., and Meinhardt, L.W. (2012). The mitochondrial genome of *Moniliophthora roreri*, the frosty pod rot pathogen of cacao. *Fungal Biology* 116, 551-562.
- 3) Mejia, L., Guiltinan, M., Shi, Z., Landherr, L., and Maximova, S. (2012). Expression of Designed Antimicrobial Peptides in *Theobroma cacao* L. Trees Reduces Leaf Necrosis Caused by *Phytophthora* spp. In *Small Wonders: Peptides for Disease Control* (American Chemical Society), pp. 379-395.
- 4) Shi, Z., Maximova, S., Liu, Y., Verica, J., and Guiltinan, M.J. (2012). The Salicylic Acid Receptor NPR3 Is a Negative Regulator of the Transcriptional Defense Response during Early Flower Development in Arabidopsis. *Molecular Plant* doi: 10.1093/mp/sss091.
- 5) *Argout, X., *Salse, J., *Aury, J., *Guiltinan, M., Droc, G., Gouzy, J., Allegre, M., Chaparro, C., Logavre, T., Maximova, S., Abrouk, M., Murat, F., Fout, O., Poulain, J., Ruiz, M., Roguet, Y., Rodier-Goud, M., Barbosa-Neto, J., Sabot, F., Kudrna, D., Ammiraju, J., Schuster, S., Carlson, J., Sallet, E., Schiex, T., Dievart, A., Kramer, M., Gelley, L., Shi, Z., Bérard, A., Viot, C., Boccara, M., Ristorucci, A., Guignon, V., Sabau, X., Axtell, M., Ma, Z., Zhang, Y., Brown, S., Bourge, M., Golsar, W., Song, X., Clement, D., Rivallan, R., Tahj, M., Akaza, J., Pitollat, B., Gramacho, K., D'Hont, A., Brunel, D., Infante, D., Kobo, I., Costet, P., Wing, R., McCombie, W., Guiderdoni, E., Quetier, F., Panaud, O., Wincker, P., Sidibe-Bocs, S., and Lanaud, C. (2011). (*These authors contributed equally to this work) The genome of *Theobroma cacao*. *Nature Genetics* 43, 101-108.
- 6) Xia, H., Yandea-Nelson, M., Thompson, D., and Guiltinan, M. (2011). Deficiency of maize starch-branching enzyme i results in altered starch fine structure, decreased digestibility and reduced coleoptile growth during germination. *BMC Plant Biology* 11, 95.
- 7) Yandea-Nelson, M., Laurons, L., Shi, Z., Xia, H., Smith, A., and Guiltinan, M. (2011). Starch Branching Enzyme Iia is required for proper diurnal cycling of starch in leaves of *Zea mays*. *Plant Physiology Online Open Access* 156, 479-490.
- 8) Aikpokpodion, P., Kolesnikova-Allen, M., Adetimirin, V., Guiltinan, M., Eskcs, A., Motamayor, J., and Schnell, R. (2010). Population structure and molecular characterization of Nigerian field genebank collections of cacao, *Theobroma cacao* L. *Silvae Genetica* 59, 273-289.
- 9) Cakirer, M., Ziegler, G., and Guiltinan, M. (2010). Seed Color as an Indicator of Flavanol Content in *Theobroma cacao* L. In *Chocolate, Fast Foods and Sweeteners: Consumption and Health*, M.R. Bishop, ed. (Hauppauge, NY, Nova Publishers), pp. 257-270.
- 10) Micheli, F., Guiltinan, M., Gramacho, K., Wilkinson, M., Figueira, A., Cascardo, J., Maximova, S., and Lanaud, C. (2010). Functional Genomics of Cacao. In *Advances in Botanical Research*, J.-C. Kader, and M. Delseny, eds. (Burlington, Academic Press), pp. 119-177.
- 11) Shi, Z., Maximova, S., Lui, Y., Verica, J., and Guiltinan, M. (2010). Functional Analysis of the *Theobroma cacao* NPR1 Gene in Arabidopsis. *BMC Plant Biology* 10, 248.
- 12) Tiburcio, R., Costa, G., Carazzolle, M., Mondego, J., Schuster, S., Carlson, J., Guiltinan, M., Bailey, B., Mieczkowski, P., Meinhardt, L., and Pereira, G. (2010). Genes acquired by horizontal transfer are potentially involved in the evolution of phytopathogenicity in *Moniliophthora perniciosa* and *Moniliophthora roreri*, two of the major pathogens of cacao. *Journal of Molecular Evolution* 70, 85-97.
- 13) Marelli, J.P., Maximova, S.N., Gramacho, K.P., Kang, S., and Guiltinan, M.J. (2009). Infection biology of *Moniliophthora perniciosa* on *Theobroma cacao* and alternate solanaceous hosts. *Tropical Plant Biology* 2, 149-160.
- 14) Oh, S., Zuo, Y., Zhang, H., Guiltinan, M., Logan, B., and Regan, J. (2009). Hydrogen production by *Clostridium acetobutylicum* ATCC 824 and megaplasmid-deficient mutant M5 evaluated using a large headspace volume technique. *International Journal of*

- 15) Tan, C., Verica, J., Young, A., Pishak, S., Maximova, S., and Gultinan, M. (2009). Isolation of pod-specific genes in *Theobroma cacao*. *Malaysian Cocoa Journal* 5, 37-42.
- 16) Argout, X., Fouet, O., Wincker, P., Gramacho, K., Legavre, T., Sabau, X., Risterucci, A., Da Silva, C., Cascardo, J., Allegre, M., Kuhn, D., Verica, J., Courtois, B., Llor, R., Regis, B., Sounigo, O., Ducamp, M., Gultinan, M., Ruiz, M., Alemanno, L., Machado, R., Phillips, W., Schnell, R., Gilmour, M., Rosenquist, E., Butler, D., Maximova, S., and Lanaud, C. (2008). Towards the understanding of the cocoa transcriptome: Production and analysis of an exhaustive dataset of ESTs of *Theobroma cacao* generated from various tissues and under various conditions. *BMC Genomics* 9, 512.
- 17) Gultinan, M., Verica, J., Zhang, D., and Figucira, A. (2008). Genomics of *Theobroma cacao*, the Food of the Gods. In *Genomics of Tropical Crop Plants*, P. Moore, and R. Ming, eds. (New York, Springer).
- 18) Maximova, S., Young, A., Pishak, S., and Gultinan, M. (2008). Field performance of *Theobroma cacao* L. plants propagated via somatic embryogenesis. *In Vitro Cell Dev Biol - Plant* 44, 487-493.
- 19) Maximova, S.N., Lock, T.C., and Gultinan, M.J. (2008). Cocoa. In *A Compendium of Transgenic Crop Plants*, C. Kole, and T. Hall, eds. (Oxford, UK, Blackwell Publishing), pp. 85-98.
- 20) Meinick, R., Zidack, N., Bailey, B., Maximova, S., Gultinan, M., and Backman, P. (2008). Bacterial endophytes: *Bacillus* spp. from vegetable crops as potential biological control agents of black pod rot of cacao. *Biological Control* 46, 46-56.
- 21) Mondego, J., Carazzolice, M., Costa, G., Formighieri, E., Parizzi, L., Cotomacci, C., Vidal, R., Nascimento, L., Estrela, R., Gultinan, M., Bailey, B., Meinhardt, L., Cascardo, J., and Pereira, G. (2008). A genome survey of *Moniliophthora perniciosa* gives new insights about cacao Witches' Broom Disease. *BMB Genomics* 9, 548.
- 22) Swanson, J.-D., JE, C., and MJ, G. (2008). Comparative flower development in *Theobroma cacao* based on temporal morphological indicators. *International Journal of Plant Sciences* 169, 1187-1199.
- 23) Gultinan, M. (2007). Cocoa. In *Biotechnology in Agriculture and Forestry: Transgenic Crops V*, E. Pua, and M. Davey, eds. (Berlin Heidelberg, Springer-Verlag), pp. 497-518.
- 24) Li, J., Gultinan, M., and Thompson, D. (2007). Mutation of the maize *sbela* and *ac* genes alters morphology and physical behavior of wx-type endosperm starch granules. *Carbohydr Res* 342, 2619-2627.
- 25) Li, J., Gultinan, M.J., and Thompson, D.B. (2006). The use of laser differential interference contrast microscopy for the characterization of starch granule ring structure. *Starch/Stärke* 58, 1-5.
- 26) Maximova, S.N., Marcelli, J.P., Young, A., Pishak, S., Verica, J.A., and Gultinan, M.J. (2006). Over-expression of a cacao class I chitinase gene in *Theobroma cacao* L. enhances resistance against the pathogen, *Colletotrichum gloeosporioides*. *Planta* 224, 740-749.
- 27) Swanson, J., Carlson, J., and Gultinan, M. (2006). Use of image analysis software as a tool to visualize non-radioactive signals in plant in situ analysis. *Plant Molecular Biology Reporter* 24, 105a-105e.
- 28) Traore, A., and Gultinan, M. (2006). Effects of carbon source and explant type on somatic embryogenesis of four cacao genotypes. *HortScience* 41, 753-758.
- 29) Bailey, B., Bac, H., Strem, M.D., Antunez de Mayolo, G., and Gultinan, M.J. (2005). Gene expression in leaves of *Theobroma cacao* in response to mechanical wounding, ethylene, or methyl jasmonate. *Plant Science* 128, 1247-1258.
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- 31) Maximova, S.N., Young, A., Pishak, S., Miller, C., Traore, A., and Gultinan, M.J. (2005). Integrated system for propagation of *Theobroma cacao* L. In *Protocol for somatic embryogenesis in woody plants*, S.M. Jain, and P.K. Gupta, eds. (Dordrecht, The Netherlands, Springer), pp. 209-229.
- 32) Yao, Y., Gultinan, M.J., and Thompson, D.B. (2005). High-performance size-exclusion chromatography (HPSEC) and fluorophore-assisted carbohydrate electrophoresis (FACE) to describe the chain-length distribution of debranched starch. *Carbohydr Res* 340, 701-710.
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- 35) Yao, Y., Thompson, D., and Gultinan, M. (2004a). Maize starch branching enzyme (SBE) isoforms and amylopectin structure: in the absence of SBE1b, the future absence of SBE1a leads to increased branching. *Plant Physiol* 106, 293 - 316.
- 36) Yao, Y., Thompson, D.B., and Gultinan, M.J. (2004b). Maize starch-branching enzyme isoforms and amylopectin structure. In the absence of starch-branching enzyme 1b, the further absence of starch-branching enzyme 1a leads to increased branching. *Plant Physiol* 136, 3515-3523.

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- 41) Blauth, S.L., Kim, K.N., Klucinec, J., Shannon, J.C., Thompson, D., and Guiltinan, M. (2002). Identification of Mutator insertional mutants of starch-branching enzyme I (sbe1) in *Zea mays* L. *Plant Mol Biol* 48, 287-297.
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PROPOSER INFORMATION

Proposer Profile:

Firm Name: Daniel D'Ancona and Associates

Street Address: 1331 46th Ave. Suite C, San Francisco, CA 94122

Federal Tax ID Number: PersonallInfo _____

UBI: NA

Website URL: www.ddancona.com

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name: DANIEL D'ANCONA

Telephone: (855) 463-6332 ext. 1

Email: ddancona@ddancona.com

Payment Options:

X YES Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount 1% 7 days, net 30 days.

X YES Will you accept the State's Purchasing Card (P-Card)?

X YES Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input checked="" type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: Miller Malone & Tellefson, P.S. Inc

Services: Legal & Regulatory

Address: 3110 Ruston Way, Ste. F, Tacoma, WA 98402

Telephone: 253-759-9595

Email: davidm@mmtlawfirm.com

Fed ID: 91-1857051

UBI: 601838126

Work to be Performed: Analysis and consultation on development of I-502 regulatory framework.

OMWBE certified: NO

Subcontractor 2

Name: Samantha Miller, Pure Analytics, LLC

Services: Consulting, Laboratory

Address: PO Box 5454, Petaluma CA 94955

Telephone: 888-505-7108 ext 2

Email: info@pureanalytics.net

Fed ID: 27-2823013

Work to be performed: Consulting, analysis on I-502 testing standards

OMWBE certified: NO

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502. The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Alex Tamburro

Digitally signed by Alex Tamburro
DN: cn=Alex Tamburro, o=Daniel D'Ancona and Associates,
ou=Senior Partner, email=atamburro@ddancona.com, c=US
Date: 2013.02.15 11:29:26 -08'00'

DANIEL D'ANCONA AND ASSOCIATES

Proposer Signature

Company Name

Alexander Tamburro / SENIOR PARTNER

Title

February 15, 13

Date

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: Miller Malone & Tellefson, P.S. Inc

Services: Legal & Regulatory

Address: 3110 Ruston Way, Ste. F, Tacoma, WA 98402

Telephone: 253-759-9595

Email: davidm@mmlawfirm.com

Fed ID **PersonallInfo**

UBI: 601838126

Work to be Performed: Analysis and consultation on development of I-502 regulatory framework.

OMWBE certified: NO

Subcontractor 2

Name: Samantha Miller, Pure Analytics, LLC

Services: Consulting, Laboratory

Address: PO Box 5454, Petaluma CA 94955

Telephone: 888-505-7108 ext 2

Email: info@pureanatytics.net

Fed ID **PersonallInfo**

Work to be performed: Consulting, analysis on I-502 testing standards

OMWBE certified: NO

Norton, Melissa K

From: Dan Halligan <danh@isomedia.com>
Posted At: Wednesday, February 06, 2013 10:43 PM
Conversation: k430 model contract

Subject: k430 model contract

Norton, Melissa K

From: Dan Halligan <danh@isomedia.com>
Posted At: Wednesday, February 06, 2013 10:31 PM
Conversation: K430 package RFP
Subject: K430 package RFP

Cost Proposal

2 Daily Rate

Not-To-Exceed (NTE) Daily Rate for I-502

Consulting services as stated in the RFP K430 \$325p/day

Contract Number K430
For
Initiative 502 Consulting Services
Between the
Washington State Liquor Control Board
and
Daniel Halligan

This Contract is made and entered into by and between the Washington State Liquor Control Board, hereinafter referred to as the “WSLCB”, and the below named Company, hereinafter referred to as “Contractor”, for the purpose of providing Initiative 502 Consulting Services.

Daniel Halligan
17430 30th Dr SE
Bothell, WA 98012
Email: danh@isomedia.com
Federal TIN PersonalInfo
WA State UBI Number:

PURPOSE

The purpose of this Contract is to enter into an agreement for Initiative 502 (I-502) Consulting Services, to assist the WSLCB with the implementation of the requirements of I-502.

SCOPE OF WORK

Exhibit A, attached hereto and incorporated by reference, contains the General Terms and Conditions governing the goods to be provided and services to be performed under this contract, the nature of the working relationship between the WSLCB and the Contractor, and specific obligations of both parties.

The Contractor will provide goods, services, and staff, and otherwise do all things necessary for or incidental to the performance of work, as included in the WSLCB'S Request for Proposals No. K430, attached as Exhibit B, and the Contractor's proposal dated _____, attached as Exhibit C.

The Contractor shall:

Provide Consulting Services to the WSLCB which shall assist the agency with the implementation of I-502 requirements including, but not limited to, the following Categories of expertise:

➤ **Category 1: Product and Industry Knowledge**

Contractor shall be a product expert and have expert knowledge, including but not limited, to the following:

- a. How Marijuana is grown, cultivated, harvested, cured, and processed
- b. How Marijuana is infused into food and beverages
- c. How Marijuana should be packaged, labeled, transported, and sold at retail level
- d. How wholesale and retail product should be recalled and accounted for
- e. How Marijuana should be destroyed if over produced, contaminated, or recalled

Category 1 Deliverables:

Contractor shall provide the following:

1. Minimum standards relating to the growth, harvesting, transporting and sale of useable recreational Marijuana
2. Minimum standards for Product safety relating to the infusion of Marijuana or Marijuana byproducts in food, beverage, lotions, ointments or other Products to be sold in retail locations
3. Minimum standards for the tracking and reconciliation of Product grown, sold, and/or destroyed

➤ **Category 2: Product Quality Standards and Testing**

Contractor shall:

- a. Have expert knowledge of the infrastructure required to test Marijuana to ensure the following:
 - Product quality, content, and ingredients
 - Consumer safety
- b. Assist the WSLCB with establishing quality standards for testing
- c. Assist the WSLCB with establishing and implementing Industry testing standards and practices
- d. Be knowledgeable on methods to safely process product

Category 2 Deliverables:

Contractor shall provide the following:

1. Minimum standards allowed for testing and confirming Product safety from contaminants
2. Testing standards for Product testing of THC/CBD levels and ratios for Product offered
3. Labeling standards needed to meet the requirements as defined by law

➤ **Category 3: Product Usage and Consumption Validation**

Contractor shall:

- a. Have the expertise to estimate product usage and consumption levels by geographic areas in Washington State.

Category 3 Deliverables:

Contractor shall provide the following:

1. A report detailing recreational, medical and total Marijuana use in Washington State, by county
2. A projected volume of Marijuana needed on an annual basis to satisfy demand, and establish plant yield and growth volume assumptions needed to keep pricing at or below black market levels

➤ **Category 4: Product Regulation**

Contractor shall:

- a. Have a strong understanding of State, local or Federal government processes and procedures
- b. Assist the WSLCB in crafting Marijuana system regulations.

Category 4 Deliverables:

Contractor shall:

1. Conduct stakeholder focus groups for discussion and determination of best practice relating to the growth, harvesting, distribution, product infusion and sale of useable recreational Marijuana

2. Provide written independent third party assumptions, recommendations and oversight following guidelines established by the open government act

General Requirements:

Contractor will work in conjunction with the WSLCB project manager and any other identified WSLCB personnel to ensure that the services are provided in accordance with industry standards and best practices.

PERIOD OF PERFORMANCE

The period of performance under this contract shall be for two (2) years from the date of execution, with the option to extend for additional terms or portions thereof.

COMPENSATION

Total compensation for services rendered shall be as follows:

Item Description	Price
Total	\$60,000 per year

MICELLANEOUS EXPENSES

The WSLCB may reimburse Contractor for travel and related expenses as identified in this Contract, or as authorized in writing, in advance by the WSLCB in accordance with the current rules and regulations set forth in the Washington State Administrative and Accounting Manual (<http://www.ofm.wa.gov/policy/default.asp>), and not to exceed expenses actually incurred. No payment of travel expenses will be made to Contractor for routine travel to and from the WSLCB's location. Contractor may be required to provide a detailed itemization of expenses, including description, amounts and dates, and receipts for amounts of fifty dollars (\$50) or more when requesting reimbursement.

BILLING PROCEDURES AND PAYMENT

The WSLCB will pay Contractor upon acceptance of goods and/or services provided and receipt of properly completed invoices, which should be submitted electronically to: HQSupply@liq.wa.gov.

If Contractor is unable to submit invoices electronically, invoices may be submitted by mail to:

Washington State Liquor Control Board
Attn: Support Services
PO Box 43090
Olympia, WA 98504

Each invoice shall be identified with the following items:

- State INVOICE
- Identify the invoice number and date
- **Be identified by Contract Number K430**
- Identify Contractor's Statewide Vendor registration number assigned by Washington State Office of Financial Management (OFM)
- Be in U.S. dollars
- Identify the all applicable prompt payment discount and/or volume discount(s)
- Identify payee name and address in compliance with U.S. Postal regulations
- Describe and document, to the WSLCB'S satisfaction, a description of the goods provided and/or work performed, including dates

- Be accompanied by documentation that confirms that services were performed or products were received

The WSLCB may, in its sole discretion, terminate the contract or withhold payments claimed by the Contractor for goods and/or services rendered if the Contractor fails to satisfactorily comply with any term or condition of this contract.

No payments in advance or in anticipation of services or supplies to be provided under this contract shall be made by the WSLCB.

Payment shall be considered timely if made by the WSLCB within thirty (30) calendar days after receipt of properly completed invoices. Payment shall be sent to the address designated by the Contractor.

Payment for materials, supplies and/or equipment received and for services rendered shall be made by WSLCB and be redeemable in U.S. dollars. Any bank or transaction fees or similar costs associated with currency exchange procedures or the use of purchasing/credit cards shall be fully assumed by the Contractor.

In the event that the Contractor overcharges the WSLCB, checks shall be mailed with the hard copy credit memos PO BOX 43085 Olympia WA 98504.

CONTRACT ADMINISTRATION

All authorized communication regarding this contract shall occur between the Contractor's Authorized Representative or designee and the WSLCB Contract Administrator or designee.

Contractor's Authorized Representative	WSLCB Contract Administrator
Contractor's Authorized Representative Daniel Halligan 17430 30 th Dr SE Bothell, WA 98012 phone : (206-719-5068 Email address: danh@isomedia.com	Name Washington State Liquor Control Board PO Box 43090 Olympia, WA 98504 Phone: (360) 664- Email address: Enter Email

ORDER OF PRECEDENCE

Each of the exhibits listed below is hereby incorporated into this contract. In the event of an inconsistency in this contract, the inconsistency shall be resolved by giving precedence in the following order:

1. Applicable federal and state of Washington statutes and regulations
2. Special terms and conditions as contained in this basic contract instrument
3. Exhibit A – General Terms and Conditions
4. Exhibit B – Request for Proposals No. K430
5. Exhibit C – Contractor's Proposal dated
6. Any other provision, term or material incorporated herein by reference or otherwise incorporated

APPROVAL

The signatories to this Contract represent that they have the authority to bind their respective organizations to this Contract.

In Witness Whereof, the parties hereto, having read this Contract in its entirety, including all attachments, do agree in each and every particular and have thus set their hands hereunto.

For Contractor:		Project Manager for WSLCB:	
DANIEL HALLIGAN 2/7/13			
<i>(Contractor Authorized Representative Signature) (Date)</i>		<i>(Signature) (Date)</i>	
Contractor Name	Daniel Halligan	Agency Name	Washington State Liquor Control Board 3000 Pacific Ave SE Olympia, WA 98504
Print Name		Print Name	
Telephone No.	206-719-5068	Telephone No.	
Email	danh@isomedia.com	Email	
Authorizing WSLCB Contract Manager Approval			
Print Name		Date	
Signature		Email	
		Phone	

**EXHIBIT A -
GENERAL TERMS AND CONDITIONS**

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DEFINITIONS

As used throughout this contract, the following terms shall have the meaning set forth below:

- A. "Acceptance" -- The materials, supplies, services, and/or equipment have passed appropriate inspection. In the event that there is a formal Acceptance Testing period required in the Solicitation document then acceptance is formalized in writing. If there is no Acceptance Testing, acceptance may occur when the Products are delivered and inspected.
- B. "Acceptance Testing" -- The process for ascertaining that the materials, supplies, services, and/or equipment meets the standards set forth in the Solicitation, prior to Acceptance by the WSLCB.

- C. "WSLCB" -- shall mean the Liquor Control Board of the State of Washington, any division, section, office, unit or other entity of the WSLCB, or any of the officers or other officials lawfully representing that WSLCB.
- D. "Agent" -- shall mean the Director, and/or the representative authorized in writing to act on the Director's behalf, or Contractor's authorized representative acting on behalf of the Contractor.
- E. "Amendment" -- For the purposes of this Contract, shall mean an agreement between the parties to change this Contract after it is fully signed by both parties. Such agreement shall be memorialized in a written document describing the agreed upon change including any terms and conditions required to support such change. An Order Document shall not constitute an Amendment to this Contract.
- F. "Business Days" -- Monday through Friday, 8:00 a.m. to 5:00 p.m., Pacific Time, except for holidays observed by the state of Washington.
- G. "Calendar Days" -- Consecutive days of the year including weekends and holidays, each of which commence at 12:00:01 a.m. and end at Midnight, Pacific Time. When "days" are not specified, Calendar Days shall prevail.
- H. "Contract" -- An agreement, or mutual assent, between two or more competent parties with the elements of the agreement being offer, acceptance, consideration, and legal binding.
- I. "Contract Administrator" -- The primary contact for the WSLCB regarding this contract.
- J. "Contractor" -- shall mean that firm, provider, organization, individual or other entity providing goods and or service(s) under this contract, and shall include all employees of the Contractor.
- K. "Contractor's Authorized Representative" -- An individual or agent designated by the Contractor to act on its behalf and with the authority to legally bind the Contractor concerning the terms and conditions set forth in Solicitation and Contract documents.
- L. "Inspection" -- An examination of delivered material, supplies, services, and/or equipment prior to Acceptance aimed at forming a judgment as to whether such delivered items are what was ordered, were properly delivered and ready for Acceptance. Inspection may include a high level visual examination or a more thorough detailed examination as is customary to the type of purchase, as set forth in the solicitation document and/or as agreed between the parties. Inspection shall be acknowledged by an authorized signature of the WSLCB.
- M. "Invitation For Bids" (IFB) -- The form utilized to solicit Bids in the formal, sealed Bid procedure and any amendments thereto issued in writing by the WSLCB. Specifications and qualifications are clearly defined.
- N. "Lead Time/After Receipt of Order (ARO)" -- The period of time between when the Contractor receives the order and the WSLCB receives the materials, supplies, equipment, or services order.
- O. "Order Document" -- A written communication, submitted by the WSLCB to the Contractor, which details the specific transactional elements required by the WSLCB within the scope of this Contract such as delivery date, size, color, capacity, etc. An Order Document may include, but is not limited to purchase orders, work order or other writings as may be designated by the parties hereto. No additional or alternate terms and conditions on such written communication shall apply unless authorized by this Contract and expressly agreed between the WSLCB and the Contractor.
- P. "Proposal" -- A written offer to perform a Contract to supply materials, supplies, services, and/or equipment in response to a Request for Proposal (RFP).

- Q. "Request for Proposals (RFP)" -- The form utilized to solicit Proposals in the formal, sealed Bid procedure and any amendments thereto issued in writing by the WSLCB. The specifications and qualification requirements are written in an outcome based form allowing for consideration of a broad range of different solutions to meet the procurement need.
- R. "Subcontractor" -- shall mean one not in the employment of the Contractor, who is performing all or part of those services under this contract under a separate contract with the Contractor.

ADMINISTRATIVE SUSPENSION

When in the best interest of the WSLCB, the WSLCB may at any time, and without cause, suspend the Contract or any portion thereof for a period of not more than thirty (30) calendar days per event by written notice from the Contract Administrator to the Contractor's Representative. Contractor shall resume performance on the next business day following the 30th day of suspension unless an earlier resumption date is specified in the notice of suspension. If no resumption date was specified in the notice of suspension, the Contractor can be demanded and required to resume performance within the thirty (30) day suspension period by the Contract Administrator providing the Contractor's Representative with written notice of such demand.

ADVANCE PAYMENTS PROHIBITED

No payments in advance of or in anticipation of goods or services to be provided under this contract shall be made by the WSLCB.

ADVERTISING

Contractor shall not publish or use any information concerning this Contract in any format or media for advertising or publicity without prior written consent from the Contract Administrator.

ALTERNATIVE DISPUTE RESOLUTION FEES AND COSTS

In the event that the parties engage in arbitration, mediation or any other alternative dispute resolution forum to resolve a dispute in lieu of litigation, both parties shall share equally in the cost of the alternative dispute resolution method, including cost of mediator or arbitrator. In addition, each party shall be responsible for its own attorneys' fees incurred as a result of the alternative dispute resolution method.

AMENDMENTS

This contract may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.

AMERICANS WITH DISABILITIES ACT (ADA) OF 1990, PUBLIC LAW 101-336, also referred to as the "ADA" 28 CFR Part 35

The Contractor must comply with the ADA, which provides comprehensive civil rights protection to individuals with disabilities in the areas of employment, public accommodations, state and local government services, and telecommunications.

ANTITRUST

The WSLCB maintains that, in actual practice, overcharges resulting from antitrust violations are borne by the WSLCB. Therefore, the Contractor hereby assigns to the WSLCB any and all of the Contractor's claims for such price fixing or overcharges which arise under federal or state antitrust laws, relating to the materials, supplies, services and/or equipment purchased under this Contract.

ASSIGNMENT

Neither this contract, nor any claim arising under this contract, shall be transferred or assigned by the Contractor without prior written consent of the WSLCB.

ASSURANCES

The WSLCB and the Contractor agree that all activity pursuant to this contract will be in accordance with all the applicable current federal, state and local laws, rules, and regulations.

ATTORNEYS' FEES

In the event of litigation or other action brought to enforce contract terms, each party agrees to bear its own attorney fees and costs.

CHANGES

The WSLCB reserves the right to modify this Contract by mutual agreement between the WSLCB and the Contractor, so long as such modification is substantially within the scope of the original Contract.

Alterations to any of the terms, conditions, or requirements of this Contract shall only be effective upon written issuance of a mutually agreed Contract Amendment by the Contract Administrator.

COMMENCEMENT OF WORK

No work shall be performed by Contractor until this Contract is executed by the Contractor and the WSLCB and is received by the Contractor.

CONFIDENTIALITY/SAFEGUARDING OF INFORMATION

The Contractor shall not use or disclose any information concerning the WSLCB, or information that may be classified as confidential, for any purpose not directly connected with the administration of this contract, except with prior written consent of the WSLCB, or as may be required by law.

CONFLICT

To the extent possible, the terms of this Contract shall be read consistently.

CONFLICT OF INTEREST

Notwithstanding any determination by the Executive Ethics Board or other tribunal, the WSLCB may, in its sole discretion, by written notice to the Contractor terminate this contract if it is found after due notice and examination by the Agent that there is a violation of the Ethics in Public Service Act, Chapter 42.52 RCW; or any similar statute involving the Contractor in the procurement of, or performance under this contract.

In the event this contract is terminated as provided above, the WSLCB shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of a breach of the contract by the Contractor. The rights and remedies of the WSLCB provided for in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law. The existence of facts upon which the Agent makes any determination under this clause shall be an issue and may be reviewed as provided in the "Disputes" clause of this contract.

CONFORMITY

If any provision of this Contract violates any Federal or State of Washington statute or rule of law, it is considered modified to conform to that statute or rule of law.

CONTRACTOR COMMITMENTS, WARRANTIES AND REPRESENTATIONS

Any written commitment by Contractor within the scope of this Contract shall be binding upon Contractor. Failure of Contractor to fulfill such a commitment may constitute breach and shall render Contractor liable for damages under the terms of this Contract. For purposes of this section, a commitment by Contractor includes: (i) Prices, discounts, and options committed to remain in force over a specified period of time; and (ii) any warranty or representation made by Contractor in its Response or contained in any Contractor or manufacturer publications, written materials, schedules, charts, diagrams, tables, descriptions, other written representations, and any other communication medium accompanying or referred to in its Response or used to effect the sale to WSLCB.

COST OF REMEDY

Cost of Remedying Defects: All defects, indirect and consequential costs of correcting, removing or replacing any or all of the defective materials or equipment will be charged against the Contractor.

COVENANT AGAINST CONTINGENT FEES

The Contractor warrants that no person or selling agent has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established agents maintained by the Contractor for securing business.

The WSLCB shall have the right, in the event of breach of this clause by the Contractor, to annul this contract without liability or, in its discretion, to deduct from the contract price or consideration or recover by other means the full amount of such commission, percentage, brokerage or contingent fee.

DETERMINATION OF STANDARD OF QUALITY/CONSISTENCY OVER TERM OF CONTRACT

If, in the sole judgment of the WSLCB, any item is determined not to be an equal, the WSLCB may take any or all of the following actions:

1. the product may be returned at Contractor's expense;
2. the contract may be terminated without any liability to the WSLCB

DISALLOWED COSTS

The Contractor is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its Subcontractors.

DISPUTES

Except as otherwise provided in this contract, when a dispute arises between the parties and it cannot be resolved by direct negotiation, either party may request a dispute hearing with Agent.

1. The request for a dispute hearing must:
 - Be in writing;
 - State the disputed issue(s);
 - State the relative positions of the parties;
 - State the Contractor's name, address, and contract number; and

- Be mailed to the Agent and the other party's (respondent's) Contract Administrator within three (3) working calendar days after the parties agree that they cannot resolve the dispute.
- 2. The respondent shall send a written answer to the requester's statement to both the agent and the requester within five (5) working calendar days.
- 3. The Agent shall review the written statements and reply in writing to both parties within ten (10) working days. The Agent may extend this period if necessary by notifying the parties.
- 4. The parties agree that this dispute process shall precede any action in a judicial or quasi-judicial tribunal.

Nothing in this contract shall be construed to limit the parties' choice of a mutually acceptable dispute resolution method in addition to the dispute resolution procedure outlined above.

ENTIRE AGREEMENT

This Contract document and all subsequently issued amendments comprise the entire agreement between the WSLCB and the Contractor. No other statements or representations, written or oral, shall be deemed a part of the Contract.

This Contract sets forth the entire agreement between the parties with respect to the subject matter hereof and except as provided in the section titled **Contractor Commitments, Warranties and Representations**, understandings, agreements, representations, or warranties not contained in this Contract or a written amendment hereto shall not be binding on either party. Except as provided herein, no alteration of any of the terms, conditions, delivery, price, quality, or specifications of this Contract will be effective without the written consent of both parties.

ESTABLISHED BUSINESS

Prior to commencing performance, or prior to that time if required by the WSLCB, law or regulation, Contractor must be an established business firm with all required licenses, fees, bonding, facilities, equipment and trained personnel necessary to meet all requirements and perform the work as specified in the Solicitation. Contractor shall maintain compliance with these requirements throughout the entire term of this contract.

The WSLCB the right to require receipt of proof of compliance with said requirements within ten (10) calendar days from the date of request, and to terminate this Contract as a material breach for noncompliance with any requirement of this paragraph.

FORCE MAJEURE

The term "force majeure" means an occurrence that causes a delay that is beyond the control of the party affected and could not have been avoided by exercising reasonable diligence. Force majeure shall include acts of God, war, riots, strikes, fire, floods, epidemics, or other similar occurrences.

Exceptions: Except for payment of sums due, neither party shall be liable to the other or deemed in breach under this Contract if, and to the extent that, such party's performance of this Contract is prevented by reason of force majeure.

Notification: If either party is delayed by force majeure, said party shall provide written notification within forty-eight (48) hours. The notification shall provide evidence of the force majeure to the satisfaction of the other party. Such delay shall cease as soon as practicable and written notification of same shall likewise be provided. So far as consistent with the Rights Reserved below, the time of completion shall be extended by Contract amendment for a period of time equal to the time that the results or effects of such delay prevented the delayed party from performing in accordance with this Contract.

Rights Reserved: The WSLCB reserves the right to authorize an amendment to this Contract, terminate the Contract, and/or purchase materials, supplies, equipment and/or services from the best available source during the time of force majeure, and Contractor shall have no recourse against the WSLCB.

GIFTS AND GRATUITIES

Contractor shall comply with all state laws regarding gifts and gratuities, including but not limited to: RCW 39.26.020, RCW 42.52.150, RCW 42.52.160, and RCW 42.52.170 under which it is unlawful for any person to directly or indirectly offer, give or accept gifts, gratuities, loans, trips, favors, special discounts, services, or anything of economic value in conjunction with state business or contract activities.

Under RCW 39.26.020 and the Ethics in Public Service Law, Chapter 42.52 RCW state officers and employees are prohibited from receiving, accepting, taking or seeking gifts (except as permitted by RCW 42.52.150) if the officer or employee participates in contractual matters relating to the purchase of goods or services.

GOVERNING LAW

This contract shall be construed and interpreted in accordance with the laws of the State of Washington, and the venue of any action brought hereunder shall be in the Superior Court for Thurston County.

INCORPORATED DOCUMENTS

Each of the documents listed below is, by this reference, incorporated into this Contract as though fully set forth herein.

1. WSLCB RFP K430 with all attachments and exhibits, and all amendments thereto
2. Contractor's response to RFP K430 dated date;
3. The terms and conditions contained on WSLCB's Order Documents, if used; and
4. All Contractor or manufacturer publications, written materials and schedules, charts, diagrams, tables, descriptions, other written representations and any other supporting materials Contractor made available to WSLCB and used to affect the sale of the Product to the WSLCB.

INDEMNIFICATION

To the fullest extent permitted by law, Contractor shall indemnify, defend, and hold harmless the WSLCB and all officials, agents and employees of the WSLCB, from and against all claims for injuries or death arising out of or resulting from the performance of the contract. "Claim," as used in this contract, means any financial loss, claim, suit, action, damage, or expense, including but not limited to attorney's fees, attributable for bodily injury, sickness, disease, or death, or injury to or destruction of tangible property including loss of use resulting there from.

Contractor's obligations to indemnify, defend, and hold harmless includes any claim by Contractor's agents, employees, representatives, or any Subcontractor or its employees.

Contractor expressly agrees to indemnify, defend, and hold harmless the WSLCB for any claim arising out of or incident to Contractor's or any Subcontractor's performance or failure to perform the contract. Contractor's obligation to indemnify, defend, and hold harmless the WSLCB shall not be eliminated or reduced by any actual or alleged concurrent negligence of WSLCB or its agents, agencies, employees and officials.

Contractor waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend and hold harmless WSLCB and its agencies, officials, agents or employees.

IDENTIFICATION

All invoices, packing lists, packages, instruction manuals, correspondence, shipping notices, shipping containers, and other written materials associated with this Contract shall be identified by the Contract number. Packing lists shall be enclosed with each shipment and clearly identify all contents and any backorders.

INDEPENDENT CAPACITY OF THE CONTRACTOR

The parties intend that an independent Contractor relationship will be created by this contract. The Contractor and his or her employees or agents performing under this contract are not employees or agents of the WSLCB. The Contractor will not hold himself/herself out as or claim to be an officer or employee of the WSLCB or of the State of Washington by reason hereof, nor will the Contractor make any claim of right, privilege or benefit that would accrue to such employee under law. Conduct and control of the work will be solely with the Contractor.

INDUSTRIAL INSURANCE COVERAGE

The Contractor shall comply with the provisions of Title 51 RCW, Industrial Insurance. If the Contractor fails to provide industrial insurance coverage or fails to pay premiums or penalties on behalf of its employees, as may be required by law, WSLCB may collect from the Contractor the full amount payable to the Industrial Insurance accident fund. The WSLCB may deduct the amount owed by the Contractor to the accident fund from the amount payable to the Contractor by the WSLCB under this contract, and transmit the deducted amount to the Department of Labor and Industries, (L&I) Division of Insurance Services. This provision does not waive any of L&I's rights to collect from the Contractor.

INSPECTION AND REJECTION

The WSLCB's inspection of all materials, supplies and equipment upon delivery is for the purpose of forming a judgment as to whether such delivered items are what was ordered, were properly delivered and ready for Acceptance. Such inspection shall not be construed as final acceptance, or as acceptance of the materials, supplies or equipment, if the materials, supplies or equipment does not conform to contractual requirements. If there are any apparent defects in the materials, supplies, or equipment at the time of delivery, the WSLCB will promptly notify the Contractor. Without limiting any other rights, the WSLCB may require the Contractor to: (1) repair or replace, at Contractor's expense, any or all of the damaged goods; (2) refund the price of any or all of the damaged goods; or (3) accept the return of any or all of the damaged goods.

INSURANCE

The Contractor shall provide insurance coverage as set out in this section. The intent of the required insurance is to protect the WSLCB should there be any claims, suits, actions, costs, damages or expenses arising from any negligent or intentional act or omission of the Contractor or Subcontractor, or agents of either, while performing under the terms of this contract.

Contractor shall, at their own expense, obtain and keep in force insurance as follows until completion of the Contract. Within fifteen (15) calendar days of receipt of notice of award, the Contractor shall furnish evidence in the form of a certificate of insurance satisfactory to the WSLCB that insurance, in the following kinds and minimum amounts, has been secured. Failure to provide proof of insurance, as required, may result in Contract cancellation.

Contractor shall include all Subcontractors as insureds under all required insurance policies, or shall furnish separate Certificates of Insurance and endorsements for each Subcontractor. Subcontractor(s) must comply fully with all insurance requirements stated herein. Failure of Subcontractor(s) to comply with insurance requirements does not limit Contractor's liability or responsibility.

All insurance provided in compliance with this Contract shall be primary as to any other insurance or self-insurance programs afforded to or maintained by the state.

Specific Requirements:

Employers Liability (Stop Gap): The Contractor will at all times comply with all applicable workers' compensation, occupational disease, and occupational health and safety laws, statutes, and regulations to the full extent applicable and will maintain Employers Liability insurance with a limit of no less than \$1,000,000.00. The WSLCB will not be held responsible in any way for claims filed by the Contractor or their employees for services performed under the terms of this Contract.

Commercial General Liability Insurance: The Contractor shall at all times during the term of this Contract, carry and maintain commercial general liability insurance and if necessary, commercial umbrella insurance for bodily injury and property damage arising out of services provided under this Contract. This insurance shall cover such claims as may be caused by any act, omission, or negligence of the Contractor or its officers, agents, representatives, assigns, or servants.

The insurance shall also cover bodily injury, including disease, illness and death, and property damage arising out of the Contractor's premises/operations, independent Contractors, products/completed operations, personal injury and advertising injury, and contractual liability (including the tort liability of another assumed in a business Contract), and contain separation of insured's (cross liability) conditions.

Contractor waives all rights against the WSLCB for the recovery of damages to the extent they are covered by general liability or umbrella insurance.

The limits of liability insurance shall not be less than as follows:

General Aggregate Limits (other than products-completed operations)	\$2,000,000
Products-Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury Aggregate	\$1,000,000
Each Occurrence (applies to all of the above)	\$1,000,000
Fire Damage Limit (per occurrence)	\$ 50,000
Medical Expense Limit (any one person)	\$ 5,000

Business Auto Policy (BAP): In the event that services delivered pursuant to this Contract involve the use of vehicles, or the transportation of clients, automobile liability insurance shall be required. The coverage provided shall protect against claims for bodily injury, including illness, disease, and death; and property damage caused by an occurrence arising out of or in consequence of the performance of this service by the Contractor, Subcontractor, or anyone employed by either.

Contractor shall maintain business auto liability and, if necessary, commercial umbrella liability insurance with a combined single limit not less than \$1,000,000 per occurrence. The business auto liability shall include Hired and Non-Owned coverage.

Contractor waives all rights against the WSLCB for the recovery of damages to the extent they are covered by business auto liability or commercial umbrella liability insurance.

Additional Insurance Provisions: All above insurance policies shall include, but not be limited to, the following provisions:

Additional Insured: The WSLCB shall be named as an additional insured on all general liability, umbrella, excess, and property insurance policies. All policies shall be primary over any other valid and collectable insurance.

Notice of Policy(ies) Cancellation/Non-renewal: For insurers subject to Chapter 48.18 RCW (Admitted and regulated by the Washington State Insurance Commissioner) a written notice shall be given to the Contract Administrator forty-five (45) calendar days prior to cancellation or any material change to the policy(ies) as it relates to this Contract. Written notice shall include the affected Contract reference number.

Surplus Lines: For insurers subject to Chapter 48.15 RCW (Surplus Lines) a written notice shall be given to the Contract Administrator twenty (20) calendar days prior to cancellation or any material change to the policy(ies) as it relates to this Contract. Written notice shall include the affected Contract reference number.

Cancellation for Non-payment to Premium: If cancellation on any policy is due to non-payment of premium, a written notice shall be given the Contract Administrator ten (10) calendar days prior to cancellation. Written notice shall include the affected Contract reference number.

Identification: Policy(ies) and Certificates of Insurance shall include the affected Contract reference number.

Insurance Carrier Rating: The insurance required above shall be issued by an insurance company authorized to do business within the State of Washington. Insurance is to be placed with a carrier that has a rating of A- Class VII or better in the most recently published edition of Best's Reports. Any exception must be reviewed and approved by the Risk Manager for the State of Washington, by submitting a copy of the Contract and evidence of insurance before Contract commencement. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with Chapter 48.15 RCW and Chapter 284-15 WAC.

Excess Coverage: The limits of all insurance required to be provided by the Contractor shall be no less than the minimum amounts specified. However, coverage in the amounts of these minimum limits shall not be construed to relieve the Contractor from liability in excess of such limits.

Limit Adjustments: The WSLCB reserves the right to increase or decrease limits as appropriate.

LEGAL NOTICES

Any notice or demand or other communication required or permitted to be given under this Contract or applicable law (except notice of malfunctioning Equipment) shall be effective only if it is in writing and signed by the applicable party, properly addressed, and either delivered in person, or by a recognized courier service, or deposited with the United States Postal Service as first-class mail, postage prepaid [certified mail, return receipt requested, via facsimile or by electronic mail], to the Contract Administrator [and fax numbers, e-mail addresses] provided in this Contract. For purposes of complying with any provision in this Contract or applicable law that requires a "writing," such communication, when digitally signed with a Washington State Licensed Certificate, shall be considered to be "in writing" or "written" to an extent no less than if it were in paper form.

Notices shall be effective upon receipt or four (4) Business Days after mailing, whichever is earlier. The notice address as provided herein may be changed by written notice given as provided above. In the event that a subpoena or other legal process commenced by a third party in any way concerning the Equipment or Services provided pursuant to this Contract is served upon Contractor or WSLCB, such party agrees to notify the other party in the most expeditious fashion possible following receipt of such subpoena or other legal process. Contractor and WSLCB further agree to

cooperate with the other party in any lawful effort by the other party to contest the legal validity of such subpoena or other legal process commenced by a third party.

LICENSING, ACCREDITATION AND REGISTRATION

The Contractor shall comply with all applicable local, state, and federal licensing, accreditation and registration requirements/standards, necessary for the performance of this contract.

LIENS, CLAIMS AND ENCUMBRANCES

All materials, equipment, supplies and/or services shall be free of all liens, claims, or encumbrances of any kind, and if the WSLCB requests, a formal release of same shall be delivered.

LIMITATION OF AUTHORITY

Only the Agent or Agent's delegate by writing (delegation to be made prior to action) shall have the express, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of this contract. Furthermore, any alteration, amendment, modification, or waiver or any clause or condition of this contract is not effective or binding unless made in writing and signed by both parties.

LIMITATION OF LIABILITY

The parties agree that neither Contractor or the WSLCB shall be liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages except a claim related to bodily injury or death, or a claim or demand based on patent, copyright, or other intellectual property right infringement, in which case liability shall be as set forth elsewhere in this Contract. This section does not modify any sections regarding liquidated damages or any other conditions as are elsewhere agreed to herein between the parties. The damages specified in the sections titled Termination for Default and Retention of Records are not consequential, incidental, indirect, or special damages as that term is used in this section.

Neither the Contractor nor the WSLCB shall be liable for damages arising from causes beyond the reasonable control and without the fault or negligence of the Contractor or the WSLCB. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of a governmental body other than the WSLCB acting in either its sovereign or contractual capacity, war, explosions, fires, floods, earthquakes, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case the delays must be beyond the reasonable control and without fault or negligence of the Contractor, the WSLCB, or their respective Subcontractors.

If delays are caused by a Subcontractor without its fault or negligence, Contractor shall not be liable for damages for such delays, unless the Services to be performed were obtainable on comparable terms from other sources in sufficient time to permit Contractor to meet its required performance schedule.

Neither party shall be liable for personal injury to the other party or damage to the other party's property except personal injury or damage to property proximately caused by such party's respective fault or negligence.

LIQUIDATED DAMAGES

Any delay by Contractor in meeting the Delivery Date, Installation Date, maintenance or repair date, or other applicable date set forth under this Contract will interfere with the proper implementation of WSLCB's programs and will result in loss and damage to WSLCB.

As it would be impracticable to fix the actual damage sustained in the event of any such failure(s) to perform, WSLCB and Contractor agree that in the event of any such failure(s) to perform, the amount of damage which will be sustained will be the amount set forth in the following subsections and the parties agree that Contractor shall pay such amounts as liquidated damages and not as a penalty.

Liquidated damages provided under the terms of this Contract are subject to the same limitations as provided in the section titled Limitation of Liability.

If Contractor's maintenance personnel fail to arrive at WSLCB's site within [insert agreed upon time period] after notification by WSLCB that maintenance is required, Contractor shall pay to WSLCB as fixed and agreed liquidated damages, in lieu of all other damages due to such non-responsiveness, for each hour between the agreed [insert agreed upon time period] response time and the actual response time an amount of [] dollars [(\$)] per hour for each "late" hour or part thereof (prorated) beginning with the time of notification by WSLCB and ending with the time that Contractor's maintenance personnel arrive at the WSLCB Distribution Center.

MATERIALS AND WORKMANSHIP

The Contractor shall be required to furnish all materials, supplies, equipment and/or services necessary to perform Contractual requirements. Materials, supplies and workmanship used in the construction of equipment for this Contract shall conform to all applicable federal, state, and local codes, regulations and requirements for such equipment, specifications contained herein, and the normal uses for which intended. Materials, supplies and equipment shall be manufactured in accordance with the best commercial practices and standards for this type of materials, supplies, and equipment.

MATERIAL BREACH

A Contractor may be Terminated for Cause by the WSLCB, at the sole discretion of the Contract Administrator, for failing to perform a contractual requirement or for a material breach of any term or condition. Material breach of a term or condition of the Contract may include but is not limited to:

1. Contractor failure to perform services or deliver materials, supplies, or equipment by the date required or by an alternate date as mutually agreed in a written amendment to the Contract;
2. Contractor failure to carry out any warranty or fails to perform or comply with any mandatory provision of the contract;
3. Contractor becomes insolvent or in an unsound financial condition so as to endanger performance hereunder;
4. Contractor becomes the subject of any proceeding under any law relating to bankruptcy, insolvency or reorganization, or relief from creditors and/or debtors that endangers the Contractor's proper performance hereunder;
5. Appointment of any receiver, trustee, or similar official for Contractor or any of the Contractor's property and such appointment endangers the Contractor's proper performance hereunder;
6. A determination that the Contractor is in violation of federal, state, or local laws or regulations and that such determination renders the Contractor unable to perform any aspect of the Contract.

NO ADDITIONAL CHARGES

Unless otherwise specified in the Solicitation no additional charges by the Contractor will be allowed including, but not limited to: handling charges such as packing, wrapping, bags, containers, reels; or the processing fees associated with the use of credit cards. Notwithstanding the foregoing, in the event that market conditions, laws, regulations or other unforeseen factors dictate, at the Contract Administrators sole discretion, additional charges may be allowed.

NONCOMPLIANCE WITH NONDISCRIMINATION LAWS

In the event of the Contractor's non-compliance or refusal to comply with any nondiscrimination law, regulation, or policy, this contract may be rescinded, canceled or terminated in whole or in part, and the Contractor may be declared ineligible for further contracts with the WSLCB. The Contractor shall, however, be given a reasonable time in which to cure this noncompliance. Any dispute may be resolved in accordance with the "Disputes" procedure set forth herein.

NONDISCRIMINATION

During the performance of this contract, the Contractor shall comply with all federal and state nondiscrimination laws, regulations and policies.

NON-EXCLUSIVE REMEDIES

The remedies provided for in this Contract shall not be exclusive but are in addition to all other remedies available under law.

OPPORTUNITY TO CURE

In the event that Contractor fails to perform a contractual requirement or materially breaches any term or condition, the WSLCB may issue a written cure notice. The Contractor may have a period of time in which to cure. The WSLCB is not required to allow the Contractor to cure defects if the opportunity for cure is not feasible as determined solely within the discretion of the WSLCB. Time allowed for cure shall not diminish or eliminate Contractor's liability for liquidated or other damages, or otherwise affects any other remedies available against Contractor under the Contract or by law.

If the breach remains after Contractor has been provided the opportunity to cure, the WSLCB may do any one or more of the following:

1. Exercise any remedy provided by law;
2. Terminate this Contract and any related Contracts or portions thereof;
3. Procure replacements and impose damages as set forth elsewhere in this Contract;
4. Impose actual or liquidated damages;
5. Suspend or bar Contractor from receiving future Solicitations or other opportunities;
6. Require Contractor to reimburse the state for any loss or additional expense incurred as a result of default or failure to satisfactorily perform the terms of the Contract.

OSHA AND WISHA REQUIREMENTS

Contractor agrees to comply with conditions of the Federal Occupational Safety and Health Administration (OSHA) and, if manufactured or stored in the State of Washington, the Washington Industrial Safety and Health Act (WISHA) and the standards and regulations issued there under, and certifies that all items furnished and purchased will conform to and comply with said laws, standards and regulations. Contractor further agrees to indemnify and hold harmless WSLCB from all damages

assessed against WSLCB as a result of Contractor's failure to comply with those laws, standards and regulations, and for the failure of the items furnished under the Contract to so comply.

OVERPAYMENTS TO CONTRACTOR

Contractor shall refund to WSLCB the full amount of any erroneous payment or overpayment under this Contract within thirty (30) days' written notice. If Contractor fails to make timely refund, WSLCB may charge Contractor one percent (1%) per month on the amount due, until paid in full.

OWNERSHIP/RIGHTS IN DATA

The WSLCB and Contractor agree that all data and work products (collectively called "Work Product") produced pursuant to this Contract shall be considered work made for hire under the U.S. Copyright Act, 17 U.S.C. §101 *et seq.*, and shall be owned by the WSLCB. Contractor is hereby commissioned to create the Work Product. Work Product includes, but is not limited to, discoveries, formulae, ideas, improvements, inventions, methods, models, processes, techniques, findings, conclusions, recommendations, reports, designs, plans, diagrams, drawings, Software, databases, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions, to the extent provided by law. Ownership includes the right to copyright, patent, register and the ability to transfer these rights and all information used to formulate such Work Product.

If for any reason the Work Product would not be considered a work made for hire under applicable law, Contractor assigns and transfers to the WSLCB the entire right, title and interest in and to all rights in the Work Product and any registrations and copyright applications relating thereto and any renewals and extensions thereof.

Contractor shall execute all documents and perform such other proper acts as the WSLCB may deem necessary to secure for WSLCB the rights pursuant to this section.

Contractor shall not use or in any manner disseminate any Work Product to any third party, or represent in any way Contractor ownership in any Work Product, without the prior written permission of the WSLCB. Contractor shall take all reasonable steps necessary to ensure that its agents, employees, or Subcontractors shall not copy or disclose, transmit or perform any Work Product or any portion thereof, in any form, to any third party.

Material that is delivered under this Contract, but that does not originate therefrom ("Preexisting Material"), shall be transferred to the WSLCB with a nonexclusive, royalty-free, irrevocable license to publish, translate, reproduce, deliver, perform, display, and dispose of such Preexisting Material, and to authorize others to do so except that such license shall be limited to the extent to which Contractor has a right to grant such a license. Contractor shall exert all reasonable effort to advise the WSLCB at the time of delivery of Preexisting Material furnished under this Contract, of all known or potential infringements of publicity, privacy or of intellectual property contained therein and of any portion of such document which was not produced in the performance of this Contract. Contractor agrees to obtain, at its own expense, express written consent of the copyright holder for the inclusion of Preexisting Material. The WSLCB shall receive prompt written notice of each notice or claim of copyright infringement or infringement of other intellectual property right worldwide received by Contractor with respect to any Preexisting Material delivered under this Contract. The WSLCB shall have the right to modify or remove any restrictive markings placed upon the Preexisting Material by Contractor.

PERSONAL LIABILITY

It is agreed by and between the parties hereto that in no event shall any official, officer, employee or agent of the WSLCB when executing their official duties in good faith, be in any way personally liable or responsible for any agreement herein contained whether expressed or implied, nor for any statement or representation made herein or in any connection with this agreement.

PRICE INCREASES

Contractor requests for adjustments in pricing will be considered at sole discretion of the WSLCB only after expiration of the firm and fixed price period, and then on a pass through basis only that does not produce a higher profit margin for Contractor than that established by the original contract pricing.

Contractors may not make extensions contingent on price adjustments.

Price Increases will not be considered without supporting documentation sufficient to justify the requested increase. Documentation must be based on published indices and/or the result of increases at the manufacturer's level, incurred after contract commencement date. The grant of any price adjustment will be at the sole discretion of the WSLCB and, if granted, shall not produce a higher profit margin for the Contractor than that established by the original contract pricing. Any adjustments in pricing shall be set forth in a written amendment to the contract. Price adjustments granted by the WSLCB shall remain unchanged for at least 365 calendar days thereafter, and no request for adjustments in price will be considered during that time period.

PRICE PROTECTION

Contractor warrants that prices of materials, supplies, services, and/or equipment set forth herein do not exceed those charged by the Contractor to any other customer purchasing the same under similar conditions and in like or similar quantities.

PRIVACY

Personal information including, but not limited to, "Protected Health Information," collected, used, or acquired in connection with this contract shall be protected against unauthorized use, disclosure, modification or loss. Contractor shall ensure its directors, officers, employees, Subcontractors or agents use personal information solely for the purposes of accomplishing the services set forth herein. Contractor and its Subcontractors agree not to release, divulge, publish, transfer, sell or otherwise make known to unauthorized persons personal information without the express written consent of the WSLCB or as otherwise required by law.

Any breach of this provision may result in termination of the contract and the demand for return of all personal information. The Contractor agrees to indemnify and hold harmless the WSLCB for any damages related to the Contractor's unauthorized use of personal information.

PROBLEM RESOLUTION AND DISPUTES

Problems arising out of the performance of this Contract shall be resolved in a timely manner at the lowest possible level with authority to resolve such problem. If a problem persists and cannot be resolved, it may be escalated within each organization.

In the event a bona fide dispute concerning a question of fact arises between the WSLCB and Contractor and it cannot be resolved between the parties through the normal escalation processes, either party may initiate the dispute resolution procedure provided herein.

The initiating party shall reduce its description of the dispute to writing and deliver it to the responding party. The responding party shall respond in writing within three (3) Business Days. The

initiating party shall have three (3) Business Days to review the response. If after this review a resolution cannot be reached, both parties shall have three (3) Business Days to negotiate in good faith to resolve the dispute.

If the dispute cannot be resolved after three (3) Business Days, a Dispute Resolution Panel may be requested in writing by either party who shall also identify the first panel member. Within three (3) Business Days of receipt of the request, the other party will designate a panel member. Those two panel members will appoint a third individual to the Dispute Resolution Panel within the next three (3) Business Days.

The Dispute Resolution Panel will review the written descriptions of the dispute, gather additional information as needed, and render a decision on the dispute in the shortest practical time.

Each party shall bear the cost for its panel member and share equally the cost of the third panel member.

Both parties agree to be bound by the determination of the Dispute Resolution Panel.

Both parties agree to exercise good faith in dispute resolution and to settle disputes prior to using a Dispute Resolution Panel whenever possible.

The WSLCB and Contractor agree that, the existence of a dispute notwithstanding, they will continue without delay to carry out all their respective responsibilities under this Contract that are not affected by the dispute.

If the subject of the dispute is the amount due and payable by WSLCB for materials, supplies, services and/or equipment being provided by Contractor, Contractor shall continue providing materials, supplies, services and/or equipment pending resolution of the dispute provided the WSLCB pays Contractor the amount WSLCB, in good faith, believes is due and payable, and places in escrow the difference between such amount and the amount Contractor, in good faith, believes is due and payable.

PUBLICITY

The Contractor agrees to submit to the WSLCB all advertising and publicity matters relating to this contract wherein the WSLCB'S name is mentioned or language used from which the connection of the WSLCB'S name may, in the WSLCB'S judgment, be inferred or implied. The Contractor agrees not to publish or use such advertising and publicity matters without the prior written consent of the WSLCB.

RECORDS MAINTENANCE

The Contractor shall maintain books, records, documents, data and other evidence relating to this contract and performance of the services described herein, including but not limited to accounting procedures and practices that sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this contract.

Contractor shall retain such records for a period of six (6) years following the date of final payment. At no additional cost, these records, including materials generated under the contract, shall be subject at all reasonable times to inspection, review or audit by the WSLCB, personnel duly authorized by the WSLCB, the Office of the State Auditor, and federal and state officials so authorized by law, regulation or agreement.

If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

REGISTRATION WITH DEPARTMENT OF REVENUE

The Contractor shall complete registration with the Washington State Department of Revenue and be responsible for payment of all taxes due on payments made under this contract.

RETENTION OF RECORDS

The Contractor shall maintain all books, records, documents, data and other evidence relating to this Contract and the provision of materials, supplies, services and/or equipment described herein, including, but not limited to, accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Contract. Contractor shall retain such records for a period of six (6) years following the date of final payment. At no additional cost, these records, including materials generated under the Contract, shall be subject at all reasonable times to inspection, review, or audit by the WSLCB, personnel duly authorized by the WSLCB, the Washington State Auditor's Office, and federal and state officials so authorized by law, regulation or agreement.

If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until final resolution of all litigation, claims, or audit findings involving the records.

RIGHT OF INSPECTION

The Contractor shall provide right of access to its facilities to the WSLCB, or any of its officers, or to any other authorized agent or official of the state of Washington or the federal government, at all reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance under this contract.

SEVERABILITY

The provisions of this contract are intended to be severable. If any term or provision is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the contract.

SITE SECURITY

While on WSLCB premises, Contractor, its agents, employees, or Subcontractors shall conform in all respects with physical, fire or other security policies or regulations.

STATEWIDE VENDOR PAYMENT REGISTRATION

Contractors are required to be registered in the Statewide Vendor Payment system, prior to submitting a request for payment under this Contract.

The Washington State Office of Financial Management (OFM) maintains a central Contractor registration file for Washington State agencies to process Contractor payments.

To obtain registration materials go to <http://www.ofm.wa.gov/isd/vendors.asp> the form has two parts; Part 1 is the information required to meet the above registration condition. Part 2 allows the state to pay invoices electronically with direct deposit and is the state's most efficient method of payment. Contractor are encouraged to sign up for this form of payment.

SUBCONTRACTING

Neither the Contractor nor any Subcontractor shall enter into subcontracts for any of the work contemplated under this contract without obtaining prior written approval of the WSLCB. In no event shall the existence of the subcontract operate to release or reduce the liability of the Contractor to the Department for any breach in the performance of the Contractor's duties. This

clause does not include contracts of employment between the Contractor and personnel assigned to work under this contract.

Additionally, the Contractor is responsible for ensuring that all terms, conditions, assurances and certifications set forth in this agreement are carried forward to any subcontracts. Contractor and its Subcontractors agree not to release, divulge, publish, transfer, sell or otherwise make known to unauthorized persons personal information without the express written consent of the WSLCB or as provided by law.

SUPERVISION AND COORDINATION

Contractor shall:

1. Competently and efficiently, supervise and coordinate the implementation and completion of all Contract requirements specified herein;
2. Identify the Contractor's Representative, who will be the principal point of contact for the WSLCB Contract Administrator concerning Contractor's performance under this Contract.
3. Immediately notify the Contract Administrator in writing of any change of the designated Contractor's Representative assigned to this Contract; and
4. Violation of any provision of this paragraph may be considered a material breach establishing grounds for Contract termination.
5. Be bound by all written communications given to or received from the Contractor's Representative.

SURVIVORSHIP

All transactions executed for Products and Services provided pursuant to the authority of this Contract shall be bound by all of the terms, conditions, Prices and Price discounts set forth herein, notwithstanding the expiration of the initial term of this Contract or any extension thereof. Further, the terms, conditions and warranties contained in this Contract that by their sense and context are intended to survive the completion of the performance, cancellation or termination of this Contract shall so survive. In addition, the terms of the sections titled **Overpayments to Contractor; Ownership/Rights in Data; Contractor's Commitments, Warranties and Representations; Confidentiality/Safeguarding Information; Incorporation of Documents; Order of Precedence; Publicity; Retention of Records; Problem Resolution and Disputes; and Limitation of Liability** shall survive the termination of this Contract.

TAXES, FEES AND LICENSES

Taxes:

Where required by statute or regulation, the Contractor shall pay for and maintain in current status all taxes that are necessary for Contract performance. Unless otherwise indicated, the WSLCB agrees to pay State of Washington taxes on all applicable materials, supplies, services and/or equipment purchased. No charge by the Contractor shall be made for federal excise taxes and if requested the WSLCB agrees to furnish Contractor with an exemption certificate where appropriate.

Collection of Retail Sales and Use Taxes:

In general, Contractors engaged in retail sales activities within the State of Washington are required to collect and remit sales tax to Department of Revenue (DOR). In general, out-of-state Contractors must collect and remit "use tax" to Department of Revenue if the activity carried on by the seller in the State of Washington is significantly associated with Contractor's ability to

establish or maintain a market for its products in Washington State. Examples of such activity include where the Contractor either directly or by an agent or other representative:

1. Maintains an in-state office, distribution house, sales house, warehouse, service enterprise, or any other in-state place of business;
2. Maintains an in-state inventory or stock of goods for sale;
3. Regularly solicits orders from Purchasers located within the State of Washington via sales representatives entering the State of Washington;
4. Sends other staff into the State of Washington (e.g. product safety engineers, etc.) to interact with Purchasers in an attempt to establish or maintain market(s); or
5. Other factors identified in WAC 458-20.

Department of Revenue Registration for Out-of-State Contractors:

Out-of-state Contractors meeting any of the above criteria must register and establish an account with the Department of Revenue. Refer to WAC 458-20-193, and call the Department of Revenue at 800-647-7706 for additional information. When out-of-state Contractors are not required to collect and remit "use tax," the WSLCB will be responsible for paying this tax, if applicable, directly to the Department of Revenue.

Fees/Licenses:

After award of Contract, and prior to commencing performance under the Contract, the Contractor shall pay for and maintain in a current status any licenses, fees, assessments, permit charges, etc., which are necessary for Contract performance. It is the Contractor's sole responsibility to maintain licenses and to monitor and determine any changes or the enactment of any subsequent regulations for said fees, assessments, or charges and to immediately comply with said changes or regulations during the entire term of this Contract.

Customs/Brokerage Fees:

Contractor shall take all necessary actions, including, but not limited to, paying all customs, duties, brokerage, and/or import fees, to ensure that materials, supplies, and/or equipment purchased under the Contract are expedited through customs. Failure to do so may subject Contractor to liquidated damages as identified herein and/or to other remedies available by law or Contract. The WSLCB will not incur additional costs related to Contractor's payment of such fees.

Taxes on Invoice:

Contractor shall calculate and enter the appropriate Washington State and local sales tax on all invoices. Tax is to be computed on new items after deduction of any trade-in in accordance with WAC 458-20-247.

TERMINATION BY MUTUAL AGREEMENT

The WSLCB and the Contractor may terminate this Contract in whole or in part, at any time, by mutual agreement.

TERMINATION FOR CAUSE

In the event the WSLCB determines the Contractor has failed to comply with any and/or all of the conditions of this contract in a timely manner, the WSLCB has the right to suspend or terminate this contract. Before suspending or terminating the contract, the WSLCB may notify the Contractor in writing of the need to take corrective action. If corrective action is not taken within thirty (30) Calendar Days, the contract may be terminated or suspended.

In the event of termination or suspension, the Contractor shall be liable for damages as authorized by law including, but not limited to, any cost difference between the original contract and the replacement or cover contract and all administrative costs directly related to the replacement contract, e.g., cost of the competitive bidding, mailing, advertising and staff time.

The WSLCB reserves the right to suspend all or part of the contract, withhold further payments, or prohibit the Contractor from incurring additional obligations of funds during investigation of the alleged compliance breach and pending corrective action by the Contractor or a decision by the WSLCB to terminate the contract. A termination shall be deemed a "Termination for Convenience" if it is determined that the Contractor: (1) was not in default; or (2) failure to perform was outside of his or her control, fault or negligence.

The rights and remedies of the WSLCB provided in this contract are not exclusive and are, in addition to any other rights and remedies, provided by law.

TERMINATION FOR CONFLICT OF INTEREST

The WSLCB may terminate this Contract by written notice to Contractor if it is determined, after due notice and examination, that any party to this Contract has violated Chapter 42.52 RCW, Ethics in Public Service, or any other laws regarding ethics in public acquisitions and procurement and performance of contracts. In the event this Contract is so terminated, the WSLCB shall be entitled to pursue the same remedies against Contractor as it could pursue in the event that the Contractor breaches this Contract.

TERMINATION FOR CONVENIENCE

Except as otherwise provided in this contract, the WSLCB may, by ten (10) calendar days written notice, beginning on the second day after the mailing, terminate this contract, in whole or in part. If this contract is so terminated, the WSLCB shall be liable only for payment required under the terms of this contract for services rendered or goods delivered prior to the effective date of termination.

TERMINATION FOR NON-ALLOCATION OF FUNDS

If funds are not allocated to the WSLCB to continue this Contract in any future period, the WSLCB may terminate this Contract by seven (7) calendar day's written notice to Contractor or work with Contractor to arrive at a mutually acceptable resolution of the situation. The WSLCB will not be obligated to pay any further charges for materials, supplies, services and/or equipment including the net remainder of agreed to consecutive periodic payments remaining unpaid beyond the end of the then-current period. The WSLCB agrees to notify Contractor in writing of such non-allocation at the earliest possible time.

No penalty shall accrue to the WSLCB in the event this section shall be exercised. This section shall not be construed to permit the WSLCB to terminate this Contract in order to acquire similar materials, supplies, services and/or equipment from a third party.

TERMINATION FOR WITHDRAWAL OF AUTHORITY

In the event that the WSLCB's authority to perform any of its duties is withdrawn, reduced, or limited in any way after the commencement of this Contract and prior to normal completion, the WSLCB may terminate this Contract, in whole or in part, by seven (7) calendar day's written notice to Contractor.

TERMINATION PROCEDURES

Upon termination of this contract, the WSLCB, in addition to any other rights provided in this contract, may require the Contractor to deliver to the WSLCB any property specifically produced or acquired for the performance of such part of this contract as has been terminated. The provisions of the "Treatment of Assets" clause shall apply in such property transfer.

The WSLCB shall pay to the Contractor the agreed upon price, if separately stated, for completed work and services accepted by the WSLCB, and the amount agreed upon by the Contractor and the WSLCB for (i) completed work and services for which no separate price is stated, (ii) partially completed work and services, (iii) other property or services that are accepted by the WSLCB, and (iv) the protection and preservation of property, unless the termination is for default, in which case the Agent shall determine the extent of the liability of the WSLCB. Failure to agree with such determination shall be a dispute within the meaning of the "Disputes" clause of this contract. The WSLCB may withhold from any amounts due the Contractor such sum as the Agent determines to be necessary to protect the WSLCB against potential loss or liability.

The rights and remedies of the WSLCB provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

After receipt of a notice of termination, and except as otherwise directed by the Agent, the Contractor shall:

1. Stop work under the contract on the date, and to the extent specified, in the notice;
2. Place no further orders or subcontracts for goods, materials, services, or facilities except as may be necessary for completion of such portion of the work under the contract that is not terminated;
3. Assign to the WSLCB, in the manner, at the times, and to the extent directed by the Agent, all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case the WSLCB has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts;
4. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the Agent to the extent Agent may require, which approval or ratification shall be final for all the purposes of this clause;
5. Transfer title to the WSLCB and deliver in the manner, at the times, and to the extent directed by the Agent any property which, if the contract had been completed, would have been required to be furnished to the WSLCB;
6. Complete performance of such part of the work as shall not have been terminated by the Agent; and
7. Take such action as may be necessary, or as the Agent may direct, for the protection and preservation of the property related to this contract, which is in the possession of the Contractor and in which the WSLCB has or may acquire an interest.

TITLE TO PRODUCT

Upon Acceptance, Contractor shall convey to the WSLCB good title to the Product free and clear of all liens, pledges, mortgages, encumbrances, or other security interests.

TREATMENT OF ASSETS

- A. Title to all property furnished by the WSLCB shall remain in the WSLCB. Title to all property furnished by the Contractor, for the cost of which the Contractor is entitled to be reimbursed as

a direct item of cost under this contract, shall pass to and vest in the WSLCB upon delivery of such property by the Contractor. Title to other property, the cost of which is reimbursable to the Contractor under this contract, shall pass to and vest in the WSLCB upon (i) issuance for use of such property in the performance of this contract, or (ii) commencement of use of such property in the performance of this contract, or (iii) reimbursement of the cost thereof by the WSLCB in whole or in part, whichever first occurs.

- B. Any property of the WSLCB furnished to the Contractor shall, unless otherwise provided herein or approved by the WSLCB, be used only for the performance of this contract.
- C. The Contractor shall be responsible for any loss or damage to property of the WSLCB which results from the negligence of the Contractor which results from the failure on the part of the Contractor to maintain and administer that property in accordance with sound management practices.
- D. If any WSLCB property is lost, destroyed or damaged, the Contractor shall immediately notify the WSLCB and shall take all reasonable steps to protect the property from further damage.
- E. The Contractor shall surrender to the WSLCB all property of the WSLCB prior to settlement upon completion, termination or cancellation of this contract
- F. All reference to the Contractor under this clause shall also include Contractor's employees, agents or Subcontractors.

WAIVER

Failure or delay of the WSLCB to insist upon the strict performance of any term or condition of the Contract or to exercise any right or remedy provided in the Contract or by law; or the WSLCB's acceptance of or payment for materials, supplies, services and/or equipment, shall not release the Contractor from any responsibilities or obligations imposed by this Contract or by law, and shall not be deemed a waiver of any right of the WSLCB to insist upon the strict performance of the entire agreement by the Contractor. In the event of any claim for breach of Contract against the Contractor, no provision of this Contract shall be construed, expressly or by implication, as a waiver by the WSLCB of any existing or future right and/or remedy available by law.

WARRANTIES

Contractor warrants that all materials, supplies, services and/or equipment provided under this Contract shall be fit for the purpose(s) for which intended, for merchantability, and shall conform to the requirements and specifications herein. Acceptance of any materials, supplies, service and/or equipment, and inspection incidental thereto, by the WSLCB shall not alter or affect the obligations of the Contractor or the rights of the WSLCB.

WITHDRAWAL OF FUNDING

In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this contract and prior to normal completion, the WSLCB may terminate the contract under the "Termination for Convenience" clause, without the ten-day notice requirement, subject to renegotiation at the WSLCB'S discretion under those new funding limitations and conditions.

Exhibit B
WSLCB'S Request for Proposals No. K430

Exhibit C
Contractor's Proposal

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to **lcbids@liq.wa.gov**.
- Clearly mark the subject line of the email: RFP- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the **lcbids@liq.wa.gov** inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

- | | |
|--|--------------------------|
| Proposer's Authorized Offer (see page 2) | <input type="checkbox"/> |
| Proposer Information (see page 3) | <input type="checkbox"/> |
| Subcontractor Information (see page 4) | <input type="checkbox"/> |
| Letter of Submittal (see page 5) | <input type="checkbox"/> |
| Non-Cost Proposal (see page 6) | <input type="checkbox"/> |
| Cost Proposal (see page 8) | <input type="checkbox"/> |

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Daniel Halligan

Proposer Signature

Company Name

02/07/13

Title

Date

PROPOSER INFORMATION

Proposer Profile:

Name	Daniel Halligan
Street Address	17430 30 th Dr SE
City, State, Zip	Bothell, WA 98012
Federal Tax ID Number	PersonalInfo
Na	Na
Website URL	Na

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name:	Daniel Halligan
Telephone:	206-719-5068
Email:	

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount 5 % 15 days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	x <input type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes x No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 2

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 3

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 4

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

LETTER OF SUBMITTAL

The Proposer's Letter of Submittal must be signed by the individual within the organization authorized to bind the bidder to the offer. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Proposer and any proposed subcontractors:

- Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.
- Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)
- Location of the facility from which the Proposer would operate.
- Statement of which of the following Categories Proposer is responding to:
 - Category 1: Product and Industry Knowledge
 - Category 2: Product Quality Standards and Testing
 - Category 3: Product Usage and Consumption Validation
 - Category 4: Product Regulation
- Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Proposer's organization. If following a review of this information, it is determined by the WSLCB that a conflict of interest exists, the Proposer may be disqualified from further consideration for the award of a contract.

NON-COST PROPOSAL

Please refrain from using company name or other information that will identify your company while preparing your response for the Non-Cost Submittal. The Washington State Liquor Control Board (WSLCB) reserves the right to modify proposals in order to eliminate company names or any other information that may identify a specific company brand.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:
 - a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
 - b. How Marijuana is infused into food and beverages
 - c. How Marijuana should be packaged, labeled, transported, and sold at retail level
 - d. How wholesale and retail Product should be recalled and accounted for
 - e. How Marijuana should be destroyed if overproduced, contaminated, or recalled
2. **Experience.** In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.
3. **Team Structure and Internal Controls.** In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.
4. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Please answer the questions listed below, attaching additional pages as necessary:

5. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or expertise in Product Quality Standards and Testing, including but not limited to the following:
 - a. Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations
 - b. Assisting the WSLCB with establishing quality standards for testing Marijuana
6. **Experience.** In two (2) pages or less, please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.
7. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
8. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminants, and Product strain.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Please answer the questions listed below, attaching additional pages as necessary:

9. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise to estimate Product Usage and Consumption levels by geographic areas in Washington State.
10. **Experience.** In two (2) pages or less, please describe your firm's experience in statistical research, specifically related to determining demographic and/or psychographic segmentation, preferably related to the use of Cannabis.
11. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
12. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firm's proposed approach and methodology to be used for Product Usage and Consumption validation as requested in this RFP, to estimate demographic and psychographic segmentation, specifically related to the use of Cannabis.

CATEGORY 4 – PRODUCT REGULATION

Please answer the questions listed below, attaching additional pages as necessary:

13. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise in Product Regulation, including but not limited to, the following:
 - a. Experience with State, local or Federal government processes and procedures
 - b. Experience in crafting system regulations
14. **Experience.** In two (2) pages or less, please describe your firm's experience in working within the confines of a regulatory system, and experience in creating and/or modifying rule, law, ordinance, and/or guidelines.
15. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
16. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB with developing rules and a regulation strategy for the state of Washington's new Marijuana System.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ ____ p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ ____ p/day

Letter Of Submittal K430

Daniel E Halligan

206-719-5068

17430 30th Dr SE

Bothell, WA 98012

I would expect to operate from my home office at the above address and/or from any available facility within the jurisdiction of the WSLCB.

I am responding to all four categories.

Dear Mr. Farley:

This letter is in support of my RFP K430 submission that is attached. I have lived in Washington State for about 50 years. I do not use Marijuana either recreationally nor medicinally. I don't believe that is a prerequisite to being effective in the proposed role. In fact I could argue strenuously that the lack of any use is a plus but rather than waste time on a debatable subject I outline my unique and appropriate skill set.

Product and Industry Knowledge:

I currently manage a collective cultivation for people with genuine medical needs and authorizations. So I do have a solid working knowledge of the different growth cycles and drying, infusing, quality control etc. Because of my role as a provider to this group of people with medical needs I have made a point of keeping up with technology and various websites where questions are asked and answers given. I have a "brain trust" of people with a combined 83 years of experience growing who helped me get my garden up and running. I know where to turn if I have a question or concern.

Product Quality Standards and Testing

If I want to have a reliable and accurate report on THC levels etc. and a comprehensive test for overall quality rather than reinventing the wheel there are some very good local companies who specialize in testing of Cannabis. I have listed one such company, 360Analytics as a potential subcontractor. However, I believe the cost and burden here should be the responsibility of the license holder. Any product submitted must have testing certification attached. The reason I like 360 is that they publish all of their results on their website. It would be a relatively simple task to create a report that we wanted with each crop and have the testing company provide the information in our format.

Product Usage and Consumption Validation:

I believe that "off the shelf" technology should be used where ever possible. For example if UPS can instantly locate a package or a driver for that matter using a scanner and bar code and a protocol that requires that if something is touched it gets scanned then tracking and security doesn't seem so insurmountable. We can adapt existing technologies to meet all of these needs including tracking and monitoring of usage, deliveries and consumption tracking and validation.

Product Regulation

As far as functioning in a heavily regulated environment I have been a branch manager for Shearson Lehman American Express in Portland, Oregon, managing 45 brokers and 22 support people with responsibilities for customer accounts in excess of four hundred million dollars. I served as a board member for the NW American Express Philanthropic foundation. I also have been a Private Portfolio Manager for EF Hutton in Seattle. I have been a Licensed Mortgage Loan Originator in Washington State for about 15 years and also have been a successful real estate licensed broker in Washington State for about 12 years without a complaint in either highly regulated field.

This area will require a subtle touch as too little regulation can bring the feds in and too much can stifle the revenue potential. Really, I am not sure of the value of the public meetings when a private meeting and survey with the people who actually intend to sell to the public might be more revealing.

I believe that my working knowledge of marijuana coupled with a comfort level working with large sums of money and a business background including an understanding of the budgeting process, sales and revenue projections etc...all offer you a much needed perspective and skill set.

If I need projections, budgeting, and a strict protocol to insure control and tracking etc I have the experience to create those.

I believe there is a very high risk of failure in this process. In December there could be news articles about how the tax revenue projections were "pie in the sky" and judgment that this has all been a failure by the WSLCB. Or there can be a strong well regulated new industry that helps the state financially while creating a process that will stand up to any scrutiny.

I believe the Feds want us to create a successful prototype and they will support our efforts. However, if they sense the "wild west" or something that creates new problems and gets out of control, I don't think they would hesitate to come in and do serious financial harm to our state.

Thank you for the opportunity to present this information. I appreciate the chance to be of service.

Sincerely,

Daniel E. Halligan

206-719-5068

Non-Cost Proposal

Ability, Capacity, and skills

I have real world, hands on, day to day experience in growing, cultivating, harvesting, curing and processing medical marijuana.

b) Infusion

I have a knowlege of the process to extract thc and infuse it into everything from liquids to solids.

c) How Marijuana should be packaged, labeled, transported and sold at retail level.

The retail buyer should be presented with a label that lists the strain, the thc level, and the canabanoid levels. It should be packaged in a heat sealed freezer bag that will eliminate odors. The retailer should carry at least ten strains, some edibles, and perhaps some pre-rolled joints. The bulk marijuana should be offered by the gram, quarter ounce, half ounce and full ounce with pricing incentives to make the ounce purchase desirable.

d) How wholesale and retail Product should be recalled and accounted for.

A system of strict tracking and accountability must be developed built around a modified bar code protocol similar to that used by UPS or grocery stores for inventory control.

e) How Marijuana should be destroyed if overproduced, contaminated, or recalled.

Here Marijuana must be tracked and carefully accounted for. Because it can be converted into cash it should be treated like currency to be destroyed. There will be a protocol developed with double safeguards such as exist in the way an armored car guard is not left alone with cash. Again we need a system that has built in safeguards. As to the actual destruction we could contract with a mortuary etc. Why re-invent the wheel?

2) Experience. I have real world, "dirt under the fingernails" experience. Planting, harvesting, drying curing and delivering medicinal marijuana to real patients who rely on me to deliver an honest, consistent medicine. This is coupled with a unique background resume in the business world. This includes budgeting, designing marketing strategies and understanding and working in a strict regulatory environment..

3) Team Structure and Internal Controls

My team will consist of a qualified testing and analysis firm and a "brain trust" of trustworthy individuals I can call on for any necessary question. However I will be totally

in charge and the person accountable. My tasks will include the production of a Cannabis bible or binder with a total and very specific set of rules, guidelines and protocol. This will be developed with feedback from the feds and potential retailers. One of our immediate goals is to get a program that is self-funding so that the governor has some solid ground to stand on in dealing with the media. I will look to a firm such as 360analytics for testing etc...I would expect to have at least two staff people and a person with computer programming experience working with bar code technologies etc...I don't have these individuals identified yet but here is where I stand on my business background and my ability to hire and train competent people.

Category 2-Product Quality standards and testing (items 5 – 8)

If a particular strain is tested and found to have (for example) 15% thc that is a potential not a guarantee. The next harvest of that same strain could through poor management of the growing cycle only have 9% thc. This is why each crop and even several samples from a large crop must be tested. Although here there is a request for a lot of personal information I feel that is not relevant. I don't believe that anyone can present a needed competency level here unless that is specifically what they do. Testing etc should be left to the experts. If I need surgery I go to people set up to do it. Here, we should not re-invent the wheel. All of the testing etc should be paid for by the license holders with no cost to the State.

Category 3- Product Usage and consumption validation (9-12)

I have experience in statistical analysis and also know how to use outside resources to create the needed information. Here we need to present the public with a safe, clean, attractive, well regulated environment. Actually not dissimilar to the old liquor stores.

Category 4 – Product regulation (13- 16)

I have a background that includes very highly regulated industries. I have been a mortgage loan originator and a real estate broker without ever having a complaint in either highly regulated industry. I have experience developing marketing and regulations that worked within strict guidelines. My team will consist of a qualified testing and analysis firm and a "brain trust" of trustworthy individuals I can call on for any necessary question. However I will be totally in charge and the person accountable. My tasks will include the production of a Cannabis bible or binder with a total and very specific set of rules, guidelines and protocol. This will be developed with feedback from the feds and potential retailers.

Norton, Melissa K

From: David Bush <drbush@bushandchaput.com>
Posted At: Friday, February 15, 2013 1:54 PM
Conversation: RFP K430, David R. Bush, Law Office of David R. Bush
Subject: RFP K430, David R. Bush, Law Office of David R. Bush

Thank you. I look forward to working with you.

David R. Bush
BUSH & CHAPUT
755 Baywood Drive
Second Floor
Petaluma, CA 94954
(707) 658-4444-ph
(707) 676-4301-fax

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to lcbids@liq.wa.gov.
- Clearly mark the subject line of the email: RFP- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the lcbids@liq.wa.gov inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

Proposer's Authorized Offer (see page 2)	<input checked="" type="checkbox"/>
Proposer Information (see page 3)	<input checked="" type="checkbox"/>
Subcontractor Information (see page 4)	<input checked="" type="checkbox"/>
Letter of Submittal (see page 5)	<input checked="" type="checkbox"/>
Non-Cost Proposal (see page 6)	<input checked="" type="checkbox"/>
Cost Proposal (see page 8)	<input checked="" type="checkbox"/>

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

/s/ David R. Bush

Proposer Signature

Partner

Title

Law Office of David Bush

Company Name

02/13/2013

Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name David R. Bush, Law Office of David Bush
 Street Address 755 Baywood Drive, Second Floor
 City, State, Zip Petaluma, CA 94954
 Federal Tax ID Number PersonalInfo
 UBI _____
 Website URL _____

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name: David Bush
 Telephone: (707) 321-5028
 Email: drbush@bushandchaput.com

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount _____% _____days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input checked="" type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: _____
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: ___ Yes ___ No

Subcontractor 2

Name: _____
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: ___ Yes ___ No

Subcontractor 3

Name: _____
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: ___ Yes ___ No

Subcontractor 4

Name: _____
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: ___ Yes ___ No

LETTER OF SUBMITTAL

The Proposer's Letter of Submittal must be signed by the individual within the organization authorized to bind the bidder to the offer. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Proposer and any proposed subcontractors:

- Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.
- Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)
- Location of the facility from which the Proposer would operate.
- Statement of which of the following Categories Proposer is responding to:
 - Category 1: Product and Industry Knowledge
 - Category 2: Product Quality Standards and Testing
 - Category 3: Product Usage and Consumption Validation
 - Category 4: Product Regulation
- Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Proposer's organization. If following a review of this information, it is determined by the WSLCB that a conflict of interest exists, the Proposer may be disqualified from further consideration for the award of a contract.

NON-COST PROPOSAL

Please refrain from using company name or other information that will identify your company while preparing your response for the Non-Cost Submittal. The Washington State Liquor Control Board (WSLCB) reserves the right to modify proposals in order to eliminate company names or any other information that may identify a specific company brand.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:
 - a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
 - b. How Marijuana is infused into food and beverages
 - c. How Marijuana should be packaged, labeled, transported, and sold at retail level
 - d. How wholesale and retail Product should be recalled and accounted for
 - e. How Marijuana should be destroyed if overproduced, contaminated, or recalled
2. **Experience.** In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.
3. **Team Structure and Internal Controls.** In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.
4. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Please answer the questions listed below, attaching additional pages as necessary:

5. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or expertise in Product Quality Standards and Testing, including but not limited to the following:
 - a. Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations
 - b. Assisting the WSLCB with establishing quality standards for testing Marijuana
6. **Experience.** In two (2) pages or less, please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.
7. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
8. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminants, and Product strain.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Please answer the questions listed below, attaching additional pages as necessary:

9. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise to estimate Product Usage and Consumption levels by geographic areas in Washington State.
10. **Experience.** In two (2) pages or less, please describe your firm's experience in statistical research, specifically related to determining demographic and/or psychographic segmentation, preferably related to the use of Cannabis.
11. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
12. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firm's proposed approach and methodology to be used for Product Usage and Consumption validation as requested in this RFP, to estimate demographic and psychographic segmentation, specifically related to the use of Cannabis.

CATEGORY 4 – PRODUCT REGULATION

Please answer the questions listed below, attaching additional pages as necessary:

13. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise in Product Regulation, including but not limited to, the following:
 - a. Experience with State, local or Federal government processes and procedures
 - b. Experience in crafting system regulations
14. **Experience.** In two (2) pages or less, please describe your firm's experience in working within the confines of a regulatory system, and experience in creating and/or modifying rule, law, ordinance, and/or guidelines.
15. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
16. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB with developing rules and a regulation strategy for the state of Washington's new Marijuana System.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ <u>300/hr</u>

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$1,000/day

LETTER OF SUBMITTAL

I am a licensed California attorney practicing in Sonoma County with deep ties to the State of Washington. I am the ideal candidate to help Washington implement I-502. My experience in regulatory enforcement, testing, and marijuana dispensary enforcement, and my knowledge as an insider of product and industry standards, usage, and testing methodology, makes me uniquely qualified to consult without the need for subcontractors or partners. If selected, I will relocate to the Olympia area for the first year, to which my wife has already agreed. I have two brothers and countless relatives throughout Washington and would happily live there.

I have no need for subcontractors because I possess advanced or expert knowledge in all four categories required, as well as two other areas that will inherently be a part of this contract: 1) education of the public/child safety; and 2) liaison with the federal government.

Just as the announcement of this contract garnered national headlines, undoubtedly, the selected consultant will be in the national spotlight, at least for a short period. It is essential this publicity be used to lay groundwork for future relations with the federal government. It could also bridge out to other states and Washington citizens who voted against I-502. If the wrong message is sent the backlash could create untold roadblocks and cost heavily in both funds and time in the future.

If selected, I will help Washington seize this moment. In addition to attorney, I am also a professionally trained actor and spokesman. My acting demeanor and voice have been called "professional," "authoritative," and "commanding." I offer these personal skills, in addition to my legal experience, regulatory knowledge, and personal knowledge of product and industry, to the State of Washington to implement I-502 on time and on budget.

All statutes evolve through case law. Good regulation prepares for both likely happenings and unforeseen eventualities. I will help the Board to ensure all actions are geared to avoid pitfalls and create good relations with other agencies, especially planning and permitting departments and law enforcement. I will work with the Board to develop sound policy and to convey chosen messages clearly and effectively. I view this opportunity as an exciting and unique chance to put to use all of my skills and experience for a cause I believe in..

My legal background includes ten years of regulatory compliance law based on scientific testing and analysis of both environmental factors and human immunology. I also practiced for seven years litigating and representing the County of San Mateo, with a focus on the jail cases and medical malpractice defense. My last six years have been in my own firm focused on marijuana issues, which has resulted in an insider's knowledge of every aspect of the marijuana industry and trade, especially usage, testing, cultivation, and industry standards.

As an attorney I practice and give legal opinion and have vast knowledge on every issue conceivable issue around marijuana, including but not limited to: statute interpretation and construction; writing legislation; creating "stakeholders" groups and administering

them; cultivation techniques; consumption; equipment and technology. Further, my experience encompasses the day-to-day operations of both outlets (dispensaries), residential and commercial cultivation, and outlaw grows, as well as related but separate businesses like hydro shops and nutrient companies. I know how properties are secured, how construction and electrical work is performed, whether landlords are made aware of operations, whether operations comply with actual planning and permitting laws, and cultivation at every stage. Further, I know the laws of marijuana, including federal law. I am studying I-502 with the dedication it requires to become expert and will be expert on it if selected.

In 2010, due to my regulatory experience through "Proposition 65" private Attorney General enforcement, a unique California health hazard warning consumer protection law I have practiced since 1997, I was involved with the only opposition to the State of California listing "marijuana smoke" as a known carcinogen. I argued that not only had required listing procedures not been followed, but also no empirical scientific evidence existed to support the listing. I used available testing and critiqued methodology the state employed, but ultimately to defeat and listing.

I am personally familiar with consumption and usage patterns of individuals and the community. I was an active member of the Sonoma County "stake holders." Stakeholders studied issues such as: residential cultivation and permitting issues; electrical safety issues, especially for residential grows; fair and safe access through well dispersed outlets to avoid concentrations in geographic areas and to provide to the sick and those who cannot drive; and importantly the need for *education*. It has bothered me for some time that marijuana edibles have become a common problem in our local schools. Keeping marijuana away from those young people should be a high priority in the execution of this contract.

Principal place of business

Law Office of David R. Bush, 755 Baywood Drive, 2nd Floor, Petaluma, CA, 94954.
Phone (707) 658-4444; cell (707) 321-5028; fax (707) 676-4301
Email: drbush@bushandchaput.com. No other officers.

Washington office

My office group, Regus, has a building at 1201 Pacific Ave #600, Tacoma, WA 98402. I would work from there or find suitable office space in Olympia. My staff is equipped to handle all work remotely, and I also have full secretarial support at the Washington office. I could also travel and work at Regus throughout Washington with full support.

Dated: February 1, 2013

/s/ David R. Bush
David R. Bush

NON-COST PROPOSAL

CATEGORY 1: Product and Industry Knowledge

1. Ability, Capacity, Skills

I have been inspecting and learning the methods of marijuana cultivation as part of my law practice for more than six years, but I admit I already had great knowledge of cultivation, cultivation, and how marijuana is handled, processed, and dispensed. It has now become essential to my practice that I have the most current knowledge as I professionally inspect gardens and offer expert opinions on legality. This voluntary self-certification program I created has seen me inspect everything from two plants in the closet to large scale indoor and outdoor operations.

I know growing in the terms growers, with the base knowledge of cultivation any grower possesses. I know about hydro versus soil, growing elements, ballasts, reservoirs, lights, ballasts, filters, fans, hvac units, lifters, carbon monoxide levels, light requirements, and how it all affects the cultivation process. I also understand how it affects legality, value, and human immunology.

In addition, I know every method of inhaling, ingesting, or dermally applying marijuana, and the products that have been created to do it. I know extraction methods and how marijuana is infused into food and beverages, as well as lotions and other topicals. I have advised on both the processes for creating edibles and drinks, as well as on creating standards and labels for the final products. I have studied issues such as mold and packaging. I have found and interviewed labs, lab directors, staff and scientists and I am intimately familiar with the procedures, testing methodologies, and protocols for every type of testing for marijuana that currently exists, as well as what we can expect to see in the future. I also know how to analyze this information and interpret it into the law.

I have consulted and personally participated in every aspect of growing, harvesting, curing, trimming, and processing, marijuana, and I am always actively updating my information by attending trade shows, reading periodicals, and most importantly staying in the mix and talking to people in the industry.

For the issue of consumer safety, recalls, accounting, and overproduction, it will be essential to ensure the labeling procedure is effective and in use by everybody in every part of the state. Recall procedures will require the establishment of district storage centers for destruction, most likely with local police agencies already equipped to handle this procedure.

2. Experience

I know the marijuana industry, both legal and illegal, inside and out. On top of being around growers for more than twenty years, for the past six years, I have dedicated my law practice to the issues of marijuana and the law, federal and state, and the relationship between the two. This has required that I learn the industry to the degree of knowledge

of a grower. While I am intimately familiar with the criminal law aspects, especially at the federal level, in my practice I am more than just a marijuana criminal defense lawyer.

For more than three years, my office was adjacent to a legally existing California dispensary at which I observed and advised patients and the owner-operators, who hired me to represent them as owner with the County. I handled all permitting issues and was one of the founders of the County Dispensary Operators Group. I also assisted with all aspects of the dispensary's operations including cultivation, dispensing, and procurement.

My practice in marijuana law lead me to realize the need for and create a standardized scheme to assist consumers and state agencies through the use of documents that include, but are not limited to the "Certificate of Compliance©", providing verifiable proof the grow has been inspected and is within the local and state laws, as well as transportation forms, to assist with the ever difficult issue of traveling with marijuana, provider cards, provider contracts, "Self Verification Stamps©," "Cultivation Status Reports©," and other documents that assist with the actual transactions and to provide security of legality and verification to the parties and the state.

As a part of my practice I found it essential that I do more than sit in an office and talk, so I have, with client consent, worked at least one day in every phase of cultivation and production for a legally existing dispensary. I have emptied trays, moved soil, trimmed, hung lights, built out walls, and weighed and packaged the final product. I have this knowledge and experience for every aspect of the marijuana industry, both as it exists legally and also through advising outlaw growers.

In my experience, while it is essential to be familiar with every phase of the techniques and processes of cultivation, this area is least likely to require extensive regulation. Varying techniques of cultivation are largely based on individual preference and are not matters of public concern. Similarly, information with regard to marijuana *strains* is helpful in identification, but is largely based on opinion and arbitrary selection, and there is usually little need for oversight.

3. Team Structure and Control

Not applicable as I will work with only my staff.

4. Staff

My staff consists of two secretaries, Alysia Regan and Patricia Francis, and one office manager, Brian Sparks. I have an associate attorney, Michael Chaput, and a paralegal, Thomas Chaput, who will be available for work on this contract, although they are not actively associated with this project at this time. I understand the cost of obtaining the services of additional staff would fall on me as the contractor. However, I do not anticipate the need for anything other than myself and my current staff, although I have staff available at every Regus office.

NON-COST PROPOSAL

CATEGORY 2: Product Quality Standards and Testing

1. Ability, Capacity, Skills

As more research is uncovering the relationship between the cannabinoids THC and CBD, it is clear these two act in concert for both medicinal gain and to increase intoxicating effects. While current testing of THC levels is adequate for the purpose of determining the presence of marijuana in the system, it is not clear this is indicative of intoxication. However, the level of THC deemed intoxication under I-502 is in line with experts who say at 5.0 marijuana can begin affecting motor skills, but we need to recognize factors such as tolerance and psychological effects of marijuana might affect certain individuals at lower levels. It will be necessary to monitor and update testing and lab analysis standards as over the next two to three years technology and research will allow new and different methods of analytical analysis of marijuana.

I will bring to this contract more than ten years experience overseeing laboratory testing, protocol, and methodology in the area of regulatory enforcement. My immense knowledge of the marijuana industry will allow me to combine these two areas of my legal practice in this unprecedented implementation of Washington's I-502.

My legal background includes ten years of overseeing scientific testing and analysis of thousands of products in analytical labs throughout the state, as well as managing the law firm that categorized and prosecuted more violations than the state Attorney General and any other private enforcer combined.. My ability to administer the office while litigating as an attorney gives me the ability and skills I need to perform this contract without the use of subcontractors. I look forward to assisting, Washington in its unique challenges of bringing I-502 to life.

I also bring a wealth of knowledge in the area of chemical effects and effects on human immunology. I have personally worked with laboratories and technicians to create testing protocols and methodologies for various environmental intoxicants including toluene, crystalline silica, and fire retardants. I understand the laboratory's limitations, and I have learned how to analyze statistical data while enforcing this state's health hazard warning law, a snafu of requirements and reporting procedures requiring private enforcers report to all 58 counties here, the Attorney General, and City Attorneys in our six biggest cities. The notice procedure itself has been an evolving regulatory scheme in which my firms have been involved at every level.

Testing and labeling requirements for marijuana, in my opinion, are most important with regard to edibles because ingestion creates a deeper penetrating exposure. It also inherently involves the consumption of processed marijuana along with processed non-marijuana ingredients. The cooking process should reflect the standards for processed foods that already exist: edible products need to be manufactured in commercial kitchens and only by those with proper food handling certification. Labels on edibles need to list ingredients as well as *required* nutritional information. In addition, the presence of chemicals used in the growing process should be also revealed on the label.

With modern equipment in many labs, a spectrograph of the dried bud will reveal the presence of any chemical used during the life of the plant. As the test itself uses less than one gram of marijuana, and since different parts of the same crop might have different results for mold or potency, the biggest issue for testing requirements is ensuring the product that ends up with the consumer is actually the product that was tested. While the honor system is not highly regarded, with proper inspection and ensured loss of license for fraud, the WSLCB can enact regulations which will effectively prevent the sale of moldy, improperly labeled, or tainted product.

It is beyond the capacity of the lab to ensure the tested marijuana that passes inspection is actually what ends up in the outlet: that solution lies outside the arena of testing protocols and methodology.

As to the issue of testing for strains of marijuana, it will probably be of little use in regulatory compliance. Strain names certainly do exist, and the strain name will refer to a very specific type of marijuana that has certain characteristics, but strain names are largely a matter of subjective choice. Names are arbitrarily chosen and bear no relationship to thc/cbd levels, intoxication, medical value, or safety. In addition, names are ever-changing and morphing. There is little or no scientific testing to determine strains, as such determinations are more a matter of sight/taste/smell tests, and like any vegetative matter, slight variations are normal and even desirable. Even if there were a way to test for strains, what value would be gained? For the additional regulations it would take to oversee this area, its only value is for purposes of identification. Further, plants will naturally interbreed and be manually graphed to form unique strains that exist only for one plant, one crop. Standardization of strains is unnatural, while variation is desirable. Again, it does not seem an area of great importance to the implementation of I-502.

I will work *full-time* at this consulting position until December 2013, unless the Board determines full-time status is not required prior to that date. I will relocate to the Olympia area, and if the contract is extended, I would remain in the area unless it becomes necessary to move elsewhere in the state. My law practice in California will operate without me active on any cases during the life of this contract, although I will remain a partner in the firm. I will continue to do acting.

2. Experience

With a decade of experience working as an attorney in environmental regulatory compliance, I have intimate knowledge of how to establish testing protocols and methodologies from scratch, if necessary. I am specifically familiar with marijuana smoke and its listing as a known carcinogen by the State of California, which was a matter in which I acted on my own and not on behalf of a client. I have an insider's knowledge of the marijuana industry, both permitted and legal dispensaries, as well as outlaw grows.

In my medical marijuana law practice, I advise clients on what testing is available, what its purposes and benefits are, and why they should do it. I have consulted laboratory

directors and owners to advise them on what type of testing they would be doing and for what purposes. I have aided them in preparing to do testing in this area, usually considered a radical step by most labs.

I have the experience and ability to handle every aspect of regulating and implementing the testing and product quality standards that will be put into place over the next year or more. I will advise on what to expect from producers, processors, and consumers, as well as outlet licensees, the general public, and the federal government.

3. Staff

My staff consists of two secretaries, Alysia Regan and Patricia Francis, and one office manager, Brian Sparks. I have an associate attorney, Michael Chaput, and a paralegal, Thomas Chaput, who will be available for work on this contract, although they are not actively associated with this project at this time. I understand the cost of obtaining the services of additional staff or consultants would fall on me as the contractor. However, I do not anticipate the need for subcontractors or additional staff.

4. Approach and Methodology

I would suggest a voluntary testing program with inspectors and regular inspection standards. There is a benefit to testing as early as possible, so that unqualified product is removed from the chain at the earliest possible stage. However, it is the outlets, last in the chain, that will be in the best position to test and bear the cost of testing and licensing.

Growers, traditionally at highest risk of criminal prosecution, tend to rely on first hand knowledge and may try to avoid testing, as they may feel it redundant and unnecessary. Outlets, not being tied to any one grower or product, will not risk violation by avoiding the required testing, just as they are not biased by actual knowledge of what went into the cultivation process, aka the "I know it's organic, I grew it" *certification*.

I would work with the state to develop standardized testing methodologies and protocols to be used by approved labs. Approved labs could use a standardized WSLCB result sheet that would then be brought in to the outlets for affirming certification. A certificate issued to the outlet would allow the outlet to represent the product had met government testing standards. Spot inspections of outlets and random testing by the WSLCB would be required for enforcement, but could be funded by the resulting fines, assessments, and outlet remediation penalties.

This regulatory system will allow the WSLCB to ensure laboratory credibility, testing standardization, and product safety, while it creates jobs and brings new areas of business to Washington's laboratories throughout the state. Consumers, of course, are the biggest winners, being able to enjoy product that is assuredly safe and legal.

This is merely an initial outline of the work that needs to be done under this contract and not a definitive and final analysis of I-502 and what would be required.

NON-COST PROPOSAL

CATEGORY 3: Product Usage and Consumption Validation

1. Ability, Capacity, and Skills.

As an attorney, I have been intimately involved with regulatory activities to devise comprehensive laws acceptable to our entire community that would allow safe and reasonable access to marijuana. During those sessions, we discussed and devised various plans taking into account such factors as proportional representation of dispensaries throughout the state, avoidance of concentration in neighborhoods and low income urban centers, and access in remote locations. We studied demographics and discussed various methods for estimating numbers, such as representation of population and the use of voting district information and statistical demographics. We always considered factors such as low income, public transportation, and youth populations.

I have extensive personal knowledge of marijuana patterns of use. I understand how to draw upon the available data as I know what new data may be needed to implement this unique new law. I would be able to easily detect if numbers were inflated or deflated, and what rational relationship they bear to the rest of the marijuana industry. I also have practiced as a criminal defense lawyer specific to marijuana in both state and federal court for nearly six years.

As an individual, I am a long time user of marijuana. I am intimately familiar with how it is used, from spiritual ceremonies to fraternity parties. I know what people are doing with marijuana, whether it is the latest waxes and oils, consumables/edibles, topical lotions, concentrates, or extracts. I understand the difference between sativa and indica, as well as why butane extracted oil is not only dangerous in the production process, but also in the consumption. I know about marijuana products and growing items and how to regulate them.

I have the ability and skills to take all of that knowledge, knowledge that very few attorneys would be able to gain even if they wanted it, and interpret, argue, analyze, administer, legislate, advocate, represent, and opine. And my experience is my own, not that of a teammate or subcontractor.

2. Experience

See above.

3. Staff

My staff consists of two secretaries, Alysia Regan and Patricia Francis, and one office manager, Brian Sparks. I have an associate attorney, Michael Chaput, and a paralegal, Thomas Chaput, who will be available for work on this contract, although they are not

actively associated with this project at this time. I understand the cost of obtaining the services of additional staff would fall on me as the contractor. However, I do not anticipate the need for anything other than my current staff.

4. Approach and Methodology

I will use demographic information already in place, surveys, information from licensing procedures, and bridge out to other agencies to regulate the usage and remain abreast of current consumption validation techniques.

NON-COST PROPOSAL

CATEGORY 4: Product Regulation

1. Ability, Capacity, Skills

My legal background includes ten years of regulatory law as a private Attorney General enforcer under California's Proposition 65, which is based on scientific testing and analysis of consumer products for known carcinogens or reproductive toxins. It involves the science of both environmental factors and human immunology. Private enforcers are strictly regulated and must comply with extensive testing and reporting requirements.

I also practiced for seven years litigating and representing the County of San Mateo, with a focus on jail defense and medical malpractice for the county hospital. My last six years have been in my own firm focused on marijuana issues, which has resulted in an insider's knowledge of every aspect of the marijuana industry and trade, especially usage, testing, cultivation, and industry standards.

In 2010, I was involved with the only opposition to the State of California listing of "marijuana smoke" as a known carcinogen. I argued that not only had required listing procedures not been followed, but also no empirical scientific evidence existed to support the listing. The testing did not support the findings being used to list it. I used available testing and critiqued the methodology the state employed.

I was intimately involved with my county's marijuana regulatory activities as we devised comprehensive laws acceptable to our entire community that would allow safe and reasonable access to marijuana. We were called stakeholders, as in Washington. We drafted changes to the current law, discussed and devised various plans based upon factors such as county-wide proportional representation of dispensaries and avoidance of concentration in only the biggest cities.

2. Experience

With a decade of experience working as an attorney in environmental regulatory compliance, and with another decade of municipal defense and medical malpractice, I am able to understand, analyze, and implement complex regulatory laws. I am also able to interpret those complex laws for non-attorneys, or even children.

Specific to marijuana laws, for more than 5 years I have dedicated my law practice to having expert knowledge of the marijuana laws at both state and federal levels. I am also experienced in the regulation of the marijuana industry in California, with clients relying on me to interpret the statutes and offer meaningful advice and opinion, which I do daily.

I have the experience and ability to handle every aspect of regulatory compliance, from crafting legislation to enforcement and testing.

3. Staff

My staff consists of two secretaries, Alysia Regan and Patricia Francis, and one office manager, Brian Sparks. I have an associate attorney, Michael Chaput, and a paralegal, Thomas Chaput, who will be available for work on this contract, although they are not actively associated with this project at this time. I understand the cost of obtaining the services of additional staff would fall on me as the contractor. However, I do not anticipate the need for anything other than my current staff.

4. Methodology

I have created a regulatory compliance scheme that if selected I would be happy to make a part of this contract. It includes documents, including but not limited to the Certificate of Compliance©, Cultivation Status Reports©, Self Verification Stamps©, and provider contracts, and provider cards.

For quality assurances, various testing procedures could be put in place, but the most effective is requiring analytical analysis of product for the presence of chemicals and amounts of the/cbd. Preparing a list of qualified labs, and preparing forms for certification and safety standards will be important. Further, residential grows must be strictly monitored.

In the issuance of growing and operating licenses, the Board will want to bear in mind issues such as over-concentration, access for minors, and fair distribution. Further, as Washington leads the way, it seems necessary to ensure fair trade, if possible, so the usual problem of the middleman hijacking the process and shorting the farmer the consumer, and the state, does not happen.

Norton, Melissa K

From: Dennis Turner <idattony@gmail.com>
Posted At: Wednesday, February 13, 2013 10:52 AM
Conversation: RFP-K430, Dennis A. Turner
Subject: RFP-K430, Dennis A. Turner

As per please find the attached

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) <u>Hourly</u> Rate for I-502 Consulting Services as stated in this RFP	\$ <u>200</u> p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) <u>Daily</u> Rate for I-502 Consulting Services as stated in this RFP	\$ <u>1500</u> p/day

LETTER OF SUBMITTAL

02-13-2013

Dennis A. Turner, MA.
PO Box 562,
Klamath, California. 95548

State of Washington,
Liquor Control Board
Procurement Officers.

Dear Gentleperson(s);

This is to formally bid RFP-k430 in its entirety, that is, all four categories individually. I am an independent professional governmental consultant, skilled in pilot program and regulatory development and implementation. I have the requisite verifiable professional experience, training, ability and capacity to provide for the advanced coordination of all four categories listed in this RFP.

In addition to the above, as per the attached, I am verifiably skilled in marijuana production, processing, quality control, and retailing to the degree that you are looking for to standardize the marijuana industry in the State of Washington.

It would be a very rewarding design exercise for me to assist the Liquor Control Board in its efforts to launch retail marijuana in Washington State. Because of my familiarity working with government staff in designing new programs within established governmental parameters, I can help by bringing my experience in medical marijuana into the context of the work at hand.

Working by the hour on agreed upon modules, receiving standard per diem when traveling, and working from my home office at 64 Redwood Road, Klamath California I can save the State of Washington money and help to accomplish its goals with my unique set of applicable skills and abilities.

Respectfully Yours;

Dennis A. Turner, MA.
Research and Program
Development Consultant.

NON-COST PROPOSAL

CATEGORY 1- PRODUCT AND INDUSTRY KNOWLEDGE

1. Ability, Capacity, and Skills.

As a medical marijuana producer, processor, retailer, and regulatory development contributor I assisted to pioneer retail medical marijuana in the State of California. I used my on-the-job trained abilities and accrued capacity to develop and implement governmental pilot projects and programs in new fields to design and implement retail medical marijuana stores, medical marijuana production facilities, and medical marijuana processing stations. I experience working with a large number of other medical marijuana producers and processors in California, and in so doing I developed the ability to correctly view, smell, and taste marijuana, and developed the capacity to assign grades and value to it based on said image, bouquet, taste, and effect on the ultimate user. Over an eight year period I learned many individual and common techniques for producing and processing marijuana from the above mentioned producers and processors in the industry. Eventually, I developed the capacity to help them shape their facilities by providing an advanced knowledge of relevant building codes to assure code compliant and marijuana plant happy construction. I helped many of the marijuana producers and processors improve their methodologies and practices by sharing my accrued (bench mark able) medical marijuana industry knowledge. Similarly, at times when the federal climate seemed most permissible, I met with producers of marijuana infused products, learning their techniques, and helping to guide them through Local, State, and Federal labeling laws. As an aspect of my linked professional services (Registered Professional Career Counselor) I provided cross-over guidance regarding the interpretation of professional business ethics, as found in the State of California Professional Business Codes, regarding the ethical retail of alcohol infused beverages, and it's relevance to packaging and advertising that does not attract young or easily swayed people.

Having the above stated experience is pivotal, I believe, in assisting the Washington Liquor Control Board to develop standards and practices for Marijuana producers, processors, and retailers. With the afore-mentioned experience coupled to my linked professional consultant services, I can help to protect the public safety by assisting with the development of proper facilities, and by providing informed occupational standardizations and bench marks, job safety sheets, occupational descriptions, weighted applications with entry and journey level competency thresholds, and inter-active employee evaluations. Said standardizations will help to simplify monitoring, and will help towards meeting the stated goals of diverting funds from the black market by providing sufficient access to legal usable marijuana, and generating sufficient funds for various costs and taxation driven programs, including diversion programs to discourage substance use or abuse.

In an eight year medical marijuana retail pilot project, using Management Systems Information (M.I.S.), I designed and implemented an interfaced management matrix that covered all aspects of multiple location medical marijuana producing, processing, and retailing. Simple but smart, The matrix also included transportation, product accountability, California sales tax, and rule 155 of the U.S. Tax Court. Fully integrated, with sales and taxation computations all housed within one remotely monitored

(multiple user capable certified program) point of sales system, the matrix provided for transparent accountability in a marijuana retail pilot program that I directed. Working with a Liquor Control Board Computer Programmer I would design a governmentally integrated system that would allow the Liquor Control Board to monitor all retail operations in real time, and cross match obligatory bank deposits with corresponding taxes owed on a daily basis if desired. As an aside, I have learned that anything having to do with the mandate to protect the public safety should be done by contracted and licensed personnel. For example, all marijuana transportation should be done by contracted and insured professional armed carriers in armored trucks, as nothing else will truly meet the mandate.

As a medical marijuana retailer returns were not uncommon, and for various reasons; ineffective for the patient, harsh, etc. Return logs were built into the M.I.S. for electronic tracking. Because of a tightly controlled long standing patient group, returned but usable marijuana was gifted to low-income patients with sales tax duly paid at cost. Unusable marijuana was plowed back into the soil. A similar log, with very tight verifiable controls and video records, in a governmental system, would allow for tracking the unusable marijuana for clean incineration, plowing under, or diversion for training to law enforcement.

2. Experience:

I have served for over eight years, providing pilot project development services as a founding pioneer in the medical marijuana industry. My experience covers all aspects and phases of that industry including producing, processing, and retailing marijuana. I used my prior governmental experience in helping to promulgate law as applied to the building trades, and in interpreting the Federal Register to help shape and influence medical marijuana regulatory development in California at the local and State level. I developed an expertise in the taxation of marijuana, and established a relationship with the State of California Franchise Tax Board. I bring a very unique experiential set to this proposal, as all of my applied professional training is based in some form of governmental service ranging from working in the field, to contracting with the executive branches.

3. Team Structure and Internal controls:

If contracted, I would expect to work as a team player, an interactive member of a Liquor Control Board unit, however structured. A State Staff Service Statistician or a Graduate Student in Statistics would be helpful on the team, as I am experienced at directing them in research design. I do not plan to hire outside consultants if contracted because this is mostly all developmental ground, and simply do not want to pay someone to learn from me. At the same time I am certainly not averse to working with other consultants, as directed, but my experience in government is that there are always sufficient resources in-house, and beyond my own developmental work, all I need to do is share knowledge, lead, coordinate, and guide the individuals with those resources towards a clearly defined goal.

4. Staff Qualifications and Capabilities:

I am an independent governmental pilot project development and implementation consultant, generally leading, and always working in new fields. I took my Master's Degree in Social Science from Humboldt State University, and learned to administrate and design projects on the job in a number of different governmental directorships. I have designed, directed, and consulted on projects in Public Works, Education, Mental Health, Small Business, and Job Training. My personal methodology has always been time framed management by objective program development, which I would use to coordinate the four categories- in this RFP. I have designed and directed retail medical marijuana dispensaries, provided in-house training on medical marijuana to the State of California Board of Equalization, and provided specific language used by that Board in applying sales tax law to medical marijuana. I am very well versed in rule 155 of the U.S. Tax Court regarding retail sales of marijuana, medical or otherwise. Additionally, my understanding of business code ethics as applied to alcohol sales can be helpful towards centering staff in regulatory development for marijuana retail sales in Washington.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

5. Ability, Capacity and Skills. For eight years I worked in-house and with other marijuana producers to establish techniques and strains that would be the most helpful for our patients. My knowledge in this regard is extensive as I also interacted with the medical marijuana patients to help understand their product needs. I rated, accepted or rejected the samples that were offered to us by other producers for retail in our store, helping to drive up the quality of medical marijuana in our local area. My understanding of marijuana production is sufficient to allow for developing uniform production standards that can be monitored with Lab analysis. Quality and ultimate user safety go hand in hand from the beginning of the production cycle. Proper nutrients and soil/medium additives, general environment, and correct processing/packaging are all traceable through a proper lab process that looks for what should not be there as to opposed to just simply looking for the common molds, heavy metals, THC, CBD's , etc. If everything in the producing and processing facilities is standard, then contamination screens can be specialized to look for what is not. I have worked with a number of lab representatives that have provided technical assistance in creating proper work environments as well as in testing our products for contaminates molds, THC, and CBD content. With standardization development that I can assist with, the lab results can be integrated into a matrix, and be used to control production and processing as well as to help assure ultimate user safety.

6. Experience:

Eight years of responsible experience in marijuana quality control and product testing, as the director of a medical marijuana retail store. This entailed meeting with Lab representatives, nutrient suppliers, and all others involved in the production of medical marijuana. Experienced with humidified processing and gas assisted vacuum storage aids in eliminating secondary problems with the marijuana.

It would be better for accountability if all processing/packaging and lab testing were done at the production site to minimize potential for theft or contamination, and to provide only one weights and measures system (weight at packaging standards). Slight shifts in humidity and temperature from one facility to another will alter weight by water content, causing potential for confusion and theft. The procedure for product transfer from producer to processor must include timetables for packaging with built in allowance for water loss and or seamless transfer in armored humidity and temperature controlled transport vehicles.

7. Staff Qualifications and Capabilities:

I am a contract governmental consultant with various advanced capabilities in regard to marijuana product quality and testing. My eight years of experience has provided me with advanced knowledge regarding potency, storage, drying, processing, shelf life, product contamination, facilities issues, and lab testing. Additionally I am well versed in product strains and their effects on the ultimate user. Occupationally, I have been able to benchmark safety standards that need to be met and applied on the job site by those employees that are involved in processing and aiding in the development of potency, flavor, and bouquet in the finished product. There are a number of issues with Lab testing and Federal resistance to allowing that to occur unchecked, so contingency quality control measures need to be in the wings as an option. In any pilot project, especially a medical or recreational marijuana one, contingency plans and platform shifts or re-constructions are part of doing business. I am very experienced at anticipating, adjusting for, and developing up from these shifts.

8. Approach and methodology to help develop a reputable protocol for Product Quality Standards & Testing:

My approach would be to control all production and processing products used that ultimately will be part of the usable marijuana consumed by the ultimate user. I would look at these products in terms of their content and their presence in marijuana infused items as well as in useable marijuana. How these products react as food or when ignited in a marijuana cigarette is critical to understanding long term effects of use. I would strike a course across those products deemed "most safe" while keeping in mind the ultimate yield and potency of the usable marijuana as produced with or without these products. I would install a process to test for measurable consistency of content within the entire production cycle, and in the finished usable marijuana and marijuana infused items. While testing for THC, CBD, mold, etc. is fairly standard at this point, the key is in controlling production and processing through consistent lab testing on site. In addition I would apply the best techniques for producing and processing marijuana, and vacuum seal at final packaging, while storing usable marijuana in non-toxic gas environments.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

9. Ability, Capacity and Skills

As a researcher I am capable of analyzing demographic information and other data that is of relevance to a given project. In this case the variables are too great because of the strong influence of the street and regional local mind set prohibitions that would preclude implementation. Federal allowance is always limited, to the effect that developmental work must conform as it goes. I would work from my experience in retailing medical marijuana in California to provide realistic, industry proven usage patterns and help create permit deployment strategies that serve to provide orderly entry into retail marijuana without overproducing by relying on data that experience has proven to become flawed or moot.

10. Experience I have a unique relationship with statisticians and computer programmers. I do the design work, know what to look for, and direct everyone to create a product or do a study. I have done individual studies in Child Welfare, Psychology, and Sociology. I got a "C" in Statistics in college, and I learned research design on the job, directing a team of State of California Staff Service Analysts doing a study on Public Works for the Department of General Services. I informally tracked medical marijuana users for many years according to self-disclosed ailments or conditions and the strains that worked best for them in addressing said conditions. I have observed patterns in economic class, mental well-being, and occupational factors among steady users of marijuana, and understand their common issues regarding access to marijuana and the problems created when they have to drive 75 miles or more to gain legal access. Again, I would use what I know to help design a correct permit launch by helping to temper data that is based on what I know to be unstable shifting platforms.

11. Staff Qualifications and Capabilities

I am Dennis A. Turner, MA., an independent contractor. I generally work as a consultant in the helping professions. I have been classified as a Special Consultant by the State of California, authorized to lead staff and spend budget. I have past but re-new able certification as a Registered Professional Career Counselor, life-long certifications in assessing the hardest to serve, and prior certifications as an expert in Post-Traumatic Stress Disorder. My program development skills are excellent and my knowledge of retail marijuana is extensive. My linked professional skills allow me to cover all four categories in this RFP from a more cohesive perspective than four individual consultants will have.

12. Approach and Methodology

I would use the standard available information from law enforcement, public studies, substance abuse journals, etc. along with other public statistical reference to marijuana use as a base for calculations. I would use my knowledge of the ultimate user to map out areas where there would be more marijuana users based on identified demographic information. I would use my knowledge to help steer away from assumptions based on required data, while fulfilling the requirements of the contract with responsible program development.

CATEGORY 4 – PRODUCT REGULATION

Please answer the questions listed below, attaching additional pages as necessary:

13. Ability, Capacity and Skills.

I am experienced working within governmental processes and procedures as a result of employment within these systems. My first directorship was in the public schools system where I pioneered an educational advancement model based on the generation of self-esteem. From there I began to work as a program planner/grants writer, learning to design and meet objectives and goals in a budgeted time frame. I went to work for the State of California, studying small business participation in public works and helping to promulgate law and regulations for said business. Eventually I became a Professional Career Counselor working in an Employment Development Department funded Job Training Office where I learned occupational law and job safety and all of the other occupational aspects that will need to be addressed in the accomplishment of this RFP project.

14. Experience

Working for the State of California, the Federal Government and non-profit corporations always had an express amount of Federal Register interpretation, along with stringent in-house regulatory systems. In medical marijuana I assisted the State of California Franchise Tax Board to tax medical marijuana by providing some specific language that was used in the law. Additionally, I provided reviews of bills to legalize marijuana, pointing out flaws and potential for theft or abuse of the law. As a medical marijuana retailer I anticipated changes and conformed to a number of shifting rules and regulations successfully.

15. Staff Qualifications and Capabilities.

I, Dennis A. Turner propose to work alone with the Liquor Control Board staff or with others as assigned by the Liquor Control Board. Please see aforementioned qualifications, education, and experience.

16. Approach and Methodology

I plan to help by using my knowledge to help the State of Washington avoid pitfalls and traps that are present in retail marijuana and to help develop rules and regulations that will help the industry run correctly through the application of my skills in regulatory development.

PROPOSER INFORMATION

Proposer Profile:

Firm Name	Dennis A. Turner
Street Address	PO Box 562. , 64 Redwood Road
City, State, Zip	Klamath, California. 95548
Federal Tax ID Number	PersonalInfo [REDACTED]
UBI	N/A
Website URL	N/A

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name:	Dennis A. Turner
Telephone:	(707) 482-0558
Email:	idattony@gmail.com

Payment Options:

X YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount 02 % 30 days, net 30 days.

YES X NO Will you accept the State's Purchasing Card (P-Card)?

X YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	X <input type="checkbox"/>
1	Product and Industry Knowledge	X <input type="checkbox"/>
2	Product Quality Standards and Testing	X <input type="checkbox"/>
3	Product Usage and Consumption Validation	X <input type="checkbox"/>
4	Product Regulation	X <input type="checkbox"/>

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.

8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Dennis Anthony Turner	Dennis A. Turner
_____ Proposer Signature	_____ Company Name
Pilot Project Research and Program Development Consultant.	02-12-2013
_____ Title	_____ Date

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

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1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
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3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
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7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.

8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Dennis Anthony Turner	Dennis A. Turner
_____ Proposer Signature	_____ Company Name
Pilot Project Research and Program Development Consultant.	02-12-2013
_____ Title	_____ Date

Norton, Melissa K

From: Donna Beatty <dlb@donnalbeatty.com>
Posted At: Thursday, February 14, 2013 12:08 PM
Conversation: I will be resubmitting RFP-K430 paperwork, due to a PDF printing error I found (RFP-K430, Donna L. Beatty)
Subject: I will be resubmitting RFP-K430 paperwork, due to a PDF printing error I found

Hello.

The Submittal Standards instruct me to apprise the procurement coordinator in advance of resubmitting my RFP K430 proposal. Please consider this as my advance advisement of a second submittal. I found a PDF printing error - my firm name was not completely visible in the PDF generated documents, though it was visible in the raw file that I used to generate the PDF document. Please accept my apologies for having to re-submit my proposal. The program that allows me to sign the documents requires that printed text be inserted using text boxes. I believe the text box I used for the firm name was too small.

I will be able to resubmit the documents this evening. Thank you for your patience!

Donna Beatty

CONFIDENTIAL ATTORNEY-CLIENT COMMUNICATION PLEASE DO NOT APPEND, CHANGE, OR FORWARD

The information in this transmission may be confidential and may also be subject to attorney-client privilege. This information is intended only for the use of the individual or entity to whom it is addressed. If you are not the intended recipient, or the employee or agent responsible for delivery to the intended recipient, you are notified that any use, dissemination, distribution, or copying of this communication is strictly prohibited by federal and state law. If you have received this transmission in error please notify the sender at once by reply or by telephone at 509-928-7414.

Donna L. Beatty
Attorney at Law
Phone: 509-928-7414
Fax: 509-926-2902
Email: dlb@donnalbeatty.com
Mailing Address:
PO Box 636
Greenacres, WA 99016
Street Address:
421 W. Riverside, Suite 911
Spokane, WA 99201

From: Donna Beatty
Sent: Monday, February 11, 2013 1:52 PM
To: lcbbids@liq.wa.gov
Subject: RFP-K430, Donna L. Beatty, Attorney at Law

Attached are the Submittal Documents and my proposed Contract Exceptions

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Donna L. Beatty
Attorney at Law
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Email: dlb@donnalbeatty.com<<mailto:dlb@donnalbeatty.com>>
Mailing Address:
PO Box 636
Greenacres, WA 99016
Street Address:
421 W. Riverside, Suite 911
Spokane, WA 99201

Norton, Melissa K

From: Donna Beatty <dlb@donnalbeatty.com>
Posted At: Thursday, February 14, 2013 3:06 PM
Conversation: RFP-K430, Donna L. Beatty, Attorney at Law (replacement submittal)
Subject: RE: RFP-K430, Donna L. Beatty, Attorney at Law (replacement submittal)

Please accept this second submittal of my Proposal in response to RFP-K430. As I stated in an e-mail to you sent earlier today, the original version of my response, as it appeared in my "sent box," contained a printing error on Page 3. My firm's name was not printed completely. This corrected printing addresses that issue.

Thank you for your patience and understanding.

Donna

Donna L. Beatty
Attorney at Law
Phone: 509-928-7414
Fax: 509-926-2902
Email: dlb@donnalbeatty.com
Mailing Address:
PO Box 636
Greenacres, WA 99016
Street Address:
421 W. Riverside, Suite 911
Spokane, WA 99201

From: Donna Beatty
Sent: Monday, February 11, 2013 1:52 PM
To: lcbids@lq.wa.gov
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Donna L. Beatty
Attorney at Law
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Email: dlb@donnalbeatty.com
Mailing Address:
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Norton, Melissa K

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Posted At: Monday, February 11, 2013 1:53 PM
Conversation: RFP-K430, Donna L. Beatty, Attorney at Law
Subject: RFP-K430, Donna L. Beatty, Attorney at Law

Attached are the Submittal Documents and my proposed Contract Exceptions

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Mailing Address:
PO Box 636
Greenacres, WA 99016
Street Address:
421 W. Riverside, Suite 911
Spokane, WA 99201

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to lcbids@liq.wa.gov.
- Clearly mark the subject line of the email: RFP- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the lcbids@liq.wa.gov inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

- | | |
|--|-------------------------------------|
| Proposer's Authorized Offer (see page 2) | <input checked="" type="checkbox"/> |
| Proposer Information (see page 3) | <input checked="" type="checkbox"/> |
| Subcontractor Information (see page 4) | <input checked="" type="checkbox"/> |
| Letter of Submittal (see page 5) | <input checked="" type="checkbox"/> |
| Non-Cost Proposal (see page 6) | <input checked="" type="checkbox"/> |
| Cost Proposal (see page 8) | <input checked="" type="checkbox"/> |

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

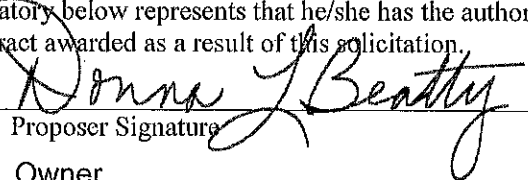
Initiative 502 Consulting Services – RFP K430
Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one are) not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.


Proposer Signature

Owner

Title

Donna L. Beatty, Attorney at Law

Company Name

February 10, 2013

Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name Donna L. Beatty, Attorney at Law
 Street Address 421 W. Riverside, Suite 911
 City, State, Zip Spokane, WA 99201 (see additional, confidential info attached to letter of submittal)
 Federal Tax ID Number PersonalInfo
 UBI 602 147 920
 Website URL N/A

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name: Donna Beatty
 Telephone: 509-928-7414
 Email: dlb@donnalbeatty.com

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount 5 % 20 days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input checked="" type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: _____
 Services: _____
 Address: _____
 Telephone: _____ **N/A** _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 2

Name: _____
 Services: _____
 Address: _____
 Telephone: _____ **N/A** _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 3

Name: _____
 Services: _____
 Address: _____ **N/A** _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 4

Name: _____
 Services: _____
 Address: _____ **N/A** _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

LETTER OF SUBMITTAL

The Proposer's Letter of Submittal must be signed by the individual within the organization authorized to bind the bidder to the offer. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Proposer and any proposed subcontractors:

- Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.
- Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)
- Location of the facility from which the Proposer would operate.
- Statement of which of the following Categories Proposer is responding to:
 - Category 1: Product and Industry Knowledge
 - Category 2: Product Quality Standards and Testing
 - Category 3: Product Usage and Consumption Validation
 - Category 4: Product Regulation
- Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Proposer's organization. If following a review of this information, it is determined by the WSLCB that a conflict of interest exists, the Proposer may be disqualified from further consideration for the award of a contract.

See attached Letter



Donna L. Beatty, Attorney at Law

Phone: (509) 928-7414
Fax: (509) 926-2902
Email: dlb@donnalbeatty.com

PO Box 636
Greenacres, WA 99016

SENT VIA E-MAIL TO: lcbids@liq.wa.gov
Washington State Liquor Control Board

February 11, 2013

RE: Letter of Submittal
RFP-K430, Donna L. Beatty, Attorney at Law
Category 4 only

Dear Sir or Madam:

Thank you for accepting and processing this Bid in response to RFP-K430. I am responding to Category 4 of the RFP, Product Regulation. In addition to having experience with regulatory issues while counseling and representing clients, I have had experience in drafting ordinances in the form of zoning and building codes by virtue of serving a three year term on the first Planning Commission for the city of Liberty Lake, Washington. I am hopeful that my experience will enable me to assist the Liquor Control Board in its challenging task of putting a regulatory system in place as it implements I-502.

The name of the bidding firm, the address from which the firm will be operating, as well as its principal place of business, and other contact information is as follows:

Individual with whom the contract would be entered:

Donna L. Beatty, Attorney at Law
Sole Owner, Solo Practitioner

Principal place of business:

421 W. Riverside Ave, Suite 911
Spokane, WA 99201

Principal Base of Operations:

421 W. Riverside Ave, Suite 911
Spokane, WA 99201

Please Note: I most often work from my home, but in such circumstances I am notified by the staff at 421 W. Riverside, Suite 911 if deliveries are made to the Riverside address. For purposes of ensuring client privacy, faxes are directed to my home-office fax machine. The 421 W. Riverside address is where I meet clients, unless I meet them at their place of business. My home address is confidential, and as such, I have included it in an attachment to this letter, clearly marked CONFIDENTIAL. I know you may not be able to do so, but I would appreciate it if my home address could be kept confidential. Thank you.

Phone Number:

(509) 928-7414

Fax Number:

(509) 926-2902

E-mail Address:

dlb@donnalbeatty.com

This law firm is a sole proprietorship and there are no other Officers, Directors or Shareholders other than me, its owner.

There are currently no employees of this law firm, hence there are no former state employees who could pose concerns regarding a conflict of interest. If it becomes necessary for me to hire employees in order to perform some of the functions required to fulfill a contract with the LCB, I would ensure that no former Washington State employees would be hired.

Sincerely,



Donna L. Beatty

Attachment: Confidential Attachment Containing Home Address, which is an alternate base of operations, and one which I most frequently use).

CONFIDENTIAL

(Maintaining the confidentiality of my home address, if it is possible for you to do so, would be greatly appreciated.)

Alternate Base of Operations:

The home of Donna Beatty
21200 E. Country Vista Dr., C106
Liberty Lake, WA 99019

CONFIDENTIAL

NON-COST PROPOSAL

Please refrain from using company name or other information that will identify your company while preparing your response for the Non-Cost Submittal. The Washington State Liquor Control Board (WSLCB) reserves the right to modify proposals in order to eliminate company names or any other information that may identify a specific company brand.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:
 - a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
 - b. How Marijuana is infused into food and beverages
 - c. How Marijuana should be packaged, labeled, transported, and sold at retail level
 - d. How wholesale and retail Product should be recalled and accounted for
 - e. How Marijuana should be destroyed if overproduced, contaminated, or recalled
2. **Experience.** In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.
3. **Team Structure and Internal Controls.** In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.
4. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Please answer the questions listed below, attaching additional pages as necessary:

5. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or expertise in Product Quality Standards and Testing, including but not limited to the following:
 - a. Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations
 - b. Assisting the WSLCB with establishing quality standards for testing Marijuana
6. **Experience.** In two (2) pages or less, please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.
7. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
8. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminants, and Product strain.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Please answer the questions listed below, attaching additional pages as necessary:

9. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise to estimate Product Usage and Consumption levels by geographic areas in Washington State.
10. **Experience.** In two (2) pages or less, please describe your firm's experience in statistical research, specifically related to determining demographic and/or psychographic segmentation, preferably related to the use of Cannabis.
11. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
12. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firm's proposed approach and methodology to be used for Product Usage and Consumption validation as requested in this RFP, to estimate demographic and psychographic segmentation, specifically related to the use of Cannabis.

CATEGORY 4 – PRODUCT REGULATION

Please answer the questions listed below, attaching additional pages as necessary:

13. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise in Product Regulation, including but not limited to, the following:
 - a. Experience with State, local or Federal government processes and procedures
 - b. Experience in crafting system regulations
14. **Experience.** In two (2) pages or less, please describe your firm's experience in working within the confines of a regulatory system, and experience in creating and/or modifying rule, law, ordinance, and/or guidelines.
15. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
16. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB with developing rules and a regulation strategy for the state of Washington's new Marijuana System.

NON COST PROPOSAL, CATEGORY 4

Note: My responses to Questions 13 and 14 overlap significantly, however I have separated the answers such that my response to Question 13 will list most related experience at the various levels of government, while my response to Question 14 will be more descriptive of specific, relevant experience.

13. Ability, Capacity and Skills.

Various Washington State agencies and departments regulate a number of products, including animal feed; milk (though only a few minor differences and the requirement of “raw milk warning labels” differ from federal regulations), eggs, agricultural, vegetable and flower seeds, and of course, wine and tobacco. Of course the substance of the regulations pertaining to product standards (safety, purity, and efficacy), packaging, delivery, and restrictions on retail sales, differs from other regulatory systems in Washington such as those overseeing the provision of professional services by licensed providers, local land use and building ordinances, and public educational services. But despite the technical differences in the text of the regulations, product regulations do not differ significantly from other regulations (and – to an extent – land use and building ordinances) either in the processes by which they are enacted, nor in their ultimate purposes of ensuring the safety and well being of the public, the economic viability of the state, and the continued health and vitality of the environment and natural resources of the State of Washington for the benefit of future generations.

I have had extensive experience in all aspects of regulatory systems – from the formation of proposed ordinances (drafting, holding public workshops and public hearings), to presenting for adoption ordinances dealing with land use and building codes. I have represented clients with issues related to statutes and regulations, both at the state and federal administrative hearings and in various courts. I have counseled clients as to the requirements of federal and state statutes and regulations related to the provision of health care services as well as billing federal payors for those services, and have drafted contracts that included strict adherence to those laws and regulations. However, I must admit that if the term “Product Regulation” is limited strictly to tangible products, as opposed to products such as insurance policies, my experience is more limited and largely has involved interpreting statutes and regulations for clients who had questions or issues regarding the products they purchased.

a. A summary of my relevant experience with Federal, State, and local processes and procedures is as follows:

FEDERAL:

- A lawsuit against the Secretary of the Air Force regarding a sexually-charged, hostile work environment in a Washington State Air National Guard facility;
- A regulatory action against the U.S. Department of Agriculture for racial and gender employment discrimination;
- I served as co-counsel in a regulatory action challenging the FAA’s suspension of a pilot’s license;
- Extensive familiarity with Federal Stark Laws, anti-kickback laws, and related federal regulations applied to Medicare-affiliated health care providers;

- A lawsuit in federal court against a Canadian company for violation of anti-trust laws;
- A lawsuit in federal court against a long term disability insurer subject to ERISA
- A lawsuit in federal court against a national non-profit for FMLA and ADA violations; and
- A lawsuit in federal court against an FAA regulated company on behalf of a whistleblower.

STATE

- Successful petition in Superior Court for the rarely-granted remedy of a Writ of Mandamus against CPS for a widespread practice in violation of state law;
- Successful challenge of requests issued by the DOH for mental health records, contrary to state law; a successful challenge to subsequently issued subpoenas in Superior Court as the breadth of the subpoenas violated of both statutory law and the Washington State Constitution;
- Partially successful challenge at the Appellate Court level to DOH's interpretation of a provision of the Administrative Procedure Act; and
- Successful challenges in administrative hearings of findings of child neglect.

LOCAL

- Served as a Planning Commissioner for three years for a newly incorporated city in Washington State. During my term on the Planning Commission, we were responsible for formulating the city's Comprehensive Plan and the city's development code as mandated and guided by Washington State's Growth Management Act. Our work included drafting the plan and code, holding public workshops and holding public hearings.
- Challenge to location of industrial operation next to residential zone in another Washington City, heard by hearing examiner (issue was resolved in simultaneous private lawsuit)

b. Experience in crafting system regulations

My three year term as Planning Commissioner for a newly incorporated city provided me with experience in crafting system regulations. Although city ordinances, such as the city's development code are not referred to as regulations, they do constitute a system of regulations. They are promulgated through, and are subject to, statutory mandates and all procedures must adhere to Washington State's Open Government Act. Additionally, the building permit process, the process for zoning variances, and other procedures to which city businesses and developments are subject, are similar to state regulatory agency procedures.

As is noted in the city's Comprehensive Plan: "... the Comprehensive Plan was developed through a yearlong, 'bottom up' effort. The public was involved early in the process and continuous public participation and comments were sought throughout via Planning Commission meetings, a public survey, information guides, workshops, and public hearings."

The importance of reaching out to the public while carefully documenting all public participation is a process with which I am very comfortable.

14. Experience.

As a practicing attorney and as a private citizen who served a three year term in my as a Planning Commissioner for a small, then newly incorporated Washington city, I have acquired in-depth knowledge of government processes at all levels of government – federal, state and local. I also have first-hand knowledge of just how intricate is the task of putting together a system of regulations in compliance with Washington State laws. The creation and adoption of a Comprehensive Plan and a local development code were accomplished in compliance with Washington's Open Government Act, and using procedures similar to those required by the Administrative Procedure Act.

As a legal practitioner in the state of Washington, I have represented clients at all stages of administrative actions involving the enforcement of administrative rules, and have successfully challenged several long-standing interpretations of Washington statutory law by two different state agencies. In order to mount successful challenges, it was imperative that I fully understand the statutory enabling act and other statutes pertinent to the agencies involved, the regulations that were adopted by those agencies that exceeded the scope of, or improperly interpreted, those statutes, and the procedures through which I could bring a challenge. In one case, I was able to deal with the matter informally by speaking with the agency's assigned counsel at the state Attorney General's office; in one case I was required to seek judicial intervention after exhausting administrative procedures; in one case I was required to seek judicial intervention prior to the initiation of administrative hearings; and in one I was brought in much later in the process after a collateral issue was being appealed, and I was successful in getting a portion of a previous decision overturned at the appellate court level.

STATE LEVEL: It is rewarding to know that my efforts on behalf of clients in these administrative matters have made a difference in the lives of many other people. For example, CPS entered a finding against one of my clients who was alleged to have committed child neglect, sent a notice of the finding to my client, but was aware that my client did not receive the notice because the notice was returned to CPS undelivered. Years later, my client was dismissed from a job as a cook in a day care center because of this finding, but it was the first she knew that such a finding existed. The relevant statute required that CPS entertain an appeal of the finding if the individual files an appeal within a specified timeframe after receiving notice of the finding. I filed an appeal with the agency on her behalf within 20 days of her receipt of the notice in the form of a failed background check. CPS declined to hear the appeal because it was untimely. I had to petition the Superior Court for a writ of mandamus finding the appeal had been timely filed and ordering CPS to entertain the appeal. The judge in the case issued the writ, finding in this narrow set of facts it was clear that the appeal had been timely filed. CPS denied the appeal and I filed a second level appeal with the Office of Administrative hearings where I was successful in getting the findings of neglect overturned. What was truly gratifying was not only correcting CPS's error concerning my client, but later learning that CPS no longer disallows appeals in any case in which the person has proof that he or she did not receive the notice of the findings. My client and I caused CPS to alter its internal processes so that it is more fair for all involved.

In another matter involving the DOH, I was surprised to learn that "requests" for the records of the clients/patients of social workers and counselors were routinely made and that counselors and social workers were threatened with automatic penalties should they fail to

cooperate. Since other health care records could be obtained through “letters of cooperation” it was assumed that counseling records could also be obtained this way. Unfortunately for the DOH, that assumption was not valid and such a request was blatantly contradictory to state law which requires the Secretary of the DOH to issue a subpoena for such records. Had the counselors in question succumbed to the threats and supplied the records, they would have been in violation of HIPAA, for their disclosure of the records would not have been in compliance with state law. I was able to discuss the matter with the AG’s office, but once the subpoenas were issued, it was clear that the scope of what was sought was not in compliance with the privacy guarantees made by Washington’s Constitution, and in fact violated relevant statutes and DOH’s own regulations and policies. Judicial intervention was required at that point to narrow the scope of the subpoenas. \

Even cases that are seemingly private matters often have regulatory elements involved. The failure of insurance companies to abide by their policy language involves state laws and regulations; private lawsuits for employment discrimination often begin with the involvement of the State Human Rights Commission (and the EEOC, by extension); and a lawsuits against a bonded building contractor must involve L & I. Regulatory agencies are an ever present fact of life for attorneys, and working within regulatory systems is an every day requirement for us.

FEDERAL LEVEL: I have also handled administrative actions at the federal level, including assisting another attorney in an FAA matter regarding a pilot who flew his small aircraft on 9-11, not knowing that the FAA had grounded all flights, and EEOC related matters regarding various forms of employment discrimination. One such employment issue involved the Washington State National Guard, which required that the Secretary of the Air Force be named as the defendant, another was against the Department of Agriculture, and a third was an issue related to violations of FMLA and ADA by a private charity.

Because many of my clients are health care providers, I have had to become very familiar with Federal statutes such as HIPAA, the Stark laws, anti-kickback laws, as well as related HHS, CMS, and other regulations. Stark and anti-kickback laws govern everything from referrals to other physicians to waivers of co-pays for indigent patients. HIPAA regulations govern many aspects of the private practice of medicine, and have become more expansive in recent years to encompass more many service providers, such as billing firms.

LOCAL LEVEL: I believe that my experience as a Planning Commissioner is most relevant to the position of Product Regulation consultant. The process of crafting, drafting, and finalizing development code ordinances is very similar to the process used when promulgating regulations. The need for stakeholder input, the need to comply with the Open Government Act, the need to work within the confines of the Growth Management Act, and the need to consider and account for many other federal and state laws and regulations, are not unlike the regulatory process under the Administrative Procedure Act. When formulating the development code, stakeholder meetings were vital in order to ensure we understood the more technical aspects of code we would need to draft. Meetings with traffic experts, planned development experts, and law enforcement and building code enforcement officials were also necessary. Additionally, meeting with the public to ensure we had a sense of their vision for the community was both necessary and enlightening. In the end, the Planning Commission was proud of the proposed ordinances that we sent to the City Council. It was a very worthwhile, three year, volunteer position of which I am very proud.

16. Approach and Methodology

I believe that as a licensed, practicing attorney the Washington Rules of Professional Conduct 5.4(b) and (d)) prohibit me from participating in, or forming, an informal partnership with non-lawyers, or agreeing to split fees with non-lawyers for purposes of presenting a unified, single contract bid. (See, e.g., *WSBA Advisory Opinion 2169 concludes that the splitting of fees and partnership with a non-lawyer when any part of the activity constitutes the practice of law is forbidden by RPC 5.4; and Ibanez v. Florida Dep't of Business & Prof. Regulation*, 512 U.S. 136, 114 S.Ct. 2084 (1994), “the attorney choosing to practice multiple professions must do so mindful that the "lawyer hat" is never off.”) But by no means do the ethical rules prevent me from working in collaboration with the WSLCB and other consultants who will assist the WSLCB with the implementation of I-502, and that is where I believe my efforts would and should begin: with collaboration.

My first priority would be to listen— to the members and staff of the WSLCB, to experts hired by the WSLCB, to representatives of other state agencies, to representatives of the AG’s office, to representatives of local governments and law enforcement agencies, to stakeholders and to the public through meetings, workshops and surveys. I would ensure I fully understood the expectations of the WSLCB members as to my role in the process and I would listen to the Board’s concerns regarding the status and progress of the I 502 implementation project. I would ensure that an open line of communication existed between me and the consulting experts brought in by the Board to ensure that all developed technical standards are included and clearly stated in proposed regulations. And, of course I would document all communications for inclusion in the public record.

It may be very beneficial to open a dialogue with agencies and individuals in Colorado who are addressing similar issues there to ensure any problems that have been identified with one state can be addressed by the other. Additionally, a web-based review of issues encountered by law enforcement and governments in countries where marijuana use is legal might be helpful as well, particularly if product smuggling across international borders to neighboring countries where the product is not legal has been successfully addressed.

Because the I-502 implementation project is significant in terms of rule making, I would conduct all aspects of my work in compliance with RCW 34.05.028, as the Joint Rules Committee could decide to apply the provisions of that statute to the WSLCB’s efforts in implementing I -502. It is fortunate that the Board is tasked with regulating licenses, for the APA does not require a cost benefit analysis to be produced in such cases.

For each license that the WSLCB is tasked with regulating, and depending on what the technical consultants advise, I would examine all relevant statutes and regulations now in effect that apply to similar commercial enterprises to ensure that nothing is overlooked and any regulations that are adopted are consistent with existing regulations to the greatest extent possible. For instance, the producer’s license may have commonalities with laws, regulations and rules that are applied to growers of other crops such as wine, fruits, potatoes, etc. For instance, I do not know if the hearty marijuana plant is affected by insects or other blights, but if the use of insecticides, fertilizers, and other preparations are necessary, it may be necessary, in order to be consistent with other regulations pertaining to other crops to ensure that there are

restrictions on the use of such chemicals and that there are mandated labeling requirements on the retail packages that advise consumers of their use.

I also believe that I would be tasked with drafting the proposed regulations. The drafting would be as much of a creative effort as a technical one, as the format must conform to Washington State's standards, the categories of the regulations must be decided, and the topics must address both purely legal concerns and the technical issues identified by the experts. Once a set of regulations is drafted and approved by the applicable experts as having addressed their concerns, a final comparison with previously adopted or proposed regulations in the I-502 implementation project (i.e. the regulations affecting producers, then processors) must be done to ensure consistency, and a review of statutes that may apply must be done to ensure there are no conflicts with existing laws. At that point, when the Board has indicated its satisfaction with the proposed rules, a notice of proposed rule making could be submitted and the public hearing process and public comment period would get underway.

I fully anticipate that I will be called upon to assist the Board with the logistics of the public hearings, the processing and documenting of the public comments, and responding to communications and questions regarding the proposed regulations. Given the intensity of the public interest in this process, I suspect there will be many comments and many questions about the proposed regulations, and that it will be important for the Board to be kept apprised of them. Although the goal of seeking public input prior to drafting regulations is to avoid having to change the text of the regulations once they are proposed, the Board may decide that some regulations do need to be re-worded or modified in some ways. The APA allows for some changes to be made without re-starting the 20 day notice period, and I would be able to assist the Board regarding the propriety of making changes on short notice, communicating with the AG's office, if necessary.

Once the regulations are adopted, I would be available to submit them, as required and in the proper format, to the Office of the Code Reviser so that the adopted rules will be included in the Washington State Register.

This brief synopsis of my methodology belies the complexity of the task at hand, especially given the time constraints of I-502 which are reflected in the WSLCB's proposed schedule. The process of drafting regulations is an iterative one; ideas, concerns, and technical details all must be assimilated, documented and considered, incorporated into the proposed regulations, then double checked with experts and representatives from other agencies and local governments. For instance, soliciting the opinions of representatives of law enforcement agencies and departments to ensure the proposed regulations pass their muster will most likely not be a one-time event. In my previous experience drafting ordinances, I learned that it is a time consuming, iterative process which is – at times – frustrating, but which results in regulations that stakeholders and citizens can support because they know their views were solicited, respected and considered before a final decision was made.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ 94.50p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ ____ p/day

Proposed Modifications/Issues to be Negotiated
Initiative 502 Consulting Contract (Category 4)
Between: Donna L. Beatty, Attorney at Law
and
Washington State Liquor Control Board

MISCELLANEOUS EXPENSES

Modify the provision as follows: No expenses will be reimbursed for routine travel to and from WSLCB's location, except that if Contractor is required to travel to WSLCB's location more than once in any calendar week from any location more than 200 miles away, or from any location east of the Cascade mountain range, including her current base of operations in the Spokane, Washington, area, then she will be paid for her additional travel time. If between the commencement of the Contract and August 1, 2013 when Contractor will be free to relocate, Contractor must secure lodging in the Olympia area for more than two nights in any calendar week, Consultant will be reimbursed for the additional lodging expenses.

EXHIBIT A

ADVERTISING (page 9)

Append the following sentence: Contractor may, however, include her services to the WSLCB under this contract in her Curriculum Vitae, resume, a website that lists her professional experience, or any other document in which she is expected to disclose her professional endeavors to the extent that the information is already in the public record.

CONFIDENTIALITY/SAFEGUARDING INFORMATION (page 10)

Append the following sentence: Contractor may, however, include her services to the WSLCB under this contract in her Curriculum Vitae, resume, a website that lists her professional experience, or any other document in which she is expected to disclose her professional endeavors to the extent that the information is already in the public record.

CONFLICT OF INTEREST (page 10)

Append the following paragraph: However, it is understood that Contractor is not a full time employee of the State of Washington, that she maintains a private law practice and may engage in other business activities, including, but not limited to, other consulting agreements with other agencies or departments of the State of Washington and consulting agreements with other states or entities, that are unrelated to her duties under this contract. Provided that such business endeavors are unrelated to the Initiative 502 implementation efforts, unrelated to any business interest regulated by the WSLCB, and do not interfere with her performance of her duties pursuant to this contract, Contractor may accept remuneration for conducting those business activities.

INDEMNIFICATION (page 13)

Modify the last paragraph of this provision as follows: Contractor expressly agrees to indemnify, defend, and hold harmless the WSLCB for any claim arising out of, or are incident to, Contractor's or any Subcontractor's performance of, or failure to perform, the contract unless the circumstances leading to the claim were due to the negligent or intentional acts of the WSLCB, its employees or agents. Under no circumstances will Contractor indemnify, defend or hold the State of Washington or the WSLCB harmless if during the performance of this contract, any agent, employee or member of the WSLCB or the State of Washington commits a grossly negligent or intentional act or acts that cause Contractor to suffer damages, and in such a case, Contractor expressly retains the right to file suit for damages in a court of competent jurisdiction in Thurston County, Washington. Contractor also will not indemnify, defend or hold harmless the WSLCB, the State of Washington, or their employees or agents for any action that Contractor raises as an affirmative defense or counterclaim, in any action brought against her pursuant to this contract by the WSLCB, the State of Washington or a department or agency thereof, or any employee or agent of the State of Washington.

INDUSTRIAL INSURANCE COVERAGE (page 14)

Append the following sentence: As a sole proprietor, Contractor's inclusion of herself as an individual covered by the industrial insurance plan under Title 51 of the Revised Code of Washington is optional and as such is not mandated by this contract.

INSURANCE (pages 14 – 15)

Employer's Liability: **Append the following sentences:** Provided that Contractor currently has no employees, and may only be required to hire one part time employee

to perform administrative functions, only a general business policy and no Employer's Liability Policy will be required. If it becomes necessary for Contractor to hire additional staff, Contractor will be required to obtain an Employer's Liability Policy in the amount of \$1,000,000.00 prior to the start date of any additional employees.

Commercial General Liability: Append the following sentences: As Contractor will be providing personal consulting services only, and carries professional malpractice insurance, and the only foreseeable cause of injury to anyone other than herself will be due to her use of automobiles to travel to meetings, Contractor will not be required to meet the Commercial General Liability limits stated within. Contractor will satisfy the Commercial General Liability insurance requirements upon showing proof of a general "umbrella policy" with a limit of \$1,000,000.00 or greater.

MATERIAL BREACH (page 18)

Modify Provision 6 as follows: Other than provisions of Federal law pertaining to marijuana as a controlled substance that Contractor may be required to violate in order to perform the Contract according to its provisions, a violation of local, state, or federal law or regulations and that such determination renders the Contractor unable to perform any aspect of the Contract.

NONDISCRIMINATION (page 19)

Add the following sentence clause: ,though Contractor may refuse to hire any person whose addition to her staff could create a conflict of interest under the Contract, and she may refuse to hire a former (or soon to be former) Washington State employee whose addition to her staff would violate state law regarding employees or former employees serving as consultants to the state.

PUBLICITY (page 22)

Append the following sentence: Contractor may, however, include her services to the WSLCB under this contract in her Curriculum Vitae, resume, a website that lists her professional experience, or any other document in which she is expected to disclose her professional endeavors to the extent that the information is already in the public record.

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TERMINATION FOR CONVENIENCE (page 26)

Increase the notice period to 20 days.

ADDITIONAL SECTION: TERMINATION BY CONTRACTOR (page 26 or so):

1. If Contractor's services have not been utilized for a period of 30 consecutive calendar days, or have been utilized for less than ten hours per month for a period of two or more calendar months, Contractor may elect to query the WSLCB as to its intentions to further utilize her services. If the WSLCB does not foresee utilizing her services for more than an additional 15 days, or foresees that her services will be utilized for less than 10 hours per month for the duration of the contract term, or her services are not actually used in the subsequent 15 days or used for less than ten hours in the subsequent 30 days, Contractor may elect to terminate the Contract by giving 20 days notice to the WSLCB of her intent to do so.
2. If payment to Contractor is more than 15 days past due, there is no dispute as to the validity of the invoiced amount, no other terms or arrangements for payments have been made, and provided she has followed the following procedures, Contractor may elect to immediately terminate the Contract:
 - a. Contractor provides notice of the late payment to [*insert proper department to which a late payment notification is to be sent*];
 - b. The late payment is not cured within five business days;
 - c. Contractor provides the WSLCB with notice (via email to _____) that all work on its behalf is immediately suspended until the non-payment for services is cured; and
 - d. The non-payment for services is not cured within ten days of the notice of suspension of work to the WSLCB.

WAIVER (page 28)

Modify the provision as follows: Failure by either party to insist on strict performance by the other party, or to exercise any right or remedy provided for in the Contract or by law, or the WSLCB's acceptance of or payment for materials, supplies, services, and/or equipment, shall not release either party from any responsibilities or obligations imposed by this Contract or by law and shall not be deemed to be a waiver of any right by either party to insist on the strict performance of the entire agreement by the other party. In the event of any claim for breach of contract, no provision of this Contract shall be construed, expressly or by implication, as a waiver of any existing or future right and or remedy available at law or in equity.

WITHDRAWAL OF FUNDING (page 28)

Increase notice period to 20 days.

Norton, Melissa K

From: arindunn@hotmail.com on behalf of Arin Dunn <arin@dunnsheldrick.com>
Posted At: Thursday, January 31, 2013 3:08 PM
Conversation: K430 Initiative 502 Consulting Services in Categories 1 & 4.
Subject: K430 Initiative 502 Consulting Services in Categories 1 & 4.

Mr. Farley-

Please accept the attached letter and resume as a proposal for the above referenced work. Please let me know if any additional information is required.

Based on the wide and diverse needs of the WSLCB for this unprecedented project, I hope you will retain multiple contractors to assist as needed.

Thanks very much,

-Arin Dunn

Arin M. Dunn

DUNN | SHELDRIK

Employment • Business • Intellectual Property • Complex Litigation

1014 Franklin Street, Suite 110

Vancouver, Washington 98660

Vancouver: (360) 737-6793

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Norton, Melissa K

From: arindunn@hotmail.com on behalf of Arin Dunn <arin@dunnsheldrick.com>
Posted At: Thursday, January 31, 2013 1:22 PM
Conversation: K430 INITIATIVE 502 CONSULTING SERVICES
Subject: K430 INITIATIVE 502 CONSULTING SERVICES

Dear Mr. Farley-

I presume you are snowed in with applications. Please accept my sympathies. Attached is a cover letter and resume as application for the above-referenced work. Please advise if my Proposal is deficient in any way or you require any additional information about me. I would appreciate the opportunity to answer any question you might have. I am negotiable and most interested in helping you address whatever needs you have.

Yours truly,

-Arin

Arin M. Dunn

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Vancouver, Washington 98660

Vancouver: (360) 737-6793

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Norton, Melissa K

From: arindunn@hotmail.com on behalf of Arin Dunn <arin@dunnsheldrick.com>
Posted At: Friday, February 01, 2013 4:59 PM
Conversation: RFP K430, Dunn & Sheldrick, PS, Attorneys at Law
Subject: RFP K430, Dunn & Sheldrick, PS, Attorneys at Law

Arin M. Dunn

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1014 Franklin Street, Suite 110

Vancouver, Washington 98660

Vancouver: (360) 737-6793

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DUNN & SHELDRIK, P.S.

Attorneys at Law

www.dunnsheldrick.com

Arin M. Dunn

Licensed in Washington & Oregon

1014 Franklin Street, Suite 110
Vancouver, Washington 98660

Office: 360-737-6793

Fax: 360-693-6606

arin@dunnsheldrick.com

VIA ELECTRONIC MAIL

February 1, 2013

Mr. John Farley, Contracts Specialist
Washington State Liquor Control Board
P.O. Box 43100
Olympia, WA 98504-3100

Re: Letter of Submittal, K430 Initiative 502

- 1 - Product and Industry Knowledge.
- 4 - Product Regulation.

Dear Mr. Farley:

Please accept this letter as a Submittal for the above-referenced consulting work by Dunn & Sheldrick, PS. Operations will be conducted at the above-referenced address.

The future of the Liquor Control Board is at a critical juncture. The new marijuana law is a ground-breaking opportunity but also creates the biggest risk of failure ever faced by the agency. The recent liquor privatization law demonstrates the need for the Board to be pro-active in facing this challenge. The current challenge requires a multi-faceted approach from a public relations, business, regulatory, law enforcement, public health, customer service, efficiency, and taxation perspective. A pragmatic, balanced and efficient solution is needed to address these concerns. That is the kind of mission-critical problem that clients hire us to work on every day.

I want to help the LCB succeed and I have the skill set to help. I do not have a personal agenda except to create good law. My perspective is not jaded or biased by years of criminal law enforcement, criminal behavior, or economic opportunity. Our firm is knowledgeable about and can conduct excellent research on private business issues and marijuana legalization policies around the world. We can research public opinion and proposed rule making without getting bogged down in politics, but instead getting the media and public to assist us in this process.

1. Identification of Officers and Directors for Dunn & Sheldrick, PS.

- Emily Sheldrick, President, Treasurer, Director
- Arin Dunn, Vice President, Secretary, Director

2. Conflict of Interest. As of the date of proposal, there are no state employees or former state employees employed or on the firm's governing board.

B. NON COST PROPOSAL

3. CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE. **a.) Experience.** The firm objects in part. The firm asserts it has extensive experience relating to laws and regulations governing how products are “packaged, labeled, transported, and sold at retail level” in a variety of industries. The firm objects to the remainder of the question as it seeks a response which is unlawful under the laws of the United States and State of Washington. Specifically, the question requests, “please describe your firm’s experience in Product and Industry Knowledge as it relates to Marijuana.” Anyone that answers that question with regard to illegal conduct is questionable. **b.) Team Structure and Internal Controls:** The firm has systems in place for conflicts checks, deadline verifications and calendaring, and resources to conduct national and international legal research. Mr. Dunn will have primary authority for managing all aspects of the contract. **c.) Firm’s ability, capacity, skills and/or other expertise.** The firm and its members have provided services for some of the world’s largest corporations and has experience working with government agencies at the local, state, and federal level. The nature of this work involved strategic decision-making and analysis. **d.) Staff Qualifications.** Please see section 6 below.

4. CATEGORY 4 – PRODUCT REGULATION.

1. Ability, Capacity, Skills, Expertise.

a. Training. All persons have doctorates in law and undergraduate degrees in political science with an emphasis on economics and policy development. This includes international and domestic research on policy development in law school and in college including for a Policy Report for the federal legislative branch. This includes service to the US Congress, Washington Supreme Court and US District Court.

b. Skills. Over 15 years experience as a policy advisors for Washington’s most successful companies in areas of taxation, regulation, health care, employment, and business. The new law will regulate similar entities. Volunteer work as consumer advocates in cooperation with the Attorney General’s Office. Trained mediator for criminal cases and complex civil cases. Serve on Boards and are able to negotiate a consensus between multiple experts in various fields. Officers of legal organizations at the state and local level.

c. Policy Development. Design system regulations and help corporate clients work within State, local or Federal government processes and procedures on a daily basis. Offered ideas to local, state, and federal agencies which were adopted by those agencies, including nation-wide changes adopted by the IRS. Provide advice on policies and regulations on a regular basis to a variety of organizations. Helped develop a novel program in cooperation with legal organizations and the courts to protect the rights of vulnerable persons.

d. Staff Qualifications and Capabilities. All staff handle all aspects of policy development and regulation issues within the firm at the highest level. The person signing this document will manage the contract. Skills and related issues have already been addressed herein.

e. **Approach and Methodology.** Initial concept provided below. Will adopt a much more comprehensive plan if retained to do so.

1. Organization. Set up confidentiality and conflict of interest parameters to ensure the integrity of the process. Identify program goals based on an analysis of the initiative.

2. Basic Research. Break out and assign different aspects of program to teams of experts. Have each team interact with applicable public agencies at the local, state, and federal level to seek internal input. Have each team conduct policy research at the local, state, and federal level. Retain basic policy researchers at universities or other organizations to maintain low costs and assist in gathering basic policy information world-wide relating to marijuana regulation and related regulatory structures.

3. Initial Draft. Have each team generate an initial draft and present the same to other retained experts. Have each team exchange ideas and review initial aspects of the program in brain-storming sessions.

4. Revise Drafts and Combine Drafts into Integrated Regulatory Proposal.

5. Seek External Expert Input. Revise draft and seek external input from experts in related fields (professors, possible program participants).

6. Seek Public Input. Create a survey to efficiently obtain public feedback on the proposed regulations. Manage public relations.

7. Revise Regulatory Proposal. Incorporate new ideas.

8. Follow Agency Rule-Making Procedures.

C. **COST PROPOSAL**. The standard hourly rate for all professionals is set forth below. We are willing to lower this hourly rate by 50% or more if we are sought for a substantial amount of work due to our personal interest in helping the LCB succeed in this instance.

Table 1: Hourly Rate

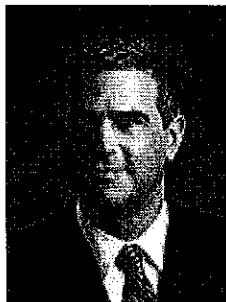
Description	NTE Hourly Rate
Not-to-Exceed (NTE) <u>Hourly</u> Rate for I-502 Consulting Services as stated in this RFP	\$ 250/hour


Very truly yours,

/s/ Arin Dunn

Resume from AVVO.COM:

Arin M Dunn



RATING: 10.0

Superb

Experience ● ● ● ● ●
Industry ● ● ● ● ●
Recognition
Professional ● ● ● ● ●
Conduct
7 Reviews ★ ★ ★ ★ ★

Résumé

15 years since Arin M Dunn was first licensed to practice law.

License	State	License status	Year acquired	Last updated by
	Oregon	Active	2000	01/23/2013 Avvo
	Washington	Active	1997	01/18/2013

We have not found any instances of professional misconduct for this lawyer.

Work Experience	Position	Duration
	Shareholder at Dunn & Sheldrick, P.S. Attorneys at Law Corporate Counsel at Optiva Corporation (maker of Sonicare® until acquired by Phillips)	2000–present
	Attorney, Kirkpatrick & Lockhart Preston Gates Ellis LLP and merger partner McDonald and QuackenBush, PS	1998–1999
	Judicial Intern at Judge William Dwyer, U.S. District Court for Western Washington	1997–1998
	Judicial Intern at Washington State Supreme Court	1997–1997
		1995–1995

Education	School	Major	Degree	Graduated
	University of Washington School of	Corporate, Intellectual Property, Contracts	Juris Doctorate	1997

Law
University of Oregon International BA with 1993
Studies, Honors
Political in
Science Double
Majors

Awards	Award Name	Granting Organization	Date
	Certified Mediator	VOMA, Seattle Washington	1995
	Award for Service	University of Oregon	1994

Associations	Position	Association Name	Duration
	Trustee	Clark County Bar Association	2011–present
	Mentor	Oregon State Bar, Attorney Mentor Program	2011–present
	<u>See all 11 association entries</u>		

Publications

THE ENDE OF PILLOW TALK (Article on Attorney Ethics)	Clark County Bar Association	2013
NEW SGAL PROGRAM ADOPTED BY CCBA	Clark County Bar Association	2013
Basic Corporate Formation	Clark County Bar Association	2011
NEW FEDERAL RULES ON ELECTRONIC DISCOVERY	Clark County Bar Association News	2007
INTELLECTUAL PROPERTY: RED FLAGS FOR THE	Washington State Bar Association	2003

BUSINESS	Continuing
ATTORNEY	Legal Education
TOP TEN PRETRIAL DO'S AND DON'TS	Washington 2003 State Bar Association Continuing Legal Education
ALTERNATIVE DISPUTE RESOLUTION MECHANISMS FOR ARTISTS	Pacific NW 2003 Arts Symposium
EMPLOYERS:...LAWS PROTECTING DEPARTING SOLDIERS	Dunn & 2001 Sheldrick, PS

Speaking Engagements	Presentation Name	Conference	Date
	Corporate Formation and Governance, Intellectual Property, Employment, Attorney Ethics.	Advising the Small Business Client (CCBA - Continuing Legal Education)	2011
	<u>Professional Communications and Ethics</u>	WSBA New Lawyer Education Seminar	2010
	Trademark Protection	Trademark Law for Artists (Continuing Legal Education)	2003
	ADR for Intellectual Property Disputes	Pacific Northwest Arts and Entertainment Symposium	2003
	Intellectual Property Red Flags for Business Attorneys	Advising The Small Business Client (Washington State Bar CLE)	2003
	Litigation and Settlement Techniques for Attorneys	Pretrial Practice (Washington State Bar Association CLE)	2002
	<u>See all 6 speaking engagements</u>		

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to **lcbids@liq.wa.gov**.
- Clearly mark the subject line of the email: RFP- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the **lcbids@liq.wa.gov** inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

Proposer's Authorized Offer (see page 2)	X <input type="checkbox"/>
Proposer Information (see page 3)	X <input type="checkbox"/>
Subcontractor Information (see page 4)	X <input type="checkbox"/>
Letter of Submittal (see page 5)	X <input type="checkbox"/>
Non-Cost Proposal (see page 6)	X <input type="checkbox"/>
Cost Proposal (see page 8)	X <input type="checkbox"/>

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

/s/ Arin Dunn

Proposer Signature

Vice President

Title

Dunn & Sheldrick, PS

Company Name

2/1/2013

Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name	<u>Dunn & Sheldrick, PS</u>
Street Address	<u>1014 Franklin Street, Suite 110</u>
City, State, Zip	<u>Vancouver, WA 98660</u>
Federal Tax ID Number	PersonallInfo
UBI	<u>602-797-672</u>
Website URL	<u>http://Dunnsheldrick.com</u> <u>http://www.avvo.com/attorneys/98660-wa-arin-dunn-27843.html</u> <u>http://www.avvo.com/attorneys/98660-wa-emily-sheldrick-26461.html</u>

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name:	<u>Arin Dunn</u>
Telephone:	<u>503-421-6421 (cell direct)</u>
Email:	<u>arin@dunnsheldrick.com</u>

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount _____% _____ days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input type="checkbox"/>
1	Product and Industry Knowledge	X
2	Product Quality Standards and Testing	<input type="checkbox"/>

3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	X

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 2

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 3

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 4

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

LETTER OF SUBMITTAL

The Proposer's Letter of Submittal must be signed by the individual within the organization authorized to bind the bidder to the offer. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Proposer and any proposed subcontractors:

- Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.
- Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)
- Location of the facility from which the Proposer would operate.
- Statement of which of the following Categories Proposer is responding to:
 - Category 1: Product and Industry Knowledge
 - Category 2: Product Quality Standards and Testing
 - Category 3: Product Usage and Consumption Validation
 - Category 4: Product Regulation
- Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Proposer's organization. If following a review of this information, it is determined by the WSLCB that a conflict of interest exists, the Proposer may be disqualified from further consideration for the award of a contract.

NON-COST PROPOSAL

Please refrain from using company name or other information that will identify your company while preparing your response for the Non-Cost Submittal. The Washington State Liquor Control Board (WSLCB) reserves the right to modify proposals in order to eliminate company names or any other information that may identify a specific company brand.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:
 - a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
 - b. How Marijuana is infused into food and beverages
 - c. How Marijuana should be packaged, labeled, transported, and sold at retail level
 - d. How wholesale and retail Product should be recalled and accounted for
 - e. How Marijuana should be destroyed if overproduced, contaminated, or recalled
2. **Experience.** In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.
3. **Team Structure and Internal Controls.** In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.
4. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Please answer the questions listed below, attaching additional pages as necessary:

5. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or expertise in Product Quality Standards and Testing, including but not limited to the following:
 - a. Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations
 - b. Assisting the WSLCB with establishing quality standards for testing Marijuana
6. **Experience.** In two (2) pages or less, please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.
7. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
8. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminants, and Product strain.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Please answer the questions listed below, attaching additional pages as necessary:

9. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm’s ability, capacity, and skills and/or expertise to estimate Product Usage and Consumption levels by geographic areas in Washington State.
10. **Experience.** In two (2) pages or less, please describe your firm’s experience in statistical research, specifically related to determining demographic and/or psychographic segmentation, preferably related to the use of Cannabis.
11. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals’ particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
12. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firm’s proposed approach and methodology to be used for Product Usage and Consumption validation as requested in this RFP, to estimate demographic and psychographic segmentation, specifically related to the use of Cannabis.

CATEGORY 4 – PRODUCT REGULATION

Please answer the questions listed below, attaching additional pages as necessary:

13. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm’s ability, capacity, and skills and/or expertise in Product Regulation, including but not limited to, the following:
 - a. Experience with State, local or Federal government processes and procedures
 - b. Experience in crafting system regulations
14. **Experience.** In two (2) pages or less, please describe your firm’s experience in working within the confines of a regulatory system, and experience in creating and/or modifying rule, law, ordinance, and/or guidelines.
15. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals’ particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
16. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms’ proposed approach and methodology to be used in assisting the WSLCB with developing rules and a regulation strategy for the state of Washington’s new Marijuana System.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 **or** Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate **or** Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ ____ p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ ____ p/day

Norton, Melissa K

From: Khurshid Khoja <khurshid@greenbridgelaw.com>
Posted At: Friday, February 15, 2013 1:23 PM
Conversation: RFP K430, EGRET Partners (Duplicate Submittal in Different File Format as Back-up)
Subject: RFP K430, EGRET Partners (Duplicate Submittal in Different File Format as Back-up)

Dear Mr. Farley and Honorable Members of the Washington State Liquor Control Board (WSLCB):

Attached please find a duplicate submittal of Effective Government Regulation and Taxation (EGRET) Partners' response to RFP K430 for Initiative 502 Consulting Services (our "Submittal"). We are including a MS Word file containing our Submittal, as a back-up file in case there are any technical issues opening the PDF file we forwarded earlier today (please see below). Please note, while the page numbering of the MS Word version varies from that of the earlier PDF submittal (as described below), the MS Word file contains the exact same application, with the exception of our executed Subcontractor Letters which are attached in a separate PDF file herewith.

Should you have any questions about our Submittal, please do not hesitate to contact us at (510) 682-6892 or khurshid@greenbridgelaw.com.

Very truly yours,
Khurshid Khoja

Norton, Melissa K

From: Khurshid Khoja <khurshid@greenbridgelaw.com>
Posted At: Friday, February 15, 2013 9:38 AM
Conversation: RFP K430, EGRET Partners
Subject: RFP K430, EGRET Partners

Dear Mr. Farley and Honorable Members of the Washington State Liquor Control Board (WSLCB):

Effective Government Regulation and Taxation (EGRET) Partners is pleased to submit this response to **RFP K430** for Initiative 502 Consulting Services (our "**Submittal**"). Our Submittal responds to each of the four Categories of RFP K430: Product and Industry Knowledge; Product Quality Standards and Testing; Product Usage and Consumption Validation; and Product Regulation. EGRET Partners is committed to carrying out the will of the voters of Washington by ensuring that Initiative 502 is implemented to create a regulatory system that outperforms the black market for consumers and captures maximum state tax revenue from transactions that would otherwise be lost to the black market.

All required sections of our Submittal Document appear in a single PDF attached for WSLCB review. For the Board's convenience, we have included bookmarks within the PDF for each section and have also identified the PDF page numbers on which each section appears:

Letter of Submittal

Pages 1 and 2 of the attached PDF

Proposer's Authorized Offer

Page 3 of the attached PDF

Proposer Information

Page 4 of the attached PDF

Subcontractor Information, including individual Subcontractor Letters

Pages 5 through 13 of the attached PDF

Non-Cost Proposal for Categories 1 through 4

Pages 14 through 59 of the attached PDF

- Category 1 begins on page 14
- Category 2 begins on page 28
- Category 3 begins on page 39
- Category 4 begins on page 48

Cost Proposal

Page 60 of the attached PDF

Should you have any questions about our Submittal or qualifications, please do not hesitate to contact us at (510) 682-6892 or khurshid@greenbridgelaw.com.

Very truly yours,
Khurshid Khoja

February 12, 2013

Mr. John Farley
Contracts Specialist
Washington State Liquor Control Board
3000 Pacific Ave. SE
P.O. Box 43090
Olympia, WA 98504-3090

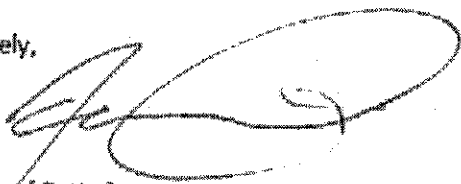
Dear Mr. Farley and Honorable Members of the Washington State Liquor Control Board:

I, the undersigned, hereby provide the following acknowledgements with respect to the Washington State Liquor Control Board ("WSLCB") Request for Proposal No. K430, "Initiative 502 Consulting Services" ("RFP K430"), issued in order to establish a contract(s) for consulting services to assist the WSLCB with the implementation of the Washington State Initiative 502 requirements. I acknowledge that I have read the "Model Contract Document" provided in Appendix B of RFP K430, reviewed the standard terms and conditions, and agree to all requirements presented therein.

Effective Government Regulation and Taxation (EGRET) Partners (the "Prime Contractor") intends to use my services to fulfill the requirements outlined in RFP K430. I have provided Prime Contractor with the information requested in the "Subcontractor Information" portion of the Prime Contractor's RFP K430 Submittal Document.

I acknowledge that (1) the WSLCB reserves the right to approve or reject any and all subcontractors that the Prime Contractor proposes to use to perform services in fulfillment of the contract requirements; (2) the WSLCB has not provided Prime Contractor with an estimated number of consulting hours to be awarded; and (3) per the express terms of the Model Contract Document, "neither the Contractor nor any Subcontractor shall enter into subcontracts for any of the work contemplated under this contract without obtaining prior written approval of the WSLCB." Therefore, I acknowledge that there is no guarantee that my services will be required or that I will receive any guaranteed amount for any services I do provide to Prime Contractor. If the WSLCB approves the Prime Contractor's proposed use of my services, Prime Contractor may, at its sole discretion, determine the scope of services I am to provide, if any.

Sincerely,



[Name of Entity]

By: *CW Analytical Labs*

Name: *John Uram*

Title: *Co-Founder, Principle Scientist*

February 12, 2013

Mr. John Farley
Contracts Specialist
Washington State Liquor Control Board
3000 Pacific Ave. SE
P.O. Box 43090
Olympia, WA 98504-3090

Dear Mr. Farley and Honorable Members of the Washington State Liquor Control Board:

I, the undersigned, hereby provide the following acknowledgements with respect to the Washington State Liquor Control Board ("WSLCB") Request for Proposal No. K430, "Initiative 502 Consulting Services" ("RFP K430"), issued in order to establish a contract(s) for consulting services to assist the WSLCB with the implementation of the Washington State Initiative 502 requirements. I acknowledge that I have read the "Model Contract Document" provided in Appendix B of RFP K430, reviewed the standard terms and conditions, and agree to all requirements presented therein.

Effective Government Regulation and Taxation (EGRET) Partners (the "Prime Contractor") intends to use my services to fulfill the requirements outlined in RFP K430. I have provided Prime Contractor with the information requested in the "Subcontractor Information" portion of the Prime Contractor's RFP K430 Submittal Document.

I acknowledge that (1) the WSLCB reserves the right to approve or reject any and all subcontractors that the Prime Contractor proposes to use to perform services in fulfillment of the contract requirements; (2) the WSLCB has not provided Prime Contractor with an estimated number of consulting hours to be awarded; and (3) per the express terms of the Model Contract Document, "neither the Contractor nor any Subcontractor shall enter into subcontracts for any of the work contemplated under this contract without obtaining prior written approval of the WSLCB." Therefore, I acknowledge that there is no guarantee that my services will be required or that I will receive any guaranteed amount for any services I do provide to Prime Contractor. If the WSLCB approves the Prime Contractor's proposed use of my services, Prime Contractor may, at its sole discretion, determine the scope of services I am to provide, if any.

Sincerely,



Print Name: John Davis



Greenbridge Corporate Counsel
425 Market Street
Suite 2200
San Francisco, CA 94105-2482

Khurshid Khoja
Principal
mobile +1 510 682 6892
khurshid@greenbridgelaw.com

office +1 415 955 2620
fax +1 415 397 6309
greenbridgelaw.com

February 12, 2013

Mr. John Farley
Contracts Specialist
Washington State Liquor Control Board
3000 Pacific Ave. SE
P.O. Box 43090
Olympia, WA 98504-3090

Dear Mr. Farley and Honorable Members of the Washington State Liquor Control Board:

I, the undersigned, as Principal of Greenbridge Corporate Counsel, hereby provide the following acknowledgements with respect to the Washington State Liquor Control Board ("WSLCB") Request for Proposal No. K430, "Initiative 502 Consulting Services" ("RFP K430"), issued in order to establish a contract(s) for consulting services to assist the WSLCB with the implementation of the Washington State Initiative 502 requirements. I acknowledge that I have read the "Model Contract Document" provided in Appendix B of RFP K430, reviewed the standard terms and conditions, and agree to all requirements presented therein.

Effective Government Regulation and Taxation (EGRET) Partners (the "Prime Contractor") intends to use my firm's services to fulfill the requirements outlined in RFP K430. I have provided Prime Contractor with the information requested in the "Subcontractor Information" portion of the Prime Contractor's RFP K430 Submittal Document.

I acknowledge that (1) the WSLCB reserves the right to approve or reject any and all subcontractors that the Prime Contractor proposes to use to perform services in fulfillment of the contract requirements; (2) the WSLCB has not provided Prime Contractor with an estimated number of consulting hours to be awarded; and (3) per the express terms of the Model Contract Document, "neither the Contractor nor any Subcontractor shall enter into subcontracts for any of the work contemplated under this contract without obtaining prior written approval of the WSLCB." Therefore, I acknowledge that there is no guarantee that my services will be required or that I will receive any guaranteed amount for any services I do provide to Prime Contractor. If the WSLCB approves the Prime Contractor's proposed use of my services, Prime Contractor may, at its sole discretion, determine the scope of services I am to provide, if any.

Please note, in the course of its performance of any activities related to the matters discussed herein, Greenbridge Corporate Counsel will adhere to all applicable codes of



WSLCB Request for Proposal No. K430, "Initiative 502 Consulting Services"
February 13, 2013

conduct regarding financial and other business arrangements among law firms and non-legal entities. Finally, all work performed by Greenbridge lawyers will be insured by our legal malpractice carrier.

Very truly yours,

A handwritten signature in black ink, appearing to read "Khurshid Khoja".

Greenbridge Corporate Counsel
Khurshid Khoja
Principal

February 12, 2013

Mr. John Farley
Contracts Specialist
Washington State Liquor Control Board
3000 Pacific Ave. SE
P.O. Box 43090
Olympia, WA 98504-3090

Dear Mr. Farley and Honorable Members of the Washington State Liquor Control Board:

I, the undersigned, hereby provide the following acknowledgements with respect to the Washington State Liquor Control Board ("WSLCB") Request for Proposal No. K430, "Initiative 502 Consulting Services" ("RFP K430"), issued in order to establish a contract(s) for consulting services to assist the WSLCB with the implementation of the Washington State Initiative 502 requirements. I acknowledge that I have read the "Model Contract Document" provided in Appendix B of RFP K430, reviewed the standard terms and conditions, and agree to all requirements presented therein.

Effective Government Regulation and Taxation (EGRET) Partners (the "Prime Contractor") intends to use my services to fulfill the requirements outlined in RFP K430. I have provided Prime Contractor with the information requested in the "Subcontractor Information" portion of the Prime Contractor's RFP K430 Submittal Document.

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Sincerely,



Print Name: _____

DANIEL HARDER

February 12, 2013

Mr. John Farley
Contracts Specialist
Washington State Liquor Control Board
3000 Pacific Ave. SE
P.O. Box 43090
Olympia, WA 98504-3090

Dear Mr. Farley and Honorable Members of the Washington State Liquor Control Board:

I, the undersigned, hereby provide the following acknowledgements with respect to the Washington State Liquor Control Board ("WSLCB") Request for Proposal No. K430, "Initiative 502 Consulting Services" ("RFP K430"), issued in order to establish a contract(s) for consulting services to assist the WSLCB with the implementation of the Washington State Initiative 502 requirements. I acknowledge that I have read the "Model Contract Document" provided in Appendix B of RFP K430, reviewed the standard terms and conditions, and agree to all requirements presented therein.

Effective Government Regulation and Taxation (EGRET) Partners (the "Prime Contractor") intends to use my services to fulfill the requirements outlined in RFP K430. I have provided Prime Contractor with the information requested in the "Subcontractor Information" portion of the Prime Contractor's RFP K430 Submittal Document.

I acknowledge that (1) the WSLCB reserves the right to approve or reject any and all subcontractors that the Prime Contractor proposes to use to perform services in fulfillment of the contract requirements; (2) the WSLCB has not provided Prime Contractor with an estimated number of consulting hours to be awarded; and (3) per the express terms of the Model Contract Document, "neither the Contractor nor any Subcontractor shall enter into subcontracts for any of the work contemplated under this contract without obtaining prior written approval of the WSLCB." Therefore, I acknowledge that there is no guarantee that my services will be required or that I will receive any guaranteed amount for any services I do provide to Prime Contractor. If the WSLCB approves the Prime Contractor's proposed use of my services, Prime Contractor may, at its sole discretion, determine the scope of services I am to provide, if any.

Sincerely,



Print Name: Laurie Ott

February 12, 2013

Mr. John Farley
Contracts Specialist
Washington State Liquor Control Board
3000 Pacific Ave. SE
P.O. Box 43090
Olympia, WA 98504-3090

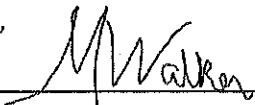
Dear Mr. Farley and Honorable Members of the Washington State Liquor Control Board:

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Sincerely,



Print Name: Michelle Newhart Walker



EGRET Partners

9 Lake Avenue, Piedmont, CA 94611 • (510) 682-6892 • Fax: (510) 535-0437

February 14, 2013

Mr. John Farley
Contracts Specialist
Washington State Liquor Control Board
3000 Pacific Ave. SE
P.O. Box 43090
Olympia, WA 98504-3090

Dear Mr. Farley and Honorable Members of the Washington State Liquor Control Board (WSLCB):

Effective Government Regulation and Taxation (EGRET) Partners is pleased to submit this response to RFP K430 for Initiative 502 Consulting Services (our "Submittal"). Our Submittal responds to each of the four Categories of RFP K430: Product and Industry Knowledge; Product Quality Standards and Testing; Product Usage and Consumption Validation; and Product Regulation. EGRET Partners are committed to carrying out the will of the voters of Washington by ensuring that Initiative 502 is implemented to create a regulatory system that outperforms the black market for consumers and captures maximum state tax revenue from transactions that would otherwise be lost to the black market.

EGRET Partners is a cohesive team of Marijuana industry experts who have prior experience working together efficiently and effectively consulting on projects that fall within each of the Categories set forth in the RFP:

- evaluating companies specializing in soil supplements, lighting equipment, natural fertilizers and pesticides, and other Marijuana cultivation-related products;
- crafting product safety standards for optimal quality and yield;
- development of methodology for innovative Marijuana potency analysis;
- assessing the consumer market through levels of online consumer engagement with published usage data; and
- evaluating federal, state and local regulatory risks associated with medical Marijuana and ancillary businesses.

While we intend to finalize our partnership agreement if and when we are awarded one or more Category contracts by the WSLCB, we have designated the following principals as EGRET's preliminary officers:

- **Khurshid Khoja, JD**, President, Contractor Representative (*Lead Counsel*)
c/o Greenbridge Corporate Counsel
425 Market Street, Suite 2200
San Francisco, CA 94105
510.682.6892
khurshid@greenbridgelaw.com
- **AnnaRae Grabstein, MBA**, Vice President, General Manager (*Lead, Marijuana Industry Strategy*)
9 Lake Avenue
Piedmont, CA 94611
415.275.2321
annarae@strategyleap.com

- **Ed Rosenthal**, Vice President (*Lead, Marijuana Production*)
9 Lake Avenue
Piedmont, CA 94611
510.788.4475
askedr@aol.com
- **Steve Berg, MBA**, Treasurer (*Lead, Statistical and Market Analysis*)
6016 Contra Costa Road
Oakland, CA 94618
415.971.0800
steve@bergriskcapital.com

No one serving as a principal of EGRET Partners is a current or former Washington state employee. We do not currently advise anyone with an interest in obtaining a license under the I-502 regulatory system, once implemented, and we will not advise anyone seeking such a license during the term of our contract with the WSLCB.

Our current principal place of business is 9 Lake Ave. in Piedmont, California and our contact telephone number is 510.682.6892. I will serve as EGRET's primary point of contact with the WSLCB, and I may be contacted at khurshid@greenbridgelaw.com. While we have purchased the domain "egretpartners.com," we will not commission a website or undertake other expenses until we are awarded a contract by the WSLCB. Upon such award, EGRET intends to properly register as a business entity in Washington, establish an office in Washington, and apply for certification as a *Minority and Woman Owned Business Enterprise* by the OMWBE.

In assembling our team of subcontractors, our focus was on recruiting the very best talent to provide competent advice and comprehensive guidance to the WSLCB, recognizing that our team of Marijuana industry experts can provide critical insights to assist the WSLCB in carrying out the mandate of the voters of Washington.

Per the WSLCB's RFP instructions, we would like to identify John Davis as a Subcontractor who was a former employee of the State of Washington. We have provided Mr. Davis' information in the "Subcontractor Information" portion of this Submittal Document. Mr. Davis will provide expertise and consulting services with respect to the production, processing, and retail sale of Marijuana. He previously served as Project Coordinator for the Washington State Convention and Trade Center Expansion Project Office from 2001 - 2004. His duties in that capacity had no relation to this solicitation for consulting services. Should you require any additional information about the scope of work Mr. Davis previously provided to the State of Washington, we would be pleased to provide it.

Thank you for your thoughtful consideration of our Submittal. We are available at your convenience to discuss it in greater detail, and we look forward to the opportunity to work with the WSLCB.

Regards,



Khurshid Khoja
President, EGRET Partners

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are /are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.



Proposer Signature

Effective Government Regulation & Taxation (EGRET) Partners
Company Name

President
Title

February 14, 2013
Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name	<u>Effective Government Regulation & Taxation (EGRET) Partners</u>
Street Address	<u>9 Lake Avenue</u>
City, State, Zip	<u>Piedmont, CA 94611</u>
Federal Tax ID Number	<u>pending award of contract</u>
UBI	<u>pending award of contract</u>
Website URL	<u>pending award of contract</u>

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name:	<u>Khurshid Khoja</u>
Telephone:	<u>(510) 682-6892</u>
Email:	<u>khurshid@greenbridgelaw.com</u>

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount 10% 10 days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input checked="" type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: CW Analytical Laboratories
 Services: Consulting on Categories 1 & 2
851 81st Avenue, Unit D
 Address: Oakland, CA 94621
 Telephone: (510) 545-6984
 Email: john@cwanalytical.com
 Fed ID: PersonallInfo
 UBI: n/a
 Work to be performed: establish minimum standards for product processing, safety, quality and testing
 OMWBE certified: Yes No

Subcontractor 2

Name: John Davis
 Services: Consulting on Category 3
319 101st Avenue SE #312
 Address: Bellevue, WA 98004
 Telephone: (425) 698-5381
 Email: john.b.davis@comcast.net
 Fed ID: n/a
 UBI: n/a
 Work to be performed: market research and analysis for Marijuana consumption
 OMWBE certified: Yes No

Subcontractor 3

Name: Greenbridge Corporate Counsel
 Services: Consulting on Category 4
425 Market Street, Ste 2200
 Address: San Francisco, CA 94105
 Telephone: (415) 955-2620
 Email: khurshid@greenbridgelaw.com
 Fed ID: PersonallInfo
 UBI: n/a
 Work to be performed: conduct focus groups to determine best practices and develop written 3rd party product
 OMWBE certified: Yes No

Subcontractor 4

Name: Dr. Daniel Harder
 Services: Consulting on Categories 1 & 2
270 Azalea Lane
 Address: Santa Cruz, CA 95060
 Telephone: (831) 454-6162
 Email: vharder@yahoo.com
 Fed ID: n/a
 UBI: n/a
 Work to be performed: establish minimum standards for product growth, harvesting, processing, safety and labeling
 OMWBE certified: Yes No

Subcontractor 5

Name: Lance Ott
 Services: Consulting on Category 1
222 NE Park Plaza Dr., Ste 113
 Address: Vancouver, WA 98684
 Telephone: (877) 227-2111 Ext. 250
 Email: lance@guardiandatasystems.com
 Fed ID: n/a
 UBI: n/a
establish minimum standards for the
 Work to be retail sale, tracking and
 Performed: reconciliation of Product
 OMWBE certified: ___ Yes X No

Subcontractor 4

Name: Shelli Newhart Walker
 Services: Consulting on Category 3
3423 W. 30th Avenue
 Address: Denver, CO 80211
 Telephone: (415) 264-2958
 Email: shellwalker@gmail.com
 Fed ID: n/a
 UBI: n/a
market research and analysis for
 Work to be Marijuana consumption
 Performed: Marijuana consumption
 OMWBE certified: ___ Yes X No

NON-COST PROPOSAL

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

1. Ability, Capacity and Skills.

EGRET Partners (the “Prime Contractor”), a four-member team of professionals and experts, submits this response to all four Categories of this RFP. In addition to the expertise of the Prime Contractor, a coordinated core group of qualified subcontractors (each, a “Subcontractor”) has been specially assembled to fulfill and exceed the proposed consulting needs for implementation of Initiative 502 (“I-502”) as specified in solicitation number K430, *Initiative 502 Consulting Services*.

The team assembled for Category 1, consisting of Subcontractors and members of the Prime Contractor, is comprised of product and industry specialists with decades of practical and academic experience with all aspects of growing, processing, retailing and producing Marijuana to meet and exceed the expected deliverables within this Category and to address the intent and goals of I-502. For each of the components of Category 1, we list the lead team members possessing the applicable ability and skills and include examples of their relevant expertise.

a) How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed.

Ed Rosenthal, Lead, Marijuana Production, with expertise in the growth, cultivation and harvest of Marijuana, including:

- authorship of over a dozen books on the cultivation of Marijuana, including *Marijuana Grower’s Guide*, first published in 1978, which has sold over 2,000,000 copies to date and *Marijuana Grower’s Handbook*, published in 2010, which is now considered the standard text on Marijuana cultivation, used in cultivation schools and universities around the world;
- serving as a consultant on cultivation in North America and Europe, including Holland, Spain, Switzerland and Australia;
- the development of an herbal pesticide and a fungicide for use on a variety of agricultural crops (both products carry the Organic Materials Research Institute (OMRI) seal);
- studying methods for the automation of the large-scale cultivation of Marijuana, leading delegations to Holland to observe techniques and equipment;
- analyzing and selecting the appropriate environment (outdoor, indoor and greenhouse cultivation) technology and process for Marijuana cultivation;
- developing and/or selecting end-use appropriate Marijuana strains; and
- serving as an “Officer of the City Oakland,” assigned to provide Marijuana to patients.

Daniel Harder, Ph.D., B.S. (Botany), Lead Scientist, Horticultural Production and Product Safety, with expertise in the human use of Marijuana and the plant’s physiology, taxonomy, genetics and sustainable agricultural systems for Marijuana production, including:

- 20+ years in scientific and botanical research and publishing, including as a contributing author and editor to the American Herbal Pharmacopoeia’s *Cannabis Monograph and Therapeutic Compendium* including researching, authoring and collaborating on the following chapters of the *Compendium*:
 - Nomenclature: Botanical Nomenclature, Botanical Family;
 - Identification: Botanical Identification, Macroscopic Identification, Microscopic Identification;
 - Commercial Sources and Handling: Collection, Cultivation, Handling and Processing, Drying, Storage, Adulterants, Qualitative Differentiation, Preparations, Constituents;
 - Analytical: High Performance Thin Layer Chromatography (HPTLC), High Performance Liquid Chromatography (HPLC), Limit Tests, and Safety Profile;

- working as a consultant and subject expert with private and State clients in Colorado, New Jersey, Washington, D.C. and California to develop proposals, procedures and protocols for Marijuana involving:
 - indoor, greenhouse and full-sun Marijuana production;
 - continuous harvest scheduling;
 - genetic selection of appropriate strains of Marijuana and performance analysis;
 - genetic seed and clone banking; and
 - harvesting, drying, curing and storing Marijuana and Marijuana products.

AnnaRae Grabstein, M.B.A., B.A. (Ecology & Sustainability), Lead, Marijuana Industry Strategist, with expertise throughout the lifecycle of Marijuana production and sale, including:

- oversight of two licensed Mendocino 9.31 inspectors who ensured compliance for medical Marijuana growers under amendment 9.31, an ordinance proposed by the Medical Marijuana Advisory Board and overseen by the Mendocino County Sheriff's Department. Inspectors worked directly with growers in Mendocino County to issue compliance certification with the local regulations;
- creation of a cultivation and product quality certification called the SafeCannabis certification which ensures the absence of pesticide residues and microbiological contamination for grower-producers;
- provision of consulting services focused on the optimization of production and quality to 100+ growers; and
- selection of appropriate Marijuana strains for cultivation within I-502 requirements.

b) How Marijuana is infused into food and beverages.

Ed Rosenthal, Lead, Marijuana Production (also referenced in item "a" above), relevant expertise includes the authorship of *Marijuana Gold: Trash to Stash*, published in 2002, about non-hazardous infusion techniques for effective cannabinoid concentrates including edibles, tinctures, topicals and other formats.

AnnaRae Grabstein, M.B.A., B.S. (Ecology & Sustainability), Lead, Marijuana Industry Strategist (also referenced in item "a" above), relevant expertise includes:

- executive oversight of a laboratory testing infused and edible products for three years;
- the use of data driven analysis to improve infusion practices; and
- experience working with the largest edibles manufacturers in the United States to optimize their infusion techniques using scientific data analysis and product innovation.

John Oram, Ph.D. & M.S. (Environmental Engineering), B.S. (Analytical Chemistry and Biochemistry), Co-Founder and Principal Scientist, CW Analytical Laboratories, Lead Scientist, Analytical Chemistry and Biochemistry, relevant expertise includes:

- 12+ years as a research scientist studying contaminants; and
- co-founder of CW Analytical Laboratories, a laboratory providing testing and certification services to producers of Marijuana-infused edible products.

Robert Martin, Ph.D. & M.S. (Microbiology), Laboratory Director, CW Analytical Laboratories, Lead Scientist, Microbiology, an expert in the field of Marijuana infused products, relevant experience includes:

- teaching the safe production of Marijuana-infused edible products;
- working with both the public and private sectors to develop quality assurance standards for Marijuana;
- 25 years of food industry experience with international companies creating, implementing and leading research and quality assurance protocols from raw material through finished product handling, storage and distribution of brands selling over a million units each year, including Kraft Mayonnaise, Kraft Cream Cheese, Cool Whip, Velveeta, Breyers Ice Cream and Dreyer's/Edy's Ice Cream; and

- four years as Chief Microbiologist for CW Analytical Laboratories, a Marijuana laboratory, testing raw material flowers, concentrates and edibles using established technology first developed by 3M and using Association of Analytical Communities (AOAC) methods for aerobic plate count (APC), yeast and mold, *E. coli*, *Pseudomonas*, and *coliform* as a first stage testing protocol.

c) How Marijuana should be packaged, labeled, transported, and sold at retail level

Daniel Harder, Ph.D., B.S. (Botany), Lead Scientist, Horticultural Production and Product Safety (also referenced in item "a" above), relevant expertise includes:

- serving as technical advisor to the Santa Cruz County Board of Supervisors to develop standards for testing protocols and minimum labeling standards for the guidelines of the Santa Cruz County's medical Marijuana program;
- development of best practices for the packaging, labeling, tracking, transport, security and sale of Marijuana with state medical Marijuana programs in Washington, D.C., New Jersey, Colorado and California within closed-loop, secure and integrated systems for indoor, sun-grown and automated greenhouse production; and
- development of secure and informative product labeling, packaging and tracking systems.

AnnaRae Grabstein, M.B.A., B.A. (Ecology & Sustainability), Lead, Marijuana Industry Strategist (also referenced in items "a" and "b" above), relevant expertise includes:

- navigating the complexities of the Marijuana supply chain from producer to consumer using comparative data from other applicable industries;
- design and implementation of the SafeCannabis certification, the first program for standardized packaging of Marijuana using a nitrogen sealing method to ensure shelf-life and product safety;
- created labeling for SafeCannabis certified products used as a tool for transparency in the chain of custody from producer to consumer;
- created labels for edible producers to document nutrition information, ingredients and health warnings; and
- having worked with over 300 dispensaries and over 100 growers across the United States, providing business consulting and quality control services.

Lance Ott, Retail Services Specialist, relevant expertise includes:

- founder and CEO of Guardian Data Systems, a company providing payment processing (credit, debit and ATM cards, check verification and online payment processing) to over 100 dispensaries, representing over 35,000 transactions/month totaling over \$4,000,000/month in processing volume medical Marijuana dispensaries in Seattle, WA; and
- advisor to medical Marijuana dispensaries with respect to utilizing the point of sale to maintain compliance with California State laws and city ordinances.

d) How wholesale and retail Product should be recalled and accounted for.

Daniel Harder, Ph.D., B.S. (Botany), Lead Scientist, Horticultural Production and Product Safety (also referenced in items "a", "b", and "c" above), relevant expertise includes the development of best practices in informative product labeling and secure packaging and tracking systems for medical Marijuana programs in Washington, D.C., New Jersey, Colorado and California.

AnnaRae Grabstein, M.B.A., B.S. (Ecology & Sustainability), Lead, Marijuana Industry Strategist (also referenced in items "a", "b" and "c" above), relevant expertise includes:

- design of a chain of custody protocol for a successful permit application for Marijuana cultivation in Washington, D.C.;
- exposure and continuing access to inventory practices at 4 dispensaries; and
- strong understanding of accounting practices and how to leverage them to serve as a baseline for product accountability throughout the supply chain, from testing to retail sales and recall.

Lance Ott, Retail Services Specialist (also referenced in item “c” above), relevant expertise includes the development of inventory tracking standards for medical Marijuana, including with respect to both purchased and transferred inventory, monitoring quantity-on-hand levels and lot control by SKU.

e) How Marijuana should be destroyed if overproduced, contaminated, or recalled.

Ed Rosenthal, Lead, Marijuana Production (also referenced in items “a” and “b” above), with expertise handling contaminated and infected product, including advising farmers with fungus-infected Marijuana, developing a field inspection protocol using an 8X photographer’s loop and a disease-specific destruction procedure using a nitrogen-enriched compost system.

Robert Martin, Ph.D. & M.S. (Microbiology), Laboratory Director, CW Analytical Laboratories, Lead Scientist, Microbiology (also referenced in item “b” above), an expert in the field of Marijuana infused products, relevant experience includes leading research and quality assurance protocols from raw material through finished product handling, storage and distribution of brands selling over a million units each year, including Kraft Mayonnaise, Kraft Cream Cheese, Cool Whip, Velveeta, Breyers Ice Cream and Dreyer’s/Edy’s Ice Cream.

2. Experience.

Ed Rosenthal, Lead, Marijuana Production

Mr. Rosenthal has over 40 years' experience with the growth, cultivation and harvest of Marijuana as an author, subject matter expert and activist.

Mr. Rosenthal has authored and co-authored over a dozen books on the subject, including, in addition to the publications listed in Section 1: *Ability, Capacity and Skills*:

- *Marijuana Garden Saver*, 2008, a guide to non-toxic solutions to pest problems, considered a standard field guide by cultivators worldwide;
- *Marijuana Disease and Pest Control*, 2010.

Mr. Rosenthal has also served as a paid consultant for government-sponsored hemp research programs and industrial hemp concerns in over six countries. In 1999 and 2000, he was a consultant to a Swiss Marijuana producer regulated under Switzerland's then-legal Marijuana regime, redesigning the structure of their greenhouse operations and overseeing a thirty acre legal Marijuana farm consisting of various outdoor fields, greenhouses, indoor propagating units and a processing center for the harvest. In 2008, Mr. Rosenthal developed a GRAS (generally regarded as safe) herbal pesticide and a fungicide for use in gardens and farms. These products are now widely distributed throughout the United States for use on a variety of agricultural crops. Both products carry the Organic Materials Research Institute (OMRI) seal, meaning they are suitable for use in indoor and outdoor organic gardens.

Mr. Rosenthal was deputized as an officer of the City of Oakland, California in 1999. His responsibilities included the production of starter plants at a city facility for medical use by qualified patients. This facility operated until 2002, when the Federal government shuttered it.

Daniel Harder, Ph.D. (Botany), Lead Scientist, Horticultural Production and Product Safety

Dr. Harder is the team's Lead Scientist for Categories 1 and 2. He has more than 20 years' experience studying Marijuana, including human use of the plant, and its physiology, taxonomy, genetics, and performance within various production systems. Dr. Harder provides expert advice and guidance to the Marijuana industry as an author, executive Board member for the Wo'Mens Alliance for Medical Marijuana (WAMM), the nation's first Marijuana collective, and consultant and advisor to city, county, and State programs in Washington, D.C., New Jersey, Colorado and California, developing and implementing best practices related to the production, harvest, processing, testing, packaging, tracking, and secure transport and sale of Marijuana.

Dr. Harder has successfully designed and led both national and international interdisciplinary collection and research programs. His recent work on the *Cannabis Monograph and Therapeutic Compendium* resulted in Dr. Harder compiling an extensive reference library including most of the available published literature on Marijuana, which can serve as an invaluable resource during implementation of I-502.

Dr. Harder brings a unique perspective to our team, combining his broad experience and extensive knowledge of the botanical and horticultural aspects of the Marijuana plant with a practical understanding of the potential and the limitations of the use of Marijuana within the emerging regulatory and economic environment.

AnnaRae Grabstein, M.B.A., B.A. (Ecology & Sustainability), Lead, Marijuana Industry Strategist

Ms. Grabstein is a consultant specializing in strategic planning and business development, including market analysis, marketing communications, process management and product development. She has over five years' experience in executive leadership and consulting roles in the medical Marijuana industry. She serves as the lead for the team with respect to Category 1.

Ms. Grabstein served as the CEO of Steep Hill Lab, the first medical Marijuana laboratory in the United States, and subsequently became a consultant to Marijuana industry clients participating in the marketplace as ancillary product providers, cultivators, and distributors. Her knowledge of the Marijuana industry and Marijuana products is a result of her work with over 300 dispensaries and 100 growers and numerous product developers around the United States on all aspects of the supply chain, from production to testing to retail sales. Ms. Grabstein is on the Advisory Board of Magnolia Wellness – a licensed California medical Marijuana dispensary – and has worked closely with Harborside Health Center, the largest medical Marijuana dispensary in the world.

As a result of her education and experience, Ms. Grabstein has a unique dual perspective – as a business leader and as an advocate – that allows her to understand and balance the various needs and priorities of multiple stakeholders to find and implement practical solutions.

John Oram, Ph.D. & M.S. (Environmental Engineering), B.S. (Analytical Chemistry and Biochemistry), Co-Founder and Principal Scientist, CW Analytical Laboratories, Lead Scientist, Analytical Chemistry and Biochemistry

Dr. Oram is a senior science advisor, serving on both the Category 1 and Category 2 teams. He has expertise in analytical methods and extensive experience investigating the movement of contaminants in natural and engineered environments. He is the founder and principle scientist at CW Analytical Laboratories, an Oakland-based analytical laboratory focused on ensuring the safety and quality of medical Marijuana. He has served as a lead science advisor and technical consultant to applicants in New Jersey and California to develop successful applications for Marijuana cultivation and distribution. Dr. Oram has developed a custom laboratory information management system to track medical Marijuana samples through all analytical processes in a commercial laboratory.

Robert Martin, Ph.D. & M.S. (Microbiology), Laboratory Director, CW Analytical Laboratories, Lead Scientist, Microbiology

Dr. Martin is a senior science advisor for the team and a recognized microbiological expert within the food industry. He has translated his food industry experience to the Marijuana industry, developing rigorous microbiological testing methodologies for Marijuana. He has overseen the establishment and implementation of quality assurance protocols for major national food brands, Marijuana cultivators and edibles manufacturers. Dr. Martin is Laboratory Director and Co-founder of CW Analytical Laboratories, where he is the Director of Microbiology. For the past four years, Dr. Martin has developed and implemented protocols designed specifically to prevent microbiological contamination of Marijuana and Marijuana-infused products.

Lance Ott, Retail Services Specialist

Mr. Ott has over 12 years' experience in merchant services, including payment processing and the selection and implementation of inventory tracking and accounting technology. Mr. Ott founded Guardian Data Systems, Inc. to provide secure, reliable and transparent merchant services for the medical Marijuana industry, establishing a network infrastructure of banks, processors and software/hardware developers to address the unique commercial and logistical needs of the medical Marijuana industry.

3. Team Structure and Internal Controls.

As briefly discussed in Question 1 above, the Prime Contractor (the "PC") is a four-member team of professionals and experts. In addition to the expertise of the PC, a coordinated core group of qualified Subcontractors (each, an "SC") has been specially assembled to fulfill and exceed the proposed consulting needs for implementation of I-502 as specified in solicitation number K430, *Initiative 502 Consulting Services*.

Project Team Structure

The PC will manage all deliverables for the WSLCB through assignment of appropriate work to SCs and the PC. As requested, the PC will maintain one point of contact (the "Contractor Representative") with the WSLCB and, if requested by the WSLCB, will designate additional personnel to facilitate communication. To promote efficient communication, input and feedback from the WSLCB will be relayed cross-functionally by the Contractor Representative to all relevant parties across category teams. Collectively, the PC has decades of experience coordinating cross-functional teams with a broad professional network that can be utilized if the WSLCB has questions not anticipated in the RFP. The members of the PC have extensive previous experience working with one another, and the PC has an internal structure supported by a general manager, lead counsel and project manager. Internal controls are in place to support timeline and milestone achievements, organizational reporting, cost control mechanisms, data storage, personnel management and communication. For accounting purposes, all invoices to the WSLCB, including work completed by SCs, will come from the PC and will reflect the rates set forth in the Cost Proposal.

The PC and SCs shall not enter into subcontracts for any of the work contemplated under this contract without obtaining prior written approval of the WSLCB. In no event shall the existence of a subcontract operate to release or reduce the liability of the PC to the WSLCB for any breach in the performance of the PC's duties, excluding contracts of employment between the PC and personnel assigned to work under this contract.

Subcontracting, Lines of Authority and Internal Controls

Categories 1 through 4 will each have an assigned Team Lead from the PC group, which will oversee task allocation and deliverable completion. Based on the breadth of experience of the team, in some instances, consultants will be deployed across categories. The PC shall:

- in all instances, be directly accountable to the WSLCB for RFP deliverables;
- ensure all terms, conditions, assurances and certifications set forth in an agreement with the WSLCB are carried forward to any subcontracts;
- agree not to release, divulge, publish, transfer, sell or otherwise make known information to unauthorized persons information regarding an agreement with the WSLCB;
- be bound by all written communications given to or received from the Contractor Representative; and
- immediately notify the Contract Administrator in writing of any change of the SCs assigned to a Contract.

Prime Contractor

- **Khurshid Khoja, J.D.**, President, Contractor Representative (*Lead Counsel*)
- **AnnaRae Grabstein, M.B.A.**, Vice President, General Manager (*Lead, Marijuana Industry Strategy*)
- **Ed Rosenthal**, Vice President (*Lead, Marijuana Production*)
- **Steve Berg, M.B.A.**, Treasurer (*Lead, Statistical and Market Analysis*)

Subcontractors

- John Davis, *Lead, External Communication*
- Ann Elling, J.D., Greenbridge Corporate Counsel ("GCC"), *Regulatory Counsel*

- Daniel Harder, Ph.D., *Lead Scientist, Horticultural Production and Product Safety*
- Paul Lacourciere, J.D., GCC, *Senior Regulatory Counsel*
- Ellen Luu, J.D., GCC, *Regulatory Counsel*
- Robert Martin, Ph.D., CW Analytical, *Lead Scientist, Microbiology*
- John Oram, Ph.D., CW Analytical, *Lead Scientist, Analytical Chemistry and Biochemistry*
- Lance Ott, Guardian Data Systems, *Retail Services Specialist*
- Lauren Payne, J.D., GCC, *Legislative and Policy Analyst*
- Jesse Stout, J.D., GCC, *Regulatory Counsel*
- Shelli Newhart Walker, Ph.D. candidate, Sociologist, *Market Usage Analyst*
- Caren Woodson, M.P.P., GCC, *Legislative and Policy Analyst*

Category Teams

Category 1 Consultants	Category 2 Consultants	Category 3 Consultants	Category 4 Consultants
<i>Team Lead: Ed Rosenthal (PC)</i>	<i>Team Lead: AnnaRae Grabstein (PC)</i>	<i>Team Lead: Steve Berg (PC)</i>	<i>Team Lead: Khurshid Khoja (PC)</i>
AnnaRae Grabstein (PC) Daniel Harder (SC) Robert Martin (SC) John Oram (SC) Lance Ott (SC)	Robert Martin (SC) John Oram (SC) Daniel Harder (SC)	Shelli Newhart Walker (SC) John Davis (SC)	Greenbridge Corporate Counsel (SC)

Minimum Qualifications Satisfied

	Steve Berg	CW Analytical Laboratories	John Davis	AnnaRae Grabstein	Greenbridge	Daniel Harder	Robert Martin	John Oram	Lance Ott	Ed Rosenthal	Shelli Walker
Minimum Qualifications											
Category 1: minimum three years consulting in cannabis industry with respect to:											
• product growth				X		X				X	
• harvesting				X		X				X	
• packaging			X	X		X			X		
• product infusion				X		X					
• product safety				X		X	X	X		X	
Category 2:											
• bachelor's in chemistry						X ¹	X ²	X ³			

¹ Ph.D. in Botany
² Ph.D. in Microbiology
³ Ph.D. in Biochemistry, B.S. in Chemistry

	Steve Berg	CW Analytical Laboratories	John Davis	AnnaRae Grabstein	Greenbridge	Daniel Harder	Robert Martin	John Oram	Lance Ott	Ed Rosenthal	Shelli Walker
Minimum Qualifications											
<ul style="list-style-type: none"> minimum five years testing cannabis for THC/CBD levels and ratios, mold or chemical contaminants and strain 				X ⁴		X	X ⁵	X ⁶			
Category 3:											
<ul style="list-style-type: none"> bachelor's in field related to statistical research 	X ⁷			X ⁸							X ⁹
<ul style="list-style-type: none"> minimum five years determining demographic and/or psychographic segmentation, preferably related to cannabis use 	X										X
Category 4											
<ul style="list-style-type: none"> minimum five years working within the regulatory system 			X		X						
<ul style="list-style-type: none"> experience creating/modifying rule, law, ordinance or guidelines 					X						
<ul style="list-style-type: none"> JD (preferred, not required) 					X						
Additional											
Project Management			X								

⁴ 3 Years

⁵ 4 Years

⁶ 4 Years

⁷ B.S. in Accounting & Finance and M.B.A.

⁸ M.B.A. w/marketing focus

⁹ M.A. in Sociology, B.A. in Sociology, Ph.D. in Sociology forthcoming

4. Staff Qualifications and Capabilities.

Please note that our team members are not from a single firm. As such, there is no information to provide regarding any existing responsibilities.

AnnaRae Grabstein, Lead, Marijuana Industry Strategist

Education

- M.B.A., University of San Francisco
- B.A., Ecology and Sustainability, New College of California

Experience

- Business and Market Strategy Consultant, Strategy Leap, 2012 – Present
- Think Tank Advisor, Cannabis Law Institute, 2010 – Present
- Board of Directors, Magnolia Wellness Center, 2011 – Present
- CEO, Steep Hill Lab, 2009 – 2012
- Founding Member, Association of California Cannabis Laboratories, 2011
- Treasurer, Repeal Cannabis Prohibition Act, 2011
- Founding Member, National Organization for the Reform of Marijuana Laws (NORML) Women's Alliance, 2010
- Consultant, Rising Sun Energy Center, 2008
- Workforce Development, Berkeley Youth Alternatives, 2007 – 2008

Media & Publishing & Presentations

- Speaker, *Marijuana as Medicine*, Medicann Symposium, 2010
- Speaker, *Laboratory Analysis and Quality Control for Cannabis*, Marijuana Business Conference, 2011
- Speaker, *Reflections on Alcohol Prohibition*, Students For Sensible Drug Policy National Conference, 2012
- Interviewed, *Industry Progress: Cannabis Testing and California*, Cannabis Times Radio, 2012
- Featured, *After the Gold Rush; What happens when California's weed bubble bursts*, Good Magazine, May 28, 2012
- Quoted, *The Cannabis Clean-Up Team*, East Bay Express, 2011
- Quoted, *Turning Pot Into Medicine*, East Bay Express, 2012
- Quoted, *Haute Pot*, San Francisco Bay Guardian, 2011
- Co-author, *Quality Assurance for Medical Cannabis White Paper*, 2010
- Author, *A Few Models of Socially Responsible Medical Marijuana Businesses*, Kush Magazine, 2011
- Author, *Social Media Experiment in the Cannabis Industry*, Kush Magazine, 2011
- Co-author, *CBD: The Non-Psychoactive Cannabinoid*, Kush Magazine, 2011

Dr. Daniel Harder, Lead Scientist, Horticultural Production and Product Safety

Education

- Ph.D., Botany, University of California, Berkeley
- B.S., Botany, University of Wisconsin, Madison

Experience

- Executive Director, Santa Cruz Museum of Natural History, 2010 – Present
- Research Associate, California Academy of Sciences, 2010 – Present
- Vice President, Board of Directors, Wo'Mens Alliance for Medical Marijuana (WAMM), 2010 – Present
- Principle and Founder, Botanical Answers; Botanical and Environmental Consulting, 2009 – Present
- Executive Director, Arboretum at the University of California, Santa Cruz, 2001 – 2009

- Adjunct Professor, Department of Ecology and Evolutionary Biology, University of California, Santa Cruz, 2001
- Associate Curator, Missouri Botanical Garden, 1998 – 2001

Awards & Honors

- The David and Lucile Packard Foundation, Collection Stewardship grant. Local Grantmaking in Conservation Science.
- Institute for Museums and Library Services, Museums for America Collections Stewardship Award. Enhanced Stewardship: Collections Data, Seed Storage, and Herbarium.
- The Christensen Fund. Culture in the Collections.
- The David and Lucile Packard Foundation, Plant Conservation Program of the Arboretum at the University of California, Santa Cruz.
- The Henry Luce Foundation, Inc., Natural Resources Management, An Integrated Botanical Training and Conservation Program in Viet Nam.
- Global Environmental Facility (GEF), United Nations Environment Program (UNEP), United Nations Development Programme (UNDP), and World Bank, Congo, Brazzaville
- United States Agency for International Development (USAID), Program in Science and Technology Cooperation (PSTC), Project 11.077; The Plant Genetic Resources of the Zambezi Domain of Zambia within Remote Sensing for Natural Resources Analysis.

Media, Publishing & Presentations

- Led and collaborated on international botanical field research experience in Australia, Baja Mexico, Cambodia, Cameroon, Congo (Brazzaville), Ghana, Kenya, Laos, Madagascar, Malawi, New Zealand, Rwanda, Seychelles, Singapore, Tanzania, Uganda, Viet Nam, Democratic Republic of Congo (formerly Zaire), and Zambia including the study, collection, and recording of the local type and use of Marijuana.
- *Botanical Pharmacognosy – Microscopic Characterization of Botanical Medicines*, American Herbal Pharmacopoeia, 2011.
- Botanical Identification, In: Cannabis Monograph and Therapeutic Compendium; Cannabis sativa L., C. indica Lam.; Standards of Analysis, Quality Control, and Therapeutics.
- Macroscopic Identification, In: Cannabis Monograph and Therapeutic Compendium; Cannabis sativa L., C. indica Lam.; Standards of Analysis, Quality Control, and Therapeutics.
- Commercial Sources and Handling, In: Cannabis Monograph and Therapeutic Compendium; Cannabis sativa L., C. indica Lam.; Standards of Analysis, Quality Control, and Therapeutics.

Dr. Robert Martin, Lead Scientist, Microbiology

Education

- Ph.D., Mycology, Ohio University (Mycology is a study in microbiology)
- M.S., Botany Ohio University
- B.A., Biology, University of Alabama

Experience

- Laboratory Director, CW Analytical Laboratories, 2009 – Present
- Founder, MRM Group Consulting, 2002 – Present
- President, Association of California Cannabis Laboratories
- Assistant Professor, Principles of Food Product Development, University of California
- Vice President, Advanced Nutrition Concepts, 2004 – 2006
- Director Research and Development Dreyer's Ice Cream: created and managed leading analytical lab and R&D for national ice cream company, 1994 – 2002
- Senior Research Scientist II, Microstructure Research Group, Kraft Foods, 1985 – 1993
- Assistant Professor Biological Sciences, Ohio University, 1984 – 85

Awards

- American Association for the Advancement of Science – Lifetime member IDFA
- Institute of Food Technology, Sustaining professional member
- 2009 Mollicoolz Shaker-Prepared Foods innovative product of the year
- 2005 GoodBody Frozen Snack Dairy Foods innovative product of the year
- 2000 Golden Cone- Dreyer's Grand Ice Cream (Healthy Choice partner management)
- 1999 Director's Award Dreyer's Grand Ice Cream (RO milk utilization in dairy process)
- 1997 Presidents Award Dreyer's Grand Ice Cream (first company patent)
- 1991 Selected as Kraft representative to KGF Institute of Technology, Tarrytown
- 1989 co winner Phillip Morris Chairman's Award for fat free ice cream
- 1984 Graduate Research Prize. AIBS Annual Meeting Colorado State University
- 1979 Graduate Research Fellow Ohio University

Media, Publishing & Presentations

- Miller, C.E., R.W. Martin, D.P. Dylewski. 1985. The ultrastructure of plasmodia, sporangia, and cystosori of *Ligniera verrucosa* (Plasmodiophorales). 63:2 263-273.
- Martin, R.W. and C.E. Miller. 1986. Ultrastructure of mitosis in the endoparasite *Olpidiopsis varians*. Mycologia 78:1. 11-21.
- Martin, R. W. and C.E. Miller. 1986. Ultrastructure of sexual reproduction in *Olpidiopsis varians*. Mycologia. 78:3 359-370.
- Martin, R.W. 1989. Electron microscopic localization of cholesterol in bovine milk fat globules. Food Microstructure. 8. 3-9.
- Holcomb, D.N., Ford, L.D., and Martin, R.W. Dressings and sauces. In: Food Emulsions 2nd Ed. Ed: Larsson and Friberg. New York, 327-365. 1990.
- Holcomb, D. N., Unger, R.S., and Martin, R.W. Food Microstructure. In: Encyclopedia of Food Science.
- Developer of seven patents related to food systems

Dr. John Oram, Lead Scientist, Analytical Chemistry and Biochemistry

Education

- Ph.D., Environmental Engineering, University of California, Los Angeles
- M.S., Civil and Environmental Engineering, University of California, Los Angeles
- B.S., Chemistry and Biochemistry, University of Colorado, Boulder

Experience

- Founder, Principal Chemist, CW Analytical Laboratories, 2009 – current
- Scientist, San Francisco Estuary Institute, 2004 – 2010
- Post-Doctoral Researcher, University of California Los Angeles, 2000 – 2004

Publications

- Oram, J.J., McKee, L.J., Werme, C.E., Connor, M.S., Oros, D.R., Grace, R., and Rodigari, F., (2008), *A Mass Budget of Polybrominated Diphenyl Ethers in San Francisco Bay, CA*, Environment International, in press (2008)
- Oram, J.J., Davis, J.A., and Leatherbarrow, J.A., (2008), *Draft Report: A Model of Long-Term PCB Fate in San Francisco Bay: Model Formulation, Calibration, and Uncertainty Analysis*, San Francisco Estuary Institute, Oakland, CA
- Hoenicke, R., Oros, D.R., Oram, J.J., and Taberski, K.M., (2007). Adapting an ambient, monitoring program to the challenge of managing emerging pollutants in the San Francisco, Estuary. Environmental Research, volume 105, pp. 132-144
- Oram, J. and Melwani, A., (2006). Dredging impacts on food-web bioaccumulation of DDTs in San Francisco Bay, CA. SFEI Contribution 418. San Francisco Estuary Institute, Oakland, CA.

- McKee, L., Leatherbarrow, J., and Oram, J., (2005). Concentrations and loads of mercury, PCBs, and OC pesticides in the lower Guadalupe River, San Jose, California: Water Years 2003 and 2004. A technical report of the Regional Watershed Program: SFEI Contribution 409. San Francisco Estuary Institute, Oakland, CA

Selected Presentations

- *A Model of the Long-Term Fate of Polychlorinated Biphenyls, CA*, presented at the national meeting of the Society of Environmental Toxicology and Chemistry, Milwaukee, WI, 2007
- *A Mass Budget of PBDEs in San Francisco Bay, CA*, presented at the national meeting of the Society of Environmental Toxicology and Chemistry, Milwaukee, WI, 2007
- *A Model of Long-Term PCB Fate in San Francisco Bay*, presented at the annual meeting of the Regional Monitoring Program for Water Quality in San Francisco Estuary, Oakland, CA, 2007
- *Modeling the Fate of Organic Contaminants in San Francisco Bay, CA*, presented at the California and the Worlds' Oceans Conference, Long Beach, CA, 2006
- *Modeling the Fate of Organic Contaminants in San Francisco Bay, CA*, presented at the Romberg Tiburon Center for Environmental Studies, Tiburon, CA, 2006

Lance Ott, Retail Services Specialist

Education

- Bachelor's degree forthcoming,
 - International Business, Portland Community College, Tigard
 - Business Administration & Marketing, Western Wisconsin Technical College, LaCrosse, Wisconsin
 - Business Administration & Psychology, University of Wisconsin-LaCrosse, LaCrosse, Wisconsin

Experience

- CEO & President, Guardian Data Systems, Inc., 2008 – Present; Guardian Data Systems has been chosen as the preferred provider of the National Cannabis Industry Association (NCIA) and Statewide Insurance and provides payment services to the California division of National Organization for the Reform of Marijuana Laws (NORML)
- Vice President, Merchant Services Division, National Bank of California, 2007 – 2008

Media, Publishing & Presentations

- Presenter, 2012 National Marijuana Business Conference
- *Guardian Data Systems Wants To Be The PayPal For Pot*, Huffington Post, February 9, 2013
- *Risky Business*, American Banker, February 2013.

Ed Rosenthal, Lead, Marijuana Production

Experience

- Lecturer, Oaksterdam University, 2009 – Present
- Member, International Cannabinoid Research Society, 1994 – Present
- Cultivation & Breeding Consultant for Sensi Seed Company, the largest strain holder, seed bank hemp processing company in Europe, 2009 – 2011
- Developer, Ed Rosenthal's Zero Tolerance plant-based pesticides and fungicides for use in gardens, 2008
- Officer of the City of Oakland, California, 1999 – 2002
- Curator, Hash Marijuana & Hemp Museum, Amsterdam, 1986 – 1989
- Co-Founder, *High Times Magazine*

Media, Publishing & Presentations

- Author, *Marijuana Growers Handbook*, 2010
- Author, *Marijuana Garden Saver*, pest and disease control, 2008

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- Author, *Best of Ask Ed*, 2006
- Author, *The Big Book Of Buds*, varieties of Marijuana and other cultural and scientific topics, 2001
- *High Times Magazine*, contributor on subject of Marijuana cultivation, 1980 – 2000
- Co-author, *Marijuana Medical Handbook*, 1997
- Co-author, *Marijuana, The Law and You*, 1995
- Author, *Closet Cultivator*, 1991
- Author, *Marijuana Growing Tips*, 1987
- Author, *Marijuana Question? Ask Ed*, 1987
- Author, *Marijuana Grower's Handbook, Indoor/Greenhouse Edition*, 1985
- Co-author, *Marijuana Grower's Guide, Deluxe Edition*, 1978
- *Indoor-Outdoor Marijuana Growers Guide*, 1974

NON-COST PROPOSAL

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

5. Ability, Capacity and Skills.

EGRET Partners (the “Prime Contractor”), a four-member team of professionals and experts, submits this response to all four Categories of this RFP. In addition to the expertise of the Prime Contractor, a coordinated core group of qualified subcontractors (each, a “Subcontractor”) has been specially assembled to fulfill and exceed the proposed consulting needs for implementation of Initiative 502 (“I-502”) as specified in solicitation number K430, *Initiative 502 Consulting Services*.

The team assembled for Category 2, consisting of Subcontractors and a member of the Prime Contractor, is comprised of product and industry specialists with decades of practical and academic experience with all aspects of Marijuana quality standards and testing to meet and exceed the expected deliverables within this Category and to address the intent and goals of I-502. For each of the components of Category 2, we list the lead team members possessing the applicable ability and skills and include examples of their relevant expertise.

a) **Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations:**

Daniel Harder, Ph.D., B.S. (Botany), Lead Scientist, Horticultural Production and Product Safety, relevant expertise includes:

- serving as technical advisor to the Santa Cruz County Board of Supervisors to develop standards for testing protocols and minimum labeling standards for the guidelines of the Santa Cruz County’s medical Marijuana program; and
- the development of best practices for high-throughput quality (cannabinoid profile and potency) and safety testing and integrated labeling standards for State medical Marijuana programs in Washington, D.C., New Jersey, Colorado and California.

AnnaRae Grabstein, M.B.A., B.A. (Ecology & Sustainability), Lead, Marijuana Industry Strategist, relevant expertise includes:

- managing a laboratory testing Marijuana using scientific instrumentation including Gas Chromatography, Mass Spectrometry, High Pressure, Liquid Chromatography, Near-Infrared Reflective Spectroscopy, and microbiological incubators;
- overseeing ISO 17025 certification for Steep Hill Lab, a California Marijuana laboratory; and
- managing multiple microbiologists using international U.S.P. (United States Pharmacopeia) methodology for laboratory testing of Marijuana.

John Oram, Ph.D. & M.S. (Environmental Engineering), B.S. (Analytical Chemistry and Biochemistry), Co-Founder and Principal Scientist, CW Analytical Laboratories, Lead Scientist, Analytical Chemistry and Biochemistry, relevant expertise includes:

- four years’ experience providing analytical and quality assurance services to California’s medical Marijuana industry;
- served as technical consultant to Oakland City Council members to develop quality assurance protocols for medical Marijuana dispensaries and commercial cultivations;
- served as lead science advisor and technical consultant, helped applicants in New Jersey and California develop successful applications for Marijuana cultivation and distribution; and

- developed custom laboratory information management system to track medical Marijuana samples through all analytical processes in a commercial laboratory.

Robert Martin, Ph.D. & M.S. (Mycology), Laboratory Director, CW Analytical Laboratories, Lead Scientist, Microbiology, relevant expertise includes:

- 25 years' food industry experience with international companies creating, implementing and leading research and quality assurance protocols from raw material through finished product handling, storage, and distribution of brands selling over a million units a year and often every quarter, including Kraft Mayonnaise, Kraft Cream Cheese, Cool Whip, Velveeta, Breyers Ice Cream, and Dreyer's/Edy's Ice Cream and also providing consulting services to Con Agra, Coca Cola, Silhouette Brands, Nestle, and Mrs. Fields; and
- four years as Chief Microbiologist for CW Analytical Laboratories, a Marijuana laboratory, testing raw material flowers, concentrates and edibles using established technology first developed by 3M and using Association of Analytical Communities (AOAC) methods for aerobic plate count (APC), yeast and mold, *E. coli*, *Pseudomonas*, and *coliform* as a first stage testing protocol.

b) Assisting the WSLCB with establishing quality standards for testing Marijuana.

Daniel Harder, Ph.D., B.S. (Botany), Lead Scientist, Horticultural Production and Product Safety (also referenced in item "a" above), relevant expertise includes:

- 20+ years in scientific and botanical research and publishing, including as a contributing author and editor to the American Herbal Pharmacopoeia's *Cannabis Monograph and Therapeutic Compendium* including researching, authoring and collaborating on the following chapters of the *Compendium*:
 - Commercial Sources and Handling: Collection, Cultivation, Handling and Processing, Drying, Storage, Adulterants, Qualitative Differentiation, Preparations, Constituents; and
 - Analytical: High Performance Thin Layer Chromatography (HPTLC), High Performance Liquid Chromatography (HPLC), Limit Tests, and Safety; and
- working as a consultant and subject expert with private and State clients in Colorado, New Jersey, Washington, D.C. and California to develop successful proposals, procedures and protocols for Marijuana involving analytical testing for cannabinoid profiles and potency.

AnnaRae Grabstein, M.B.A., B.A. (Ecology & Sustainability), Lead, Marijuana Industry Strategist (also referenced in item "a" above), relevant expertise and experience includes:

- creation of a cultivation and product quality certification called the SafeCannabis certification which ensures the absence of pesticide residues and microbiological contamination for grower-producers;
- provision of consulting services focused on the optimization of production and quality to 100+ growers;
- use of data driven analysis to improve infusion practices; and
- design of a chain of custody protocol for a Washington, D.C. medical Marijuana cultivator.

John Oram, Ph.D. & M.S. (Environmental Engineering), B.S. (Analytical Chemistry and Biochemistry), Co-Founder and Principal Scientist, CW Analytical Laboratories, Lead Scientist, Analytical Chemistry and Biochemistry (also referenced in item "a" above), relevant expertise includes:

- four years' experience providing analytical and quality assurance services to California's medical Marijuana industry; and
- 8+ years' experience designing and implementing environmental monitoring programs for local, State, and Federal governments; programs continue to provide information required to make adaptive management decisions in regards to protecting humans and wildlife from exposure to environmental contaminants.

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Robert Martin, Ph.D. & M.S. (Mycology), Laboratory Director, CW Analytical Laboratories, Lead Scientist, Microbiology, relevant expertise includes:

- teaches the safe production of Marijuana-infused edible products;
- employed as a Marijuana lab microbiologist;
- worked with public and private sectors developing quality assurance standards for Marijuana and non-Marijuana-related industries;
- presenting complex scientific information in easy-to-understand terms for incorporation into policy;
and
- advising on food safety.

6. Experience.

Daniel Harder, Ph.D., B.S. (Botany), Lead Scientist, Horticultural Production and Product Safety

Dr. Harder is the team's Lead Scientist for Categories 1 and 2. He has more than 20 years' experience studying Marijuana, including human use of the plant, and its physiology, taxonomy, genetics, and performance within various production systems. Dr. Harder provides expert advice and guidance to the Marijuana industry as an author; executive Board member for the Wo'Mens Alliance for Medical Marijuana (WAMM), the nation's first Marijuana collective; and consultant and advisor to city, county, and State programs in Washington, D.C., New Jersey, Colorado and California. He has helped develop and implement best practices related to the production, harvest, processing, testing, packaging, tracking, and secure transport and sale of Marijuana.

Dr. Harder has successfully designed and led both national and international interdisciplinary collection and research programs. His recent work on the *Cannabis Monograph and Therapeutic Compendium* resulted in Dr. Harder compiling an extensive reference library including most of the available published literature on Marijuana, which can serve as an invaluable resource during implementation of I-502.

Dr. Harder brings a unique perspective to our team, combining his broad experience and extensive knowledge of the botanical and horticultural aspects of the Marijuana plant with a practical understanding of the potential and limitations of the use of Marijuana within the emerging regulatory and economic environment.

AnnaRae Grabstein, M.B.A., B.A. (Ecology & Sustainability), Lead, Marijuana Industry Strategist

Ms. Grabstein has received widespread acclaim for her executive leadership in the first medical Marijuana quality control laboratory in the United States and has spoken and written about the topic extensively. She has unique experience to help the WSLCB implement product quality standards because as CEO of Steep Hill Lab, she played an integral role in the creation of the first self-regulation guidelines for product quality at all levels of the supply chain with the introduction of the SafeCannabis program. She also led the operation of the largest medical Marijuana laboratory in the United States, including overseeing all chemists, microbiologists and laboratory compliance while providing the test data of cannabinoids (THC and CBD), terpenes, microbiological contaminants and pesticide residues.

Ms. Grabstein has over five years' experience working in executive leadership and consulting roles in the medical Marijuana industry and the emerging ancillary, legal marketplace. Her accomplishments have been featured in numerous media outlets including the *Los Angeles Times*, *Washington Post*, *Discovery Channel*, *Wall Street Journal* and *GOOD Magazine*. She is a savvy business consultant who understands the importance that product quality will play in black market diversion and that the proposed testing program must be feasible and transparent for all industry stakeholders and the WSLCB.

John Oram, Ph.D. & M.S. (Environmental Engineering), B.S. (Analytical Chemistry and Biochemistry), Co-Founder and Principal Scientist, CW Analytical Laboratories, Lead Scientist, Analytical Chemistry and Biochemistry

Dr. Oram is a senior science advisor, serving on both the Category 1 and Category 2 teams. He has strong expertise in analytical methods and extensive experience investigating the movement of contaminants in natural and engineered environments. He is the founder and principle scientist at CW Analytical Laboratories, an Oakland-based analytical laboratory focused on ensuring the safety and quality of medical Marijuana. He has served as a lead science advisor and technical consultant to applicants in New Jersey and California to develop successful applications for Marijuana cultivation and distribution. Additionally, Dr. Oram has developed a custom laboratory information management system to track medical Marijuana samples through all analytical processes in a commercial laboratory.

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Category 2

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Robert Martin, Ph.D. & M.S. (Mycology), Laboratory Director, CW Analytical Laboratories, Lead Scientist, Microbiology

Dr. Martin is a senior science advisor for the team and a recognized microbiological expert within the food industry. He has translated his food industry experience to the Marijuana industry through the creation of rigorous microbiological testing methodology. He has overseen the establishment and implementation of quality assurance protocols for major national food brands, Marijuana cultivators and edible manufacturers. Dr. Martin is Laboratory Director and Co-founder of CW Analytical Laboratories where he is the Director of Microbiology and for the past four years has implemented protocols specifically to prevent microbiological contamination on Marijuana and Marijuana-infused products.

7. Staff Qualifications and Capabilities.

Please note that our team members are not from a single firm. As such, there is no information to provide regarding any existing responsibilities.

Dr. Daniel Harder, Lead Scientist, Horticultural Production and Product Safety

Education

- Ph.D., Botany, University of California, Berkeley
- B.S., Botany, University of Wisconsin, Madison

Experience

- Executive Director, Santa Cruz Museum of Natural History, 2010 – Present
- Research Associate, California Academy of Sciences, 2010 – Present
- Vice President, Board of Directors, Wo'Mens Alliance for Medical Marijuana (WAMM), 2010 – Present
- Principle and Founder, Botanical Answers; Botanical and Environmental Consulting, 2009 – Present
- Executive Director, Arboretum at the University of California, Santa Cruz, 2001 – 2009
- Adjunct Professor, Department of Ecology and Evolutionary Biology, University of California, Santa Cruz, 2001
- Associate Curator, Missouri Botanical Garden, 1998 – 2001

Awards & Honors

- The David and Lucile Packard Foundation, Collection Stewardship grant. Local Grantmaking in Conservation Science.
- Institute for Museums and Library Services, Museums for America Collections Stewardship Award. Enhanced Stewardship: Collections Data, Seed Storage, and Herbarium.
- The Christensen Fund. Culture in the Collections.
- The David and Lucile Packard Foundation, Plant Conservation Program of the Arboretum at the University of California, Santa Cruz.
- The Henry Luce Foundation, Inc., Natural Resources Management, An Integrated Botanical Training and Conservation Program in Viet Nam.
- Global Environmental Facility (GEF), United Nations Environment Program (UNEP), United Nations Development Programme (UNDP), and World Bank, Congo, Brazzaville
- United States Agency for International Development (USAID), Program in Science and Technology Cooperation (PSTC), Project 11.077; The Plant Genetic Resources of the Zambeian Domain of Zambia within Remote Sensing for Natural Resources Analysis.

Media, Publishing & Presentations

- Led and collaborated on international botanical field research experience in Australia, Baja Mexico, Cambodia, Cameroon, Congo (Brazzaville), Ghana, Kenya, Laos, Madagascar, Malawi, New Zealand, Rwanda, Seychelles, Singapore, Tanzania, Uganda, Viet Nam, Democratic Republic of Congo (formerly Zaire), and Zambia including the study, collection, and recording of the local type and use of Marijuana.
- *Botanical Pharmacognosy – Microscopic Characterization of Botanical Medicines*, American Herbal Pharmacopoeia, 2011.
- Botanical Identification, In: *Cannabis Monograph and Therapeutic Compendium; Cannabis sativa L., C. indica Lam.; Standards of Analysis, Quality Control, and Therapeutics*.
- Macroscopic Identification, In: *Cannabis Monograph and Therapeutic Compendium; Cannabis sativa L., C. indica Lam.; Standards of Analysis, Quality Control, and Therapeutics*.
- Commercial Sources and Handling, In: *Cannabis Monograph and Therapeutic Compendium; Cannabis sativa L., C. indica Lam.; Standards of Analysis, Quality Control, and Therapeutics*

AnnaRae Grabstein, Lead, Marijuana Industry Strategist

Education

- M.B.A., University of San Francisco
- B.A., Ecology and Sustainability, New College of California
- Nutrition Education Certificate, Bauman College

Experience

- Business and Market Strategy Consultant, Strategy Leap, 2012 – Present
- Think Tank Advisor, Cannabis Law Institute, 2010 – Present
- Board of Directors, Magnolia Wellness Center, 2011 – Present
- CEO, Steep Hill Lab, 2009 – 2012
- Founding Member, Association of California Cannabis Laboratories, 2011
- Treasurer, Repeal Cannabis Prohibition Act, 2011
- Founding Member, National Organization for the Reform of Marijuana Laws (NORML) Women's Alliance, 2010
- Consultant, Rising Sun Energy Center, 2008
- Workforce Development, Berkeley Youth Alternatives, 2007 – 2008

Media, Publishing & Presentations

- Speaker, *Marijuana as Medicine*, Medicann Symposium, 2010
- Speaker, *Laboratory Analysis and Quality Control for Cannabis*, Marijuana Business Conference, 2011
- Speaker, *Reflections on Alcohol Prohibition*, Students For Sensible Drug Policy National Conference, 2012
- Interviewed, *Industry Progress: Cannabis Testing and California*, Cannabis Times Radio, 2012
- Featured, *After the Gold Rush; What happens when California's weed bubble bursts*, Good Magazine, May 28, 2012
- Quoted, *The Cannabis Clean-Up Team*, East Bay Express, 2011
- Quoted, *Turning Pot Into Medicine*, East Bay Express, 2012
- Quoted, *Haute Pot*, San Francisco Bay Guardian, 2011
- Co-author, *Quality Assurance for Medical Cannabis White Paper*, 2010
- Author, *A Few Models of Socially Responsible Medical Marijuana Businesses*, Kush Magazine, 2011
- Author, *Social Media Experiment in the Cannabis Industry*, Kush Magazine, 2011
- Co-author, *CBD: The Non-Psychoactive Cannabinoid*, Kush Magazine, 2011

Dr. John Oram, Lead Scientist, Analytical Chemistry and Biochemistry

Education

- Ph.D., Environmental Engineering, University of California, Los Angeles
- M.S., Civil and Environmental Engineering, University of California, Los Angeles
- B.S., Chemistry and Biochemistry, University of Colorado, Boulder

Experience

- Founder, Principal Chemist, CW Analytical Laboratories, 2009 – current
- Scientist, San Francisco Estuary Institute, 2004 – 2010
- Post-Doctoral Researcher, University of California Los Angeles, 2000 – 2004

Publications

- Oram, J.J., McKee, L.J., Werme, C.E., Connor, M.S., Oros, D.R., Grace, R., and Rodigari, F., (2008). A Mass Budget of Polybrominated Diphenyl Ethers in San Francisco Bay, CA. *Environment International*, in press.
- Oram, J.J., Davis, J.A., and Leatherbarrow, J.A., (2008). Draft Report: A Model of Long-Term PCB

Fate in San Francisco Bay: Model Formulation, Calibration, and Uncertainty Analysis. San Francisco Estuary Institute, Oakland, CA.

- Hoenicke, R., Oros, D.R., Oram, J.J., and Taberski, K.M., (2007). Adapting an ambient, monitoring program to the challenge of managing emerging pollutants in the San Francisco, Estuary. Environmental Research, volume 105, pp. 132-144.
- Oram, J. and Melwani, A., (2006). Dredging impacts on food-web bioaccumulation of DDTs in San Francisco Bay, CA. SFEI Contribution 418. San Francisco Estuary Institute, Oakland, CA.
- McKee, L., Leatherbarrow, J., and Oram, J., (2005). Concentrations and loads of mercury, PCBs, and OC pesticides in the lower Guadalupe River, San Jose, California: Water Years 2003 and 2004. A technical report of the Regional Watershed Program: SFEI Contribution 409. San Francisco Estuary Institute, Oakland, CA.

Selected Presentations

- *A Model of the Long-Term Fate of Polychlorinated Biphenyls, CA*, presented at the national meeting of the Society of Environmental Toxicology and Chemistry, Milwaukee, WI, 2007
- *A Mass Budget of PBDEs in San Francisco Bay, CA*, presented at the national meeting of the Society of Environmental Toxicology and Chemistry, Milwaukee, WI, 2007
- *A Model of Long-Term PCB Fate in San Francisco Bay*, presented at the annual meeting of the Regional Monitoring Program for Water Quality in San Francisco Estuary, Oakland, CA, 2007
- *Modeling the Fate of Organic Contaminants in San Francisco Bay, CA*, presented at the California and the Worlds' Oceans Conference, Long Beach, CA, 2006
- *Modeling the Fate of Organic Contaminants in San Francisco Bay, CA*, presented at the Romberg Tiburon Center for Environmental Studies, Tiburon, CA, 2006

Dr. Robert Martin, Lead Scientist, Microbiology

Education

- Ph.D., Mycology, Ohio University (Mycology is a study in microbiology)
- M.S., Botany Ohio University
- B.A., Biology, University of Alabama

Experience

- Laboratory Director, CW Analytical Laboratories, 2009 – Present
- Founder, MRM Group Consulting, 2002 – Present
- President, Association of California Cannabis Laboratories
- Assistant Professor, Principles of Food Product Development, University of California
- Vice President, Advanced Nutrition Concepts, 2004 – 2006
- Director Research and Development Dreyer's Ice Cream: created and managed leading analytical lab and R&D for national ice cream company, 1994 – 2002
- Senior Research Scientist II, Microstructure Research Group, Kraft Foods, 1985 – 1993
- Assistant Professor Biological Sciences, Ohio University, 1984 – 1985

Awards

- American Association for the Advancement of Science – Lifetime member IDFA
- Institute of Food Technology. Sustaining professional member
- 2009 Mollicoolz Shaker-Prepared Foods innovative product of the year
- 2005 GoodBody Frozen Snack Dairy Foods innovative product of the year
- 2000 Golden Cone- Dreyer's Grand Ice Cream (Healthy Choice partner management)
- 1999 Director's Award Dreyer's Grand Ice Cream (RO milk utilization in dairy process)
- 1997 Presidents Award Dreyer's Grand Ice Cream (first company patent)
- 1991 Selected as Kraft representative to KGF Institute of Technology, Tarrytown
- 1989 co winner Phillip Morris Chairman's Award for fat free ice cream

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- 1984 Graduate Research Prize. AIBS Annual Meeting Colorado State University
- 1979 Graduate Research Fellow Ohio University

Media, Publishing & Presentations

- Miller, C.E., R.W. Martin, D.P. Dylewski. 1985. The ultrastructure of plasmodia, sporangia, and cystosori of *Ligniera verrucosa* (Plasmodipophorales). 63:2 263-273.
- Martin, R.W. and C.E. Miller. 1986. Ultrastructure of mitosis in the endoparasite *Olpidiopsis varians*. Mycologia 78:1. 11-21.
- Martin, R. W. and C.E. Miller. 1986. Ultrastructure of sexual reproduction in *Olpidiopsis varians*. Mycologia. 78:3 359-370.
- Martin, R.W. 1989. Electron microscopic localization of cholesterol in bovine milk fat globules. Food Microstructure. 8. 3-9.
- Holcomb, D.N., Ford, L.D., and Martin, R.W. Dressings and sauces. In: Food Emulsions 2nd Ed. Ed: Larsson and Friberg. New York, 327-365. 1990.
- Holcomb, D. N., Unger, R.S., and Martin, R.W. Food Microstructure. In: Encyclopedia of Food Science
- Developer of seven patents related to food systems

8. Approach and Methodology.

The team assembled for Category 2, consisting of Subcontractors and a member of the Prime Contractor, understands the importance of product quality standards and testing to the implementation of I-502. Through our extensive experience, we can offer unparalleled insight into effective strategies for providing information on safety, quality, and potency of Marijuana products. Our proposed approach and methodology for assisting the WSLCB to develop reputable protocols for product quality and testing consists of leveraging our experience with Marijuana and established product quality standards combined with a strategic understanding of the needs and requirements set forth in I-502. Our combined relevant expertise includes:

- advanced degrees in chemistry, engineering, microbiology, botany and business;
- 15 years in Marijuana laboratory testing;
- 30 years in botanical science;
- 20+ years in the food quality industry;
- 4+ years in product quality assurance in the medical Marijuana industry;
- presenting quality assurance concerns at major Marijuana and non-Marijuana related conferences; and
- knowledgeable about technology-based solutions for quality assurance tracking and accountability.

In response to developing reputable testing for THC, CBD and chemical contaminants (as specified in the RFP), members of our team have advanced academic credentials and training, as well as decades of experience using advanced chromatographic methods to analyze a wide range of Marijuana products. The laboratory systems previously implemented by our experts for medical Marijuana provide a good starting point for developing systems for the WSLCB. Our consultants are recognized experts in the field of Marijuana product quality and as such can guide the WSLCB in building an un-matched product assurance protocol. There are various methods for analyzing cannabinoids and the best method for the WSLCB will depend on a cross-functional understanding of the supply chain process.

In response to testing for mold (as specified in the RFP) we have experience in microbiological screening of Marijuana using existing International Association of Analytical Chemists (AOAC International) standards for agricultural and food products and have the academic credentials to defend all proposed methodology. Our team will help the WSLCB understand that microbiological contamination will be a key pillar to Marijuana product safety. A significant portion of Marijuana products (flowers, concentrates, and edibles) exhibit high levels of microbiological activity. The database of Drs. Martin and Oram shows that 70% of concentrates and 10-15% of flowers can possess unacceptable aerobic plate counts and half of those test positive for *E. coli* and high yeast and mold counts. As part of our microbiological methodology, we would present a system for:

- APC (aerobic plate count) a measure of aerobic bacteria present in a sample;
- Yeast and Mold, a measure of fungal spores present on a samples;
- *E. coli* a bacterium found in the gut of mammals indicating fecal contamination;
- *Psuedomonas aeriginosa* a common pathogen found in unhygienic conditions; and
- *Coliform*, a group of bacteria found in the gut of mammals indicating possible fecal contamination.

Since the WSLCB will be establishing standards and practices that all producers follow, it is important that proper protocols prevent the occurrence of harmful microbiological activity. It has been shown in the food industry that 80% of contaminations are handling-related, and preliminary testing shows that it is similar in the Marijuana industry. We will advise the WSLCB to develop a protocol for handling, storage, and shelf-life requirements of all Marijuana products. This will include microbiological and pesticide screenings to ensure safety and quality. Labeling requirements for safety, dosage, and tamper evident packaging of Marijuana products will be recommended. Packaging and product safety are closely related and the team understands these complexities and will make recommendations accordingly.

Our team will propose a WSLCB certification protocol and chain of custody procedure that enables Marijuana products to be tracked from farm to consumer, maintaining product quality standards at every juncture. A product tracking system is absolutely critical for maximizing revenue generation and preventing black market diversion. The team will also develop robust labeling guidelines that meet the requirements of set forth in I-502 and by the WSLCB. Each of these steps will help ensure the quality, security, and accountability of the Marijuana supply chain.

The team's experience is not limited to a single experiential model. Instead, the team has worked with different methods and technologies and therefore has a broader base of experience, often under demanding applications. Members of our team have been successful at implementing quality assurance protocols for California's medical Marijuana industry. The piece-meal approach taken by California due to the fragmentation of the industry and the lack of clear regulatory guidance has made it impossible to implement the umbrella policies needed to ensure product safety. Most of the team members' efforts have focused on developing client-specific protocols. This has provided team members with extensive experience designing and adapting quality assurance protocols to specific models.

The State of Washington is poised to be the first State to embark on this new path. The regulatory system the WSLCB creates will serve as a model for the rest of the country. It is important that the system is viable and functions smoothly from the start. We have assembled a team of scientists and experts in the field of finance, business, cultivation, manufacturing, product quality and standards and product safety that together represents hundreds of years of experience in this and analogous industries. Our real-world experience will enable us to develop a set of protocols for safe practices, revenue tracking and product integrity maintenance that will help the WSLCB develop a successful regulatory system.

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CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

9. Ability, Capacity and Skills.

EGRET Partners (the “Prime Contractor”), a four-member team of professionals and experts, submits this response to all four Categories of this RFP. In addition to the expertise of the Prime Contractor, a coordinated core group of qualified subcontractors (each, a “Subcontractor”) has been specially assembled to fulfill and exceed the proposed consulting needs for implementation of Initiative 502 (“I-502”) as specified in solicitation number K430, *Initiative 502 Consulting Services*.

The team assembled for Category 3, consisting of Subcontractors and a member of the Prime Contractor, is comprised of product and industry specialists with decades of practical and academic experience compiling and analyzing product usage and consumption validation data to meet and exceed the expected deliverables within this Category and to address the intent and goals of I-502. For each of the components of Category 3, we list the lead team members possessing the applicable ability and skills and include examples of their relevant expertise.

Michelle (Shelli) Newhart Walker, Ph.D. (Sociology, forthcoming 2013), M.A. (Sociology), B.S. (Sociology), Market Usage Analyst, with expertise in estimating and/or measuring Marijuana product usage and consumption, including:

- advanced training in qualitative and quantitative data analysis and research design in the social sciences;
- currently writing doctoral dissertation: a qualitative project on medical Marijuana patients in the State of Colorado’s medical Marijuana system: *From Getting High to Getting Well: Identity and Legitimacy Issues among Midlife Cannabis Patients in Colorado*;
- two years interviewing individuals associated with the State of Colorado’s medical Marijuana program;
- researching and writing quantitative social science articles and publications;
- serving as researcher and editor for over a dozen titles related to Marijuana history, culture, policy, cultivation and use, including:
 - *Marijuana Pest and Disease Control*, Ed Rosenthal (2011);
 - *Big Book of Buds vols. 1, 2, 3, 4*, Ed Rosenthal (2000, 2004, 2007, 2010);
 - *Organic Marijuana, Soma Style*, Soma (2005);
 - *Cultivating Exceptional Cannabis*, DJ Short (2004);
 - *Grow Like a Pro*, Dana Larsen (2004);
 - *Why Marijuana Should Be Legal*, Ed Rosenthal, Steve Kubby (2003);
 - *The Best of Ask Ed*, Ed Rosenthal (2003);
 - *Ask Ed: Marijuana Gold, Trash to Stash*, Ed Rosenthal(2002);
 - *Marijuana Success Indoors vols. 1 & 2*, Ed Rosenthal (2002, 2006);
 - *Ask Ed: Don’t Get Busted*, Ed Rosenthal and William Logan (2000);
 - *Marijuana Medical Handbook*, Ed Rosenthal, Dale Gieringer, Tod Mikuriya (2000); and
 - *Easy Marijuana Gardening*, Ed Rosenthal (2000).

Steve Berg, M.B.A., Lead, Statistical and Market Analysis, with expertise in estimating and/or measuring Marijuana product usage and consumption, including:

- over twenty years’ experience in market and industry analysis for investment purposes and financial modeling for use in market applications; specialist in State legal Marijuana enterprise investment;
- over ten years’ experience in Marijuana consumer and products evaluation;
- extensive experience generating research reports for analysts and market participants;

- Principal, Berg Risk Capital, Marijuana Industry Consultant: financial and strategic consulting for companies and investors, including primary focus on Marijuana investors, consumers and businesses;
- serving as Senior Editor and Market Analyst for the *2013 See Change Marijuana Markets Report*, the Marijuana industry's authoritative independent market research report;
- currently conducting economic research on State Marijuana markets, Marijuana product offerings, consumption patterns, trends and pricing practices with premier market research team; and
- developing surveys for research teams to acquire statistics for use in extensive geographic assessment of Marijuana consumption, product pricing and market valuations.

John Davis, Lead, Stakeholder Communications, with expertise in estimating and/or measuring Marijuana product usage and consumption in the State of Washington, including:

- restructuring a medical Marijuana dispensary in the State of Washington, taking the dispensary from near-bankruptcy to annual revenues of \$3,000,000;
- teaching Marijuana policy and the business of Marijuana at Care Wellness (a Seattle-based community wellness center focused on providing patients with informed access to medical Marijuana), including estimating local usage rates for individual business plans;
- performing project estimates in the construction industry and employing estimation software professionally;
- estimating product usage and consumption in connection with Seattle Hempfest;
- estimating assumptions for Marijuana usage rates and for existing Washington medical Marijuana in his role as Chair of the Coalition for Cannabis Standards and Ethics (CCSE); and
- estimating Marijuana usage for the "recreational" market in Washington State for Marijuana industry businesses and trade groups, including but not limited to CCSE, Northwest Patient Resource Center, Cannabis Defense Counsel, National Cannabis Industry Association and Blue Sage Microbes.

10. Experience.

Michelle (Shelli) Newhart Walker, Ph.D. (Sociology, forthcoming 2013), M.A. (Sociology), B.S. (Sociology), Market Usage Analyst

Ms. Walker is a social science researcher and book editor who has worked on projects on Marijuana culture, policy, and cultivation since 1999. In that time, she has helped to conceive, write and edit multiple titles, projects, magazine articles, book series, and events related to Marijuana culture, policy and cultivation. Ms. Walker has traveled within the United States and in seven other countries to interview breeders, growers and cultural figures involved with Marijuana.

Since 2006, Ms. Walker has been pursuing a doctoral degree in sociology with a specialization in topics on health behaviors and health subcultures. Her study has focused on decision-making in self-directed health regimens. Her specialized training includes extensive coursework in research design, and qualitative and quantitative analysis, and includes mixed methods training. In 2010, Ms. Walker was awarded her Master's degree. She has also worked as a research assistant on complex merged datasets that integrate environmental hazard distribution data and geocoded sociodemographic data to assess disparities in environmental hazards. She has also helped to design online survey collection instruments and structure collected data.

Ms. Walker is currently a Ph.D. candidate at the University of Colorado-Boulder. Her dissertation on medical Marijuana patients in the State of Colorado is based on data collected during the pivotal time of October 2009 to October 2012. It has included interviews with patients and key actors and observation at dozens of Marijuana business-related events. Ms. Walker expects to complete her degree in 2013.

Steve Berg, M.B.A., Lead, Statistical and Market Analysis

Mr. Berg is the team lead for Category 3. He has more than 20 years' experience including conducting Marijuana market and industry research and providing analysis of market and industry statistics for both investment purposes and financial modeling for use in market applications. Mr. Berg performs economic and investment research regarding the Marijuana industry, including compiling product usage and consumption level statistics. His market analyses are used by companies operating in the Marijuana industry, as well as by investors evaluating venture finance investment in Marijuana-related businesses.

Mr. Berg is Principal at Berg Risk Capital, a strategic consulting firm for companies and investors, including those operating in the Marijuana industry. He is also the Investor Due Diligence Lead at ArcView Angel Network, a division of The ArcView Group, the Marijuana industry's venture finance network for startups and early stage companies targeting Marijuana businesses and consumers.

Mr. Berg is the senior editor of the 2013 edition of *See Change Strategies State of Marijuana Markets Report*, the leading authority on Marijuana business and consumer statistics, demographics, market trends and business practices. He earned his M.B.A. at New York University, where he did advanced work in statistical methods and market projections.

John Davis, Lead, Stakeholder Communications

Mr. Davis is an entrepreneur and drug policy reform activist in Seattle, WA. After managing the oldest and longest running medical Marijuana dispensary in the State, Compassion In Action, John founded Northwest Patient Resource Center where he currently serves as the organization's Chief Executive Officer.

Mr. Davis has worked on Marijuana policy for over twenty years with the leaders of the policy reform movement. He has worked with Ethan Nadelmann (Executive Director of Drug Policy Alliance), Rob Kambia (Executive Director of Marijuana Policy Project), Mason Tvert (Executive Director, Safer Alternative For Enjoyable

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Recreation (SAFER), Jack Herer, Denis Peron, Stephen Gaskin and other established leaders of the Marijuana policy reform movement. He was first appointed to the board of Hemp Initiative Projects of Washington State in 1993, where he served as the organization's Treasurer. After seven years as a volunteer for Seattle Hempfest, he was elected to the production company's Board of Directors in 2001 where he currently serves as the Chairman of the Board. Mr. Davis works on political strategy on behalf of the organization, and works with Vivian McPeak on negotiations with the stakeholders and the Special Events Committee of the City of Seattle.

Mr. Davis is a founder of the Coalition for Cannabis Standards and Ethics (CCSE) and currently serves as the Chair of that Marijuana industry group. He also Chairs the CCSE Access Point Subcommittee. Mr. Davis also serves on the Board of Directors of the National Cannabis Industry Association (NCIA), the Cannabis Defense Coalition (CDC), and the Advisory Boards for both Blue Sage Microbes and Life Sense Technologies. He teaches "The Business of Cannabis" at Care Wellness.

11. Staff Qualifications and Capabilities.

Please note that our team members are not from a single firm. As such, there is no information to provide regarding any existing responsibilities.

Michelle (Shelli) Newhart Walker, Market Usage Analyst

Education

- Ph.D., Sociology, University of Colorado-Boulder (forthcoming 2013)
- M.A., Sociology, University of Colorado-Boulder
- B.S., Sociology, University of Missouri-Columbia

Experience

- Researcher and editor for over a dozen titles related to Marijuana history, culture, policy, cultivation and use 2000 – 2011
 - *Marijuana Pest and Disease Control*, Ed Rosenthal (2011)
 - *Big Book of Buds vols. 1, 2, 3, 4*, Ed Rosenthal (2000, 2004, 2007, 2010)
 - *Organic Marijuana, Soma Style*, Soma (2005)
 - *Cultivating Exceptional Cannabis*, DJ Short (2004)
 - *Grow Like a Pro*, Dana Larsen (2004)
 - *Why Marijuana Should Be Legal*, Ed Rosenthal, Steve Kubby (2003)
 - *The Best of Ask Ed*, Ed Rosenthal (2003)
 - *Ask Ed: Marijuana Gold, Trash to Stash*, Ed Rosenthal (2002)
 - *Marijuana Success Indoors vols. 1 & 2*, Ed Rosenthal (2002, 2006)
 - *Ask Ed: Don't Get Busted*, Ed Rosenthal and William Logan (2000)
 - *Marijuana Medical Handbook*, Ed Rosenthal, Dale Gieringer, Ph.D., Tod Mikuriya, M.D. (2000)
 - *Easy Marijuana Gardening*, Ed Rosenthal (2000)
- Member, American Sociological Association
- Member, Medical Sociology section, American Sociological Association
- Member, Sociology of Mental Health section, American Sociological Association
- Member, Society for the Study of Social Problems
- Member, Forum on Science Ethics and Policy (FOSEP)

Awards & Honors

- Best Should Teach Silver Award, 2008 (recognizes excellence in teaching and academic leadership)
- McNair Scholar, 1995 (Post Baccalaureate Achievement Program Scholar)
- McNair Scholar, 1994 (Post Baccalaureate Achievement Program Scholar)

Media, Publishing & Presentations

- Author, *Beyond the Gender Divide in Mental Health: Relationships between Dimensions of Mental Health and Overall Self-Ratings* (forthcoming doctoral thesis)
- Co-author, *Environmental Inequality in Metropolitan America*, 2008
- Author, *Menopause Matters: The Implications of Menopause Research for Studies of Mid-life Health*, Health Sociology Review
- Co-author, *Family Structure, Residential Mobility and Environmental Inequality*, Social Problems (under review)

Steve Berg, M.B.A., Lead, Statistical and Market Analysis

Education

- M.B.A., New York University
- B.S., Finance, with a Minor in Accounting, San Francisco State University

Experience

- Principal, Berg Risk Capital, a strategic consulting firm for companies and investors, including those operating in the Marijuana industry
- Lead, Investor Due Diligence, ArcView Angel Network, venture finance network for startups and early stage companies targeting Marijuana businesses and consumers

Media, Publishing & Presentations

- *See Change Strategies State of Marijuana Markets Report, 2013* (Senior Editor) the leading authority on Marijuana business and consumer statistics, demographics, market trends and business practices

John Davis, Lead, Stakeholder Communications

Education

- Master of Applied Project Management (Certification), Villanova University

Experience

- Member, Board of Directors, National Cannabis Industry Association, 2012 – Present
- Founder and Chief Executive Officer, Northwest Patient Resource Center, 2011 – Present
- Founding Member and Chairman, Coalition for Cannabis Standards and Ethics, 2011 – Present
- Seattle Events, A Non-Profit Corporation (SEANPaC/Seattle Hempfest)
 - Chairman of the Board of Directors and Vice President, 2006 – Present
 - Member, Steering Committee, 2002 – 2006
 - Construction Director, 1994 – Present
- Manager, Compassion in Action, 2009 – 2011
- Board Member and Treasurer, Hemp Initiative Projects of Washington State, 1993 – 1996

Awards & Honors

- PCS's "Estimator of the Year" in 2000
- NORML Cannabis Activist of the Year, 2008

Media, Publishing & Presentations

- Educational presenter on the subject of medical Marijuana, Marijuana usage and consumption, and Marijuana policy to numerous Washington State and local agencies, including:
 - Washington State Liquor Control Board
 - City Attorney's Office
 - Seattle Office of Economic Development
 - All City of Seattle District Councils
 - Seattle City Council
 - Seattle Mayor's Office
 - Seattle Police Department
 - Washington State Senate
 - Washington State House of Representatives
- Work and analysis on medical Marijuana, Marijuana usage and consumption, and Marijuana policy (including I-502) has been featured in: The New York Daily News, Raw Story, NBC, ABC, FOX, Planet Money (NPR), All Things Considered (NPR), Week Day (NPR), Seattle Times, NHK (Japan), TF1 (France), Al Jazeera, ITN 4 (Great Britain) and the UK Daily Mail, among other prominent publications.

12. Approach and Methodology.

The team assembled for Category 3, consisting of Subcontractors and a member of the Prime Contractor, understands the importance of accurate product usage and consumption validation data to the development of precise and effective regulations under I-502. We propose the following approach and methodology to compile and present this information to the WSLCB.

Statewide Product Usage

A good model balances accurate estimation with simplicity and our proposed methodology achieves this goal. It draws on Census data for population numbers for Washington State by County, divided by age and gender. These two criteria have proven to be two of the most useful demographic criteria for estimating Marijuana use.

With this information, we will then review and leverage existing statistical data on product usage and consumption behavior and trends nationwide.

Individual Product Usage

To gain a better understanding of current product usage and consumption (and projected product usage and consumption when regulations are in place) at a micro level, we will analyze socio-demographic information on age, gender, family structure, education level and income level. With this information, we can validate and look for variation in product usage and consumption rates and trends. Reliable data on these factors is available in studies and reports produced by the Alcohol & Drug Abuse Institute Library & Clearinghouse, the ADAI Drug Use Epidemiology Reporting Project, the Institute for Social Research at the University of Michigan, and the National Survey on Drug Use and Health. For example, a study by the Institute for Social Research reported the following usage data: 22% of persons between the ages of 18 and 22 have used Marijuana in the last thirty days, 20% between the ages of 23 and 39, 15% between the ages of 30 and 34, 10-11% between 35 and 39, 6-7% between 40 and 50, and 2-3% of persons over age 60. Analysis of these factors has traditionally indicated that younger men are the most frequent users, but analysis also indicates this population has a higher tolerance for risk-taking and experiments with deviant behavior with more frequency.

When policies and regulations are in place, it is not clear that these patterns of use will endure. The existing patterns likely reflect much more than a simple affinity to Marijuana; they may also provide insight on willingness or aversion towards the risks associated with a black market. For this reason, we will also evaluate usage patterns of legal substances, namely alcohol (including the changes in consumption that occurred with the end of Prohibition), when developing our reports.

County Level

The equations developed for current product usage and consumption (and projected product usage and consumption when regulations are in place) at the individual level, can be applied to each County. For example, the population of adult women in Washington State between the ages of 20 and 24 is 5%. The usage rate of this population is estimated to be 20%. This rate can be applied to the composition of each County, with county-level adjustments for population density, alcohol and tobacco use rates, and an attitude indicator.

Medical Users

We will also provide a detailed analysis of existing and projected medical Marijuana use and consumption. Currently, Washington State medical Marijuana users are estimated at 99,960. We will access any data collected on actual medical Marijuana sales and determine the actual rates for medical Marijuana patients. By taking into account the location and density of patients in various geographic areas in Washington State, we can better identify the unique needs of each County and its consumer base.

Additional Considerations

Near and Long Term Use and Consumption

Our methodology will incorporate near and long term business projections. In the near term, as products enter the legal market, we will use the rigorous statistical methods discussed above to project product usage and consumption levels upon implementation of I-502. We also intend to provide quarterly forecasting of product demand over a 10-year horizon. This approach will consider the impact that the introduction of novel and highly desired products will have on an existing market, and will look at trends in other States and countries that have decriminalized and/or regulated Marijuana use. When sales data becomes available, we will integrate this information into the model. Time considerations will also include:

- “tourism” and relocation effects
- “novelty” purchasers and users;
- relationship with alcohol sales; and
- potential changes to medical Marijuana patient regulations.

Pricing

Pricing will affect product usage and consumption. We will solicit input from consultants working on Categories 1 and 2 to evaluate the effect the following factors will have on pricing:

- the amount of use based on consumption frequency (e.g., monthly users, daily users, etc.) for both medical and non-medical users;
- the relationship between product packaging and purchase rate;
- the use of concentrates and edibles;
- the relationship between processed and unprocessed products; and
- the volume of Marijuana needed to produce derivative products, including tinctures, topicals, edibles, concentrates etc.

Pricing of legitimate Marijuana under I-502 must be set relative to black market pricing in order to assure appropriate disincentives of black market purchasing and maximization of State revenues. Our analysis will include surveying black market pricing as well as determining break-even pricing between legitimate and black market Marijuana. The legitimate versus black market pricing analysis will be performed upfront and then on a quarterly basis to track changing market conditions. Setting legitimate Marijuana pricing at or below black market pricing can help assure consumer preferences for legitimate Marijuana purchases. However, in evaluating supply and demand factors, we will also measure whether legitimate Marijuana pricing may actually be set at a small premium to black market pricing and still compel Marijuana purchasers to favor legitimate sources. This hypothesis is based on Marijuana purchasers valuing that I-502 retailers will offer only safe products that have met minimum testing standards and will be sold in a safe environment. Consumers likely value these I-502 safety factors relative to the risks inherent in the black market. If this hypothesis can be validated, the State can assure revenues are maximized by not setting Marijuana pricing below effective break-even rates while preserving the viability of legal businesses.

Additional Research

Where relevant data is lacking or we need additional information to determine accurate product usage and consumption rates, we will conduct polls within Washington to determine intent to purchase Marijuana once it is legally available, the quantity users will purchase, and the products users will purchase. The polls will be designed to ensure that variations among key demographics are captured and considered when validating data and developing projections.

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We will also utilize our extensive network of industry contacts to augment existing data. For example, County by County surveys of dispensaries and consumers and the potential impact of tourism on product usage and consumption can better inform our projections.

Overall we will use a holistic approach, gathering information from different sources and from different sectors of the stakeholder community, then using the information to develop effective, rational strategies that provide the State with maximum revenue while assuring that consumers are provided with safe, high quality products that meet or exceed what the black market can provide.

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CATEGORY 4 – PRODUCT REGULATION

13. Ability, Capacity and Skills.

EGRET Partners has enlisted the regulatory attorneys and policy/legislative analysts at Greenbridge Corporate Counsel (the “Firm”) to serve the WSLCB’s consulting needs for Category 4. Our Firm has a *Medical Cannabis and Industrial Hemp Practice* that offers clients business counsel in compliance with (1) State laws legalizing access to Marijuana and/or the cultivation of industrial hemp and (2) all other Federal, State and local laws and regulations generally applicable to businesses engaged in the state-sanctioned Marijuana industries. For each of the components of Category 4, we list the members of our Firm possessing the applicable ability and skills and include examples of their relevant expertise.

a) Experience with State, local or Federal government processes and procedures.

Khurshid Khoja, J.D., Principal of our Firm, Lead Counsel, with expertise in government processes and procedures in insurance, energy and other heavily regulated industries, and specifically relevant experience in the medical Marijuana industry, including:

- serving as General Counsel to the Emerald Growers Association, a medical Marijuana trade association of farmers from California’s Emerald Triangle Region; as General Counsel he has:
 - lobbied California state legislators to enact Assembly Bill 2312, a statewide regulatory and tax framework for the medical Marijuana industry that complies with California’s medical Marijuana law and the California Attorney General’s *Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use*; and
 - successfully lobbied and advised the Mendocino County Board of Supervisors’ on its decision to defend its landmark cultivation ordinance (County Code Ch. 9.31) against a Federal grand jury subpoena of records of the county’s implementation of the ordinance;
- serving as General Counsel to The ArcView Group, a San Francisco venture capital firm focused on start-ups in the ancillary business sectors within the medical Marijuana industry, advising them on State and Federal securities regulation applicable to angel investor networks.
- advising Harborside Health Center, the largest medical Marijuana collective in the United States on policies and best practices to ensure compliance with California medical Marijuana statutes and regulations and the California Attorney General’s *Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use*;
- advising a Dutch medical genomics firm on exemptions to the Federal Controlled Substances Act and Drug Enforcement Administration procedures for granting exemptions and licenses for the lawful importation of non-psychoactive Marijuana plant matter into the United States; and
- advising non-profits and social enterprises on lawful organization and operation of business entities regulated under State medical Marijuana and Marijuana paraphernalia laws.

Paul Lacourciere, J.D., Senior Of Counsel at our Firm, Senior Regulatory Counsel, with 15 years of experience as an energy lawyer, advising clients on compliance with existing and new regulations, including:

- advising electricity marketers regarding compliance with new regulations concerning the sale of electricity to retail customers;
- advising retail customers regarding compliance with regulations allowing direct access to electricity marketers;
- advising new energy companies regarding compliance with new interconnection standards and new statutes concerning unregulated electricity generation and sales;

- advising biofuel production company regarding compliance with new Federal regulations concerning biofuel production and participating in Federal mandates on biofuel purchasing;
- advising biofuel company on compliance with California Low Carbon Fuel Standard; and
- advising clients on Federal, State and tax reporting requirements for fuel productions and sales and air emissions.

Ellen Luu, J.D., Of Counsel at our Firm, Regulatory Counsel, with broad expertise in government regulatory agency processes and procedures, and also relevant experience in the medical Marijuana industry, including:

- advising investment management industry clients on formation, operational and regulatory matters, working closely with state and Federal regulatory agencies and self-regulatory agencies on licensing and registration requirements and regulatory compliance;
- coordinating policy initiatives on cap-and-trade implementation under California's Global Warming Law (AB 32), working with legislative staffers and coalitions to ensure that proposed bills prioritize the investment of auction revenue in projects that benefit disadvantaged communities as required under AB 32;
- as Legal Intern to two Commissioners at the California Public Utilities Commission (CPUC):
 - advising the Commissioners on numerous regulatory matters affecting highly regulated, investor-owned electric, natural gas, telecommunications, water, rail transit and passenger transportation companies;
 - working closely with Administrative Law Judges, policy analysts, and consumer advocates; and
 - researching and writing memos addressing CPUC jurisdiction over the retail sale of electricity for electric vehicle charging and deployment, privacy and cyber-security in Smart Grid deployment, and telecommunication funding and Federal preemption issues.
- advising Harborside Health Center, the largest medical Marijuana collective in the United States on policies and best practices to ensure compliance with California medical Marijuana statutes and regulations and the California Attorney General's *Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use*; and
- advising non-profits and other social enterprises on lawful organization and operation of business entities regulated under medical Marijuana and Marijuana paraphernalia laws.

Jesse Stout, J.D., Of Counsel at our Firm, Regulatory Counsel, with expertise in government legislative processes and procedures, including:

- leading successful efforts to co-author and pass the Rhode Island Medical Marijuana Acts of 2006, 2007 and 2009 in his role as Executive Director of the Rhode Island Patient Advocacy Coalition (RIPAC), a partnership of over twenty statewide health and justice organizations;
- serving as liaison with regulators at the Rhode Island Department of Health on the implementation of the State's Medical Marijuana Program; and
- serving as Legal Intern to the Public Safety Committee of the California State Assembly, drafting analyses of legislation related to crime, sentencing and corrections.

Ann Elling, J.D., Of Counsel to our Firm, Regulatory Counsel, with expertise in government legislative processes and procedures, including:

- advising client, the world's largest manufacturer of wind turbines, on the Federal, State and county regulations and administrative agency requirements related to the development and operation of wind energy generating facilities throughout the United States and Canada;
- advise client on regulatory standards for diesel emissions promulgated by the California Air Resources Board;
- advise national energy company in decommissioning of cogeneration energy facility, including compliance with regulatory and administrative regulations at the local, State and Federal level; and

- serving as an in-house consultant to multiple corporate subsidiaries, conducting focus groups and working sessions with cross-functional stakeholder teams to develop and implement business process improvements and performance measures to optimize international supply chain speed to market.

Caren Woodson, M.P.P., Independent Contractor to our Firm, Legislative and Policy Analyst, with expertise in government legislative processes and procedures, including:

- drafting, lobbying, and serving as liaison with state officials on the adoption of dispensary ordinances and regulations for cities of Oakland, San Francisco and Washington, D.C, in addition to the States of Maryland, New Jersey, New York, and New Mexico;
- informing, initiating and conducting briefings with the U.S. Department of Justice, resulting in the dissemination of a new policy (the "Ogden Memo") discouraging investigations and prosecutions in States that authorize the medical use of Marijuana; and
- preparing and informing testimony for several members of Congress and key committee staff, including the Congressional Research Service's report on State Marijuana laws and regulations.

Lauren Payne, J.D., Independent Contractor to our Firm, Legislative and Policy Analyst, with expertise in government legislative processes and procedures, including:

- developing direct and indirect lobbying campaigns to adopt medical Marijuana initiatives, legislation, and regulations in the Cities of San Bernardino, Oakland, San Francisco, Washington, D.C., and the States of Arkansas, Maryland, Massachusetts, New Jersey, and New York; and
- researching and drafting regulatory analysis and comments to DEA-proposed changes to Controlled Substances Act, as well as numerous public comments for State regulatory changes.

b) Experience in crafting system regulations.

Paul Lacourciere, J.D., Senior Of Counsel at our Firm, Senior Regulatory Counsel, with expertise in crafting and modifying system regulations, including:

- advocating on behalf of renewable energy generators in connection with developing the regulations associated with the California Renewable Portfolio Standard, both with the California Public Utilities Commission (CPUC) and the California Energy Commission;
- represented renewable energy and biofuel industries in working groups developing grant-making criteria for energy projects;
- represented biofuel company in California Air Resource Board process for developing rules for California's Low Carbon Fuel Standard;
- represented project developer to obtain changes to CPUC regulations for small-scale renewable electricity generator serving on-site loads;
- represented combined heat and power projects to obtain modifications to the CPUC regulations concerning ability of small scale natural gas-fired electricity generators to access wholesale markets; and
- represented renewable energy generators to have the CPUC modify the standard terms and conditions for regulated contracts concerning sale of renewable electricity to public utilities.

Ellen Luu, J.D., Of Counsel at our Firm, Regulatory Counsel, with expertise in crafting system regulations, including as a Policy and Legislative Affairs Fellow at Global Green USA:

- coordinating policy initiatives on cap-and-trade implementation under California's Global Warming Solutions Act (AB 32);
- tracking bills on cap-and-trade auction revenue allocation during California's 2011-2012 Legislative Session;
- working with legislative staffers on drafting substantive revisions to proposed bills;

- building coalitions with environmental, transportation and housing organizations;
- drafting support letters, floor alerts and fact sheets; and
- managing the organization's participation in a CPUC proceeding to develop guidelines and requirements for the investor-owned utilities' 2013-2014 portfolio of energy efficiency programs and financing mechanisms, reviewing party comments, conducting substantive research and interviews with stakeholders, coordinating positions with other parties, and drafting comments and recommendations for the official record.

Caren Woodson, M.P.P., Independent Contractor to our Firm, Legislative and Policy Analyst, with expertise in crafting system regulations, including serving as liaison to State and local officials on the adoption of Marijuana dispensary ordinances and regulations for Maryland, New Jersey, New York and New Mexico in addition to the cities of Oakland, San Francisco and Washington, D.C.

Lauren Payne, J.D., Independent Contractor to our Firm, Legislative and Policy Analyst, with expertise in crafting system regulations, including:

- drafting model language for State and local regulation of the cultivation and distribution of medical Marijuana for the cities of San Bernardino, Oakland, and San Francisco, Washington, D.C., and Arkansas, California, Maryland, Massachusetts, New Jersey and New York State; and
- working with State and local legislators and regulators to develop and refine model regulations, with an eye toward addressing concerns regarding black market cultivation and distribution.

14. Experience.

Our Firm has a *Medical Cannabis and Industrial Hemp* Practice that offers clients business counsel in compliance with (1) State laws legalizing access to medical Marijuana and/or the cultivation of industrial hemp and (2) all other Federal, State and local laws and regulations generally applicable to businesses engaged in the Marijuana industry. In addition to the matters handled by the Firm's Principal, Mr. Khoja, representative matters include:

- advised the largest medical Marijuana collective in the United States on policies and best practices to ensure strict compliance with California's Compassionate Use Act and the Medical Marijuana Program Act, and the California Attorney General's *Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use*, including closed-loop distribution and lawful intrastate transportation;
- advised medical Marijuana processing equipment companies in Maine and California on joint venture, patent matters and retail distribution agreements;
- advised the world's first Marijuana testing laboratory on strategic alliance and creation of a State-law compliant, internet-based medical Marijuana ordering and delivery platform for homebound patients;
- advised a licensed California physician on the purchase and transfer of a well-established California medical Marijuana evaluation practice; and
- prepared State-law compliant corporate governance and organizational documents for California medical Marijuana collectives and other ancillary companies engaged in Federally lawful Marijuana-related business.

Khurshid Khoja, J.D., Lead Counsel

Mr. Khoja is the Founder and Principal of our Firm, which he founded as a platform for making premium legal services accessible to start-ups and social enterprises working toward environmentally conscious and politically progressive goals. Prior to founding our Firm, Khurshid practiced corporate and transactional law at Thelen LLP and Reed Smith LLP, two AmLaw 100-rated law firms where he worked on corporate governance and regulatory compliance issues, mergers and acquisitions in the energy and insurance industries and a range of commercial transactions intended to deploy wind, solar and biofuel technologies. Khurshid was named to the Northern California SuperLawyers Rising Stars list in 2010 and 2011.

Mr. Khoja has served as the General Counsel to the Emerald Growers Association, a medical Marijuana trade association of small farmers whose mission is to promote the benefits of sun-grown medical Marijuana from California's Emerald Triangle Region by advocating for public policies that foster a sustainable medical Marijuana industry.

Mr. Khoja also serves as outside General Counsel to The ArcView Group, a San Francisco venture capital firm focused on start-ups in the ancillary business sectors within the Marijuana industry. Mr. Khoja performed the legal work that lead to the creation of the ArcView Angel Network, which hosts a Marijuana investment forum series exclusively for the top ancillary business entrepreneurs and qualified investors in order to facilitate seed and early stage investment in Federally legal enterprises within the medical Marijuana industry.

Paul Lacourciere, J.D., Senior Regulatory Counsel

Mr. Lacourciere has over fifteen years' experience as an energy lawyer, and has worked extensively on public utilities commission matters. He has extensive State and Federal regulatory experience concerning compliance with existing regulations, compliance with new and evolving regulations and developing new regulations and modifying existing regulations.

Mr. Lacourciere has represented cogeneration projects (combined electricity and heat) and renewable energy generators on numerous proceedings before the California Public Utilities Commission (CPUC). This representation focused heavily on rules governing access to natural gas pipelines, the ability to sell electricity to

utilities and regulations directly impacting the price these generators were paid for their electricity. This required a substantial understanding of his clients' businesses, State regulations and the business of the utilities and other companies purchasing the electricity and heat produced by these facilities. In addition to his direct involvement in these regulatory matters, he was also regularly employed to structure transactions to comply with these regulations.

Mr. Lacourciere's regulatory work also extends into areas with evolving regulations. Most notably, over the last four years, the State of California Air Resources Board and the Federal Environmental Protection Agency have been developing new regulations that impact the production and sale of biofuels and related products. As different versions of regulations have been proposed, he has provided comments to the regulators and market participants on the impact those proposed regulations would have. In addition, he developed compliance protocols that permit biofuel companies and other market participants to track the production of fuel, the creation of compliance credits associated with these fuels, reporting procedures and methods to track transfers of the compliance credits. These protocols had to be sufficiently robust to permit tracking of transactions involving from less than 10 gallons of fuel to well over 25,000 gallons of fuel in compliance with complex State and Federal regulations.

Ellen Luu, J.D., Regulatory Counsel

Ms. Luu has extensive experience providing legal and regulatory advice in both the private and public sectors. As an Associate at an investment management law firm, she managed hedge fund launches and the registration of investment advisers, commodity trading advisers, commodity pool operators and introducing brokers. These fund launches and registrations involved working closely with State and Federal regulatory agencies and self-regulatory agencies, including:

- the California Department of Corporations;
- the Colorado Department of Regulatory Agencies Division of Securities;
- the Massachusetts Security Division;
- the Oregon Division of Finance and Corporate Securities;
- the Texas State Securities Board;
- the U.S. Securities and Exchange Commission;
- the U.S. Commodity Futures Trading Commission;
- the Financial Industry Regulatory Authority; and
- the National Futures Association on all registrations.

Ms. Luu also advised clients on regulatory and transactional matters related to securities and commodities laws, including registrations, exemptions, formation and structure of domestic and offshore investment funds, separately managed accounts, regulatory compliance, development of policies and procedures, management company matters, and marketing and investor relations.

Ms. Luu served as a Legal Intern to two Commissioners at the CPUC, where she advised the Commissioners on proposed decisions addressing wind and solar power purchase agreements, renewable portfolio standards compliance, transmission siting and environmental review, water and electric utility rate cases and a renewable auction mechanism program to expand the market for solar and other renewable distributed generation. She worked closely with Administrative Law Judges, policy analysts, consumer advocacy groups, and advisors to develop recommendations for Commission decisions on numerous regulatory matters affecting investor-owned electric, natural gas, telecommunications, water, rail transit, and passenger transportation companies. Ms. Luu also researched and wrote memos addressing CPUC jurisdiction over the retail sale of electricity for electric vehicle charging and deployment, privacy and cyber-security in Smart Grid deployment, and telecommunication funding and Federal preemption issues.

Ms. Luu's experience with the creation and modification of rule, law, ordinance, and/or guidelines includes serving as a Policy and Legislative Affairs Fellow at Global Green USA, where she coordinated policy initiatives

on cap-and-trade implementation under California's Global Warming Solutions Act (AB 32). Her effort included tracking bills on cap-and-trade auction revenue allocation during California's 2011-2012 Legislative Session; working with legislative staffers to draft substantive revisions to proposed bills; building coalitions with environmental, transportation and housing organizations and drafting support letters, floor alerts, and fact sheets. Ms. Luu also managed the organization's participation in a CPUC proceeding to develop guidelines and requirements for the investor-owned utilities' 2013 – 2014 portfolio of energy efficiency programs and financing mechanisms, which involved reviewing party comments, conducting substantive research and interviews with stakeholders, coordinating positions with other parties and drafting comments and recommendations for the official record.

Jesse Stout, J.D., Regulatory Counsel

Mr. Stout has served for three years as the executive director of the Rhode Island Patient Advocacy Coalition (RIPAC), a partnership of over twenty Statewide health and justice organizations. In this role, he led the organization's successful efforts to pass State laws protecting seriously ill Rhode Islanders' right to safely access medical Marijuana. The 2006, 2007 and 2009 Rhode Island Medical Marijuana Acts were all enacted over gubernatorial vetoes. In the course of this work, Mr. Stout testified before legislative committees in Rhode Island and Massachusetts. He also conducted RIPAC's public education campaign, organizing accredited professional trainings for doctors, nurses, law enforcement officers and attorneys, including teaching Continuing Legal Education seminars for the Rhode Island Association of Criminal Defense Lawyers and the Rhode Island Office of the Public Defender. Mr. Stout closely liaised with regulators at the Rhode Island Department of Health to ensure the smooth implementation of the State's Medical Marijuana Program.

Mr. Stout serves as co-chair of the Drug Policy Committee of the National Lawyers Guild, and was previously elected to a two-year term as Director and Treasurer of the Board of Directors of Students for Sensible Drug Policy. He has also served as Legal Intern to the Public Safety Committee of the California State Assembly, writing analyses of legislation related to crime, sentencing, and corrections.

Ann Elling, J.D., Regulatory Counsel

Ms. Elling has over five years' experience practicing transactional law, primarily in the heavily regulated renewable energy industry. Her experience includes representing clients in complex commercial transactions related to renewable energy project development and finance, including advising clients as to applicable Federal, State and local regulations and reporting requirements and structuring transactions to ensure compliance with the applicable regulations.

Prior to practicing law, Ms. Elling spent five years at Gap Inc. as a strategist working with each of the Gap Inc. brands to re-design business and decision-making processes throughout the supply chain. This work included conducting focus groups and working sessions with cross-functional stakeholder teams to identify priorities, opportunities for efficiency and cost-saving and best practices.

Caren Woodson, M.P.P., Legislative and Policy Analyst

Ms. Woodson has over ten years' experience analyzing, formulating and implementing public policy initiatives and related communications to State legislatures, on Capitol Hill and within executive agencies. As Director of Government Affairs for Americans for Safe Access, she was a registered lobbyist and has advised policymakers at all levels of government about moving Marijuana from unsafe and unregulated markets into safe, regulatory systems to ensure access to quality products by permitted consumers. She has broad experience advising and participating in stakeholder discussions about establishing regulators once Marijuana reform laws have been adopted. Prior to her work with Americans for Safe Access, Ms. Woodson was a senior policy analyst for the Drug Policy Alliance, where she was responsible for conducting annual budget analyses for DOJ and key programs within the ONDCP.

Ms. Woodson is well-versed in developing and maintaining relationships with stakeholders, coalitions, and partnerships, and her professional experience has shaped her ability to communicate complex, controversial, and detailed information to diverse audiences while building consensus. She holds Masters Degree in Public Policy from the American University in Washington, D.C.

Lauren Payne, J.D., Legislative and Policy Analyst

Ms. Payne has over six years experience conducting legal and policy analysis, drafting law and regulation and advising policymakers at all levels of government regarding safe and legal access to Marijuana. Ms. Payne worked for two years as Government Relations Associate and Brief Drafter with the Multidisciplinary Association for Psychedelic Studies, and for over two years as a Legal Coordinator and Policy Analyst with Americans for Safe Access. She has also worked as a contractor with several organizations, including Grow San Bernardino, Americans for Forfeiture Reform, and the Center for Election Science.

Ms. Payne has drafted regulations, legislation and policy statements with input from regulators and stakeholders and participated in the implementation of the same. Ms. Payne's professional strength is assisting with a comprehensive strategy for legislative maneuvering, from drafting of model legislation through lobbying for its passage.

15. Staff Qualifications and Capabilities.

Please note that all of our team members are *Of Counsel* attorneys and other professionals independently contracted by our Firm to form a flexible and scalable team tailored to each individual client's needs and scope of work. As such, the existing responsibilities of each such attorney and professional varies from client to client and case by case.

Regarding each individual's particular skills related to the project, we have included the relevant experiences below, and the applicable skills in Item 1 above: "Ability, Capacity and Skills."

Khurshid Khoja, Lead Counsel

Education

- J.D., University of California, Berkeley School of Law
- M.A., International Relations, The University of Chicago
- B.A., Political Science, DePaul University, with High Honor

Experience

- Principal, Greenbridge Corporate Counsel
- Associate, Reed Smith LLP, Energy & Natural Resources Industry Group, 2008 – 2012
- Associate, Thelen LLP, 2004 – 2008
- Board Member, Asian Law Caucus
- Board Member, Asian American Bar Association of the Greater Bay Area
- Board Member, The North American South Asian Bar Association Foundation

Awards & Honors

- Rising Star, Northern California SuperLawyers, 2011
- Rising Star, Northern California SuperLawyers, 2010

Media, Publishing & Presentations

- Panel Speaker, Presentation on challenges to regulation of cultivation on *Responses to Federal Interference*, panel at California NORML (National Organization for the Reform of Marijuana Laws) Conference, San Francisco, 2013
- Panel Speaker, *Risky Business: An Overview of the Legal Risks Facing MMJ Companies, Vendors and Investors*, National Marijuana Business Conference (organized by the Medical Marijuana Business Daily and the National Cannabis Industry Association), Denver, 2012
- Speaker, *New Opportunities for Ancillary MMJ Businesses* National Marijuana Business Conference, Denver, 2011
- Panel Speaker, *The War on Drugs in California* Continuing Legal Education organized by San Francisco Lawyers Committee for Civil Rights, 2012

Paul Lacourciere, Senior Regulatory Counsel

Education

- J.D., University of California, Hastings College of the Law
- B.S., Environmental Resources Engineering, California State University, Humboldt

Experience

- Senior Of Counsel, Greenbridge Corporate Counsel, 2012 – Present
- Co-Founder, Sirona Fuels, Inc., 2009 – 2012
- Co-Founder, Sirona Cares, 2009 – 2012
- Partner, Reed Smith LLP, Energy & Natural Resources Industry Group, 2008 – 2010
- Partner, Thelen LLP, 2007 – 2008

Ellen Luu, Regulatory Counsel

Education

- J.D., University of California, Hastings College of the Law
- B.A., Communication Studies, University of California, Los Angeles

Experience

- Of Counsel, Greenbridge Corporate Counsel, 2012 – Present
- Policy and Legislative Affairs Fellow, Global Green, USA, 2012
- Associate, Cole-Frieman & Mallon LLP, 2010 – 2012
- Legal Intern to Commissioners, California Public Utilities Commission, 2009 – 2010
- Summer Associate, Thelen LLP, 2008

Media, Publishing & Presentations

- Production Editor, *Hastings Constitutional Law Quarterly*

Jesse Stout, Regulatory Counsel

Education

- J.D., University of California, Hastings College of the Law
- B.A., English, Brown University

Experience

- Of Counsel, Greenbridge Corporate Counsel, 2013 – Present
- Co-Chair, Drug Policy Committee, National Lawyers Guild, 2009 – Present
- Legal Intern, Public Safety Committee of the California State Assembly, 2012
- Director and Treasurer, Board of Directors, Students for Sensible Drug Policy, 2010 – 2012
- Legal Intern, Drug Policy Alliance Office of Legal Affairs, 2010
- Executive Director and Board Member, Rhode Island Patient Advocacy Coalition (RIPAC), 2006 – 2009
- Liaison, implementation of Rhode Island Medical Marijuana Program, Rhode Island Department of Health

Awards & Honors

- Recipient, Student Activism Award, National Organization for the Reform of Marijuana Laws (NORML), 2010
- Freedom Fighter of the Month, High Times Magazine, August 2007

Media, Publications & Presentations

- Presenter, *Implementation of Rhode Island Medical Marijuana Program* Massachusetts Joint Committee on Public Health, Rhode Island Senate Committee on Health and Human Services, Rhode Island House of Representatives Finance Committee and Rhode Island House of Representatives Health, Education and Welfare Committee
- Instructor, Continuing Legal Education Seminars, Rhode Island Association of Criminal Defense Lawyers
- Instructor, Continuing Legal Education Seminars, Rhode Island Office of the Public Defender

Ann Elling, Regulatory Counsel

Education

- J.D., Georgetown University Law Center
- Fellow, Graduate Program in Public Affairs, Coro Center for Civic Leadership
- B.A., International Relations and Political Economy, Honors College, Michigan State University

Experience

- Of Counsel, Greenbridge Corporate Counsel 2012 – Present
- Associate, Reed Smith LLP, Energy & Natural Resources Industry Group 2008 – 2012

- Associate, Thelen LLP, 2006 – 2008
- Legal Research Associate, Energy Regulation, Harrison Institute for Public Law, Georgetown University Law Center
- Manager, Supply Chain Strategy, Gap Inc., 1998 – 2003

Media, Publishing and Presentations

- Senior Editor, *Georgetown International Environmental Law Review*

Caren Woodson, Legislative and Policy Analyst

Education

- Master of Public Policy (M.P.P.), The American University, Washington, D.C.
- B.A., Political Science, University of Nevada, Las Vegas, *Magna Cum Laude*

Experience

- Operations Director, The Green Cross, award-winning medical Marijuana delivery service in San Francisco, 2011 – 2012
- Director, Government Affairs, Americans for Safe Access, the largest member-based organization of patients, medical professionals, scientists and concerned citizens working to ensure safe and legal access to Marijuana for therapeutic uses and research, 2005 – 2011
- Senior Legislative Analyst, Drug Policy Alliance, 2000 – 2005

Media, Publishing & Presentations

- Presenter, *Medical Marijuana and Local Governance: The Good, the Bad, and the Ugly*, National League of Cities, 2010 Webcast Presentation
- Panelist, *Should Marijuana be a Medical Option?* and *Medical Marijuana: Point-Counterpoint*, National Association of Boards of Pharmacy, 2009 Educational Symposium
- Moderator, *Medical Marijuana Production and Distribution Systems: Patients' Rights & Access*, International Drug Policy Reform Conference, 2009
- Workshop Leader, *Access Matters: Medical Cannabis and HIV/AIDS*, AIDS Watch, 2007

Lauren Payne, Legislative and Policy Analyst

Education

- J.D., New England School of Law
- B.A., Social Psychology, New College of Florida

Experience

- Policy Advisor, Grow San Bernardino, 2012 - Present
- Campaign Advisor, Steve Collett for Congress, 2012
- Brief Consultant, Multidisciplinary Association for Psychedelic Studies (MAPS), 2011
- Policy Advisor, Arkansans for Compassionate Care, 2011
- Legal Services Coordinator; Legislative and Policy Analyst, Americans for Safe Access, 2009 – 2011
- Government Relations Coordinator, Multidisciplinary Association for Psychedelic Studies (MAPS), 2006 – 2008

Media, Publishing & Presentations

- Contributor, medicalmarijuana411.com
- Legal tips & blog contributor, americansforsafeaccess.org
- Contributor, MAPS Bulletin

16. Approach and Methodology.

Our Firm offers an approach to advising the Washington State Liquor Control Board on the implementation of I-502 intended to facilitate and provide members of the WSLCB with critical big picture insights on local, State and Federal regulatory and procedural law from across a number of regulated industries—including medical Marijuana, insurance, investment management and energy and natural resources—and also to provide the most highly qualified and experienced personnel to assist the WSLCB's work drafting regulations and accompanying legislative analysis as the need arises.

Our Category 4 team is composed of our Firm's attorneys and independently contracted legislative and policy experts in the area of Marijuana regulation. We will employ policies that promote the efficient division of workload among attorneys and analysts in order to maximize efficiency and avoid undue duplication of work, while producing the highest quality work product and respecting the constraints of any budget agreed upon by the WSLCB, EGRET Partners ("Prime Contractor") and our Firm. Though our Firm is one of four category teams assembled by the Prime Contractor to respond to this RFP, we intend to tailor the scope of our work to defer to the WSLCB's discretion in employing its consultants to best effect—with the understanding that our Firm will only consult with the other three category teams at the WSLCB's request.

Our proposed approach begins with conducting meetings with the WSLCB project manager and personnel, as well as key regulators from the tax board, to identify the information each agency seeks to gather from stakeholders. Once the expectations are crystallized, we will organize stakeholder focus groups to determine and develop regulatory standards and best practices in each of the following categories:

- Growth & Harvesting
- Distribution & Sale
- Product Infusion

In light of the I-502 requirement that regulations take into account the unique needs of each county, we intend to replicate these meetings in key geographic locations across the State to gather the most comprehensive information for each category. We will then provide the WSLCB with a formal memo summarizing the information gathered in the course of these focus groups and providing initial recommendations regarding the development of regulatory standards and best practices for each of the aforementioned categories. Following review of this memo, the goal will be to reconvene a meeting of key regulators to refine agency priorities with respect to what *must* be done, what *can* be done, and then develop consensus on what *should* be done. This thorough and deliberate approach is a necessary prerequisite to adequately informing the WSLCB's process for developing proposed regulations implementing I-502. All written, third-party assumptions and recommendations we develop and present to the WSLCB will comply with the guidelines established by the Open Government Act.

In addition, we will adhere to the specific requirements set forth in the "Model Contract Document" provided in Appendix B of RFP K430 to obtain and maintain insurance to protect the WSLCB should there be any claims, suits, actions, costs, damages or expenses arising from any negligent or intentional act or omission in the performance of our duties.

Our Firm categorically supports I-502 and looks forward to building a defensible regulatory structure that meets the initiative's goals of dismantling the black market and producing tax revenue for the WSLCB and other State agencies that are intended to benefit from the implementation of I-502.

COST PROPOSAL

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$350/hour*

* While the NTE Hourly Rate is a \$350/hour maximum, an average hourly rate of \$220 is projected for consulting work delivered. The Prime Contractor will work diligently to ensure efficient costing so that consulting invoices are consistent with the WSLCB's budget needs.

Norton, Melissa K

From: eric young <yericy@hotmail.com>
Posted At: Friday, February 15, 2013 10:07 AM
Conversation: RFP- K430, Eric Young
Subject: RFP- K430, Eric Young

Attached proposal submittal by Eric Young

yericy@hotmail.com

206.372.3857

Norton, Melissa K

From: eric young <yericy@hotmail.com>
Posted At: Saturday, February 16, 2013 7:17 PM
Conversation: Subject: RFP- K430, Eric Young Cost Proposal unintentional "cut and paste" error
Subject: Subject: RFP- K430, Eric Young Cost Proposal unintentional "cut and paste" error

Unintentional "cut and paste" error with Cost Proposal attachment submitted on 2/15/13. Correct Cost Proposal is attached [in this email] prior to proposal evaluation [February 19, 2013] and to ensure proposer responsiveness to information requested. I apologize for this error.

Eric Young
yericy@hotmail.com
206.372.3857

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ 125 p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ ____ p/day

Eric Young Proposal for Consulting Services RFP K430

PERIOD OF PERFORMANCE

The period of performance is two (2) years from the date of execution.

COMPENSATION

Total compensation for services rendered shall be as follows:

	Proposed	Reference
Labor	\$ 199,500	Note 1
Overhead	\$ <u>59,850</u>	Note 2
Total Cost	\$ 259,350	

LABOR HOURS, RATE AND AMOUNT

Total labor hours, rate and amount for services shall be as follows:

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Labor	2,100	\$95.00	\$199,500

NOTES

Note 1: Proposed Labor dollars are based on 2,100 hours at an hourly rate of \$95.00 per hour. Hours were based on similar work performed by contractor for the Seattle Cannabis Association effort. Proposed hourly rate is based on comparable consulting rates to accomplish the following tasks and provide stated deliverables for the four (4) categories listed below within a two (2) year time frame.

Category 1 Deliverables: Proposed labor hours - 450

Contractor shall provide the following:

1. Develop minimum standards relating to the growth, harvesting, transporting and sale of useable recreational Marijuana
2. Develop minimum standards for Product safety relating to the infusion of Marijuana or Marijuana byproducts in food, beverage, lotions, ointments or other Products to be sold in retail locations
3. Develop minimum standards for the tracking and reconciliation of Product grown, sold, and/or destroyed

Category 2 Deliverables: Proposed labor hours - 500

Contractor shall provide the following:

1. Develop minimum standards allowed for testing and confirming Product safety from contaminants
2. Develop minimum Testing standards for Product testing of THC/CBD levels and ratios for Product offered
3. Develop minimum Labeling standards needed to meet the requirements as defined by law

Category 3 Deliverables: Proposed labor hours - 450

Contractor shall provide the following:

1. Develop report detailing recreational, medical and total Marijuana use in Washington State, by county
2. Develop report to estimate volume of Marijuana needed on an annual basis to satisfy demand, and establish plant yield and growth volume assumptions needed to keep pricing at or below black market levels

Category 4 Deliverables: Proposed labor hours - 700

Contractor shall provide the following:

1. Conduct stakeholder focus groups for discussion and determination of best practice relating to the growth, harvesting, distribution, product infusion and sale of useable recreational Marijuana
2. Provide written independent third party assumptions, recommendations and oversight following guidelines established by the open government act

Note 2: Overhead based on 30% for expenses in business operations (rent, salary, Insurance, telephone charges, etc.) not directly associated with production of proposed statement of work deliverables for a period of two (2) years.

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to **lcbids@liq.wa.gov**.
- Clearly mark the subject line of the email: RFP– K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the **lcbids@liq.wa.gov** inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

- | | |
|--|-------------------------------------|
| Proposer's Authorized Offer (see page 2) | <input checked="" type="checkbox"/> |
| Proposer Information (see page 3) | <input checked="" type="checkbox"/> |
| Subcontractor Information (see page 4) | <input checked="" type="checkbox"/> |
| Letter of Submittal (see page 5) | <input checked="" type="checkbox"/> |
| Non-Cost Proposal (see page 6) | <input checked="" type="checkbox"/> |
| Cost Proposal (see page 8) | <input checked="" type="checkbox"/> |

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

/S/

Proposer Signature

Business Consultant

Title

Eric Young

Company Name
2/15/13

Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name Eric Young
 Street Address 9500 Rainier Ave S #307
 City, State, Zip Seattle, WA 98118
 Federal Tax ID Number _____
 UBI _____
 Website URL _____

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name: Eric Young
 Telephone: 206.372..3857
 Email: yericy@hotmail.com

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount _____% _____ days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input checked="" type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 2

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 3

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 4

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

LETTER OF SUBMITTAL

The Proposer's Letter of Submittal must be signed by the individual within the organization authorized to bind the bidder to the offer. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Proposer and any proposed subcontractors:

- Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.
- Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)
- Location of the facility from which the Proposer would operate.
- Statement of which of the following Categories Proposer is responding to:
 - Category 1: Product and Industry Knowledge
 - Category 2: Product Quality Standards and Testing
 - Category 3: Product Usage and Consumption Validation
 - Category 4: Product Regulation
- Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Proposer's organization. If following a review of this information, it is determined by the WSLCB that a conflict of interest exists, the Proposer may be disqualified from further consideration for the award of a contract.

NON-COST PROPOSAL

Please refrain from using company name or other information that will identify your company while preparing your response for the Non-Cost Submittal. The Washington State Liquor Control Board (WSLCB) reserves the right to modify proposals in order to eliminate company names or any other information that may identify a specific company brand.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your **firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge**, including but not limited to the following:
 - a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
 - i. Our firm has the ability, capacity and skills to communicate how marijuana is grown, cultivated, harvested, cured, and processed. We have intimate relationships with grower communities and detailed knowledge of what growers do, how they do it and the various techniques they employ to optimize their crop yields. We are able to use this knowledge to assist the WSLCB in understanding: how marijuana is grown; the unique requirements, risk and impacts of growing in Washington State; and those issues and concerns affecting the Washington State Cannabis Industry and the citizens of Washington.
 - b. How Marijuana is infused into food and beverages
 - i. Our firm is well acquainted with those individuals who process marijuana to be infused into food and beverages as an ingredient. We have the ability to discuss first hand their processing methods and techniques. This access and knowledge would give the WSLCB important insight into the regulation of marijuana infused products and associated health and safety risk to Washington State consumers.
 - c. How Marijuana should be packaged, labeled, transported, and sold at retail level
 - i. Our firm is a leader in the effort to standardize marijuana packaging and labeling in Washington State. We are well aware of current Federal regulation such as the FDA Fair Packaging and Labeling Act and its impact upon commerce, transportation and proposed retail outlets. As well as the impact upon consumers to obtain accurate information as to the quality of the contents of their marijuana product for value comparisons. Our firm is able to provide the WSLCB sound guidance on crafting rules to address these complex issues and provide solid solutions in the areas of: .Package Design, Ingredient List, Nutritional Labeling, Label format/Graphics and Product Claims. Further our experience with current Access Points enables us to use this knowledge and give relevant recommendations and input to the WSLCB with regards to selling marijuana at the retail level.
 - d. How wholesale and retail Product should be recalled and accounted for
 - i. Our firm has knowledge of the wholesale model and Federal, State and local concerns regarding marijuana product accountability at the grower, wholesale processor and retail levels, as well as the issues surrounding the recalling of marijuana products. Our firm can help the WSLCB craft effective, coordinated rules with its Implementation Team members, Community Stakeholders and applicable Federal and Local agencies.
 - e. How Marijuana should be destroyed if overproduced, contaminated, or recalled
 - i. Our firm has current knowledge of how marijuana should be destroyed if overproduced, contaminated, or recalled. We are well aware of the issues surrounding the destruction of a "Controlled Substance". Currently no mechanism exist which would allow someone to deliver a controlled substances [marijuana] to an entity that is authorized under the Controlled Substances Act to dispose of them. Our knowledge of the Secure and Responsible Drug Disposal Act of 2010 and the Attorney General's position on this subject could help the WSLCB understand how to apply this regulation in the marijuana domain in developing

Washington State policy regarding "Marijuana Destruction". The DEA has offered its support for the Secure and Responsible Drug Disposal Act, noting that the measure allows "ensuing regulations to be implemented uniformly throughout the nation" and grants the DEA the flexibility to allow, by regulation, "a wide variety of disposal methods that are consistent with effective controls against diversion." On July 29, 2010, the Senate Judiciary Committee approved S. 3397 after adopting an amendment that directs the Attorney General, in developing regulations governing drug disposal to take into consideration the public health and safety, as well as the ease and cost of program implementation and participation by various communities. Our firm can assist the WSLCB develop its strategy and understand the impacts in addressing this critical issue.

2. **Experience.** In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.
 - a. Our firm has extensive experience and a unique knowledge of the Washington State Cannabis Industry and is a leader in the control and regulation of Medical Cannabis within the City of Seattle. Our efforts have lead to establishing consumer safety and protection standards and cannabis testing for "legitimate" medical patients within Washington State in lieu of Federal and State clarification; **Our firm has developed suitable Cannabis community Self-Governance program documentation including:** Outreach materials; Education and Training Programs; Safety and Quality Program Plans; SCA Pledge Statement with uniformed Code of Conduct based upon community values, ethics and standardized Safety, Quality and Enforcement criteria; Monthly/Quarterly Cannabis Industry status reports to State, County and City stakeholders and gatekeepers on 13 key metrics regarding Washington State Cannabis Industry development; Cannabis Patient Complaint Hotline; Washington State Cannabis Industry Oversight and Enforcement Inspection Schedule [A listing of self-audits/ reviews/ inspections of Clinics, Collective Gardens and Cultivators/Growers business practices to ensure timely compliance with Washington State law, King County and Seattle Police Department guidelines, City of Seattle local ordinance and SCA and community expectations]; and Interim Inspection Guidelines for City of Seattle Medical Cannabis Testing Service Oversight [including Clinic, Collective Garden and Vendor inspections and Gas Chromatograph Cannabis Testing validation for use within the City of Seattle]. **Further our firm has developed and implemented over 40 Grower and 70 Clinic and Collective Garden Safety and Quality Program Plans to demonstrate cannabis industry commitment to self-governance.**
3. **Team Structure and Internal Controls.** In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.
 - a. Our firm will assist the WSLCB in establishing lines of authority thru proposal organization structure, segregation of duties and clearly defined role, responsibilities and interfaces. Our firm serves as a member of the external consulting team supporting major strategic planning and other organizational change efforts. Collecting and organizing information and research through the development of survey instruments, management of focus groups, and preparation of WSLCB planning documents and reports. Works with project management teams to analyze the effectiveness of their work, creating measures and analyzing outcomes.
4. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
 - a. **Eric Young sole staff at our firm.** He is our: Business Consultant. **Summary of Qualifications:** Creative and innovative professional with over 15 years managerial experience designing, planning, executing, controlling, and monitoring business activities with the goal of ensuring business compliance through building viable safety, quality and consumer focused infrastructures, leveraging logistics, synchronizing supply with demand and measuring performance.
 - i. Demonstrated ability in: providing an effective governance structure, providing strategic direction and implementation, developing goals and objectives aligned to organization

- mission and vision; and understanding, interpreting and communicating complex requirements into organizational policies, processes and procedures.
- ii. Comfortable collaborating and communicating with diverse communities and developing effective relationships, leading teams and identifying business and regulatory risks, opportunities and new approaches that maximize public safety and public trust through positive interaction with regulated communities and other governmental agencies.
 - iii. Sound knowledge of: regulatory and enforcement activities within Washington State with regards to Medical Cannabis, Recreational marijuana and Industrial Hemp; Clinic, Cultivator/Grower and Collective Garden behaviors and strategies; scientifically based testing methods using Gas Chromatograph systems for cannabis analysis; and effective and cost efficient solutions and strategies applicable to Washington State in achieving specific and immediate “local” community, business, industry and municipality objectives.
 - iv. **Experience** Seattle Cannabis Association Seattle, WA Founder/Executive Director -From: 3/11 To: Present. Seattle Cannabis Association [SCA] www.SeattleCannabisAssociation.com is a non-profit [*conforming*] Patient Safety Organization / Trade Association that specializes in providing no cost or donation based business services that include: Medical Cannabis Compliance Documentation, Auditing Services; Gas Chromatograph (GC) Cannabis Safety and Quality Testing for public (patient consumer) safety and protection, research, educational and charitable purposes. SCA membership is free and SCA testing services are available to “law abiding” State registered and City/County licensed medical cannabis business providers and any authorized medical cannabis patient. **Responsible for providing guidance on:** the development, planning, implementation and monitoring of a comprehensive, integrated safety and quality focused, patient-centric, control and risk based medical cannabis Self-Governance Program within the Seattle Cannabis community. Program concentration was on membership complying with laws, regulations and voluntary codes of practice, ensuring honest and responsible conduct and behavior, and providing an effective governance structure to ensure member accountability and evidence of compliance. **As Founder:** I created SCA’s mission statement, goals, objectives, strategic plan and identified performance targets and metrics; Interpreted Washington State medical cannabis requirements and created appropriate policies, procedures and associated documentation in communicating SCA and community expectations to membership for compliance monitoring and control enforcement. **Coordinated my activities with:** the Seattle Cannabis community, Seattle City Council, Seattle Consumer Protection and Tax Revenue, King County and Washington State AG - Consumer Protection, Department of Health, Department of Agriculture, Medical Test Site and Laboratory Quality Assurance. **Developed suitable Cannabis community Self-Governance program documentation including:** Outreach materials and Education and Training Programs; Member Safety and Quality Program Plans; SCA Pledge Statement with uniformed Code of Conduct based upon community values, ethics and standardized Safety, Quality and Enforcement criteria; Monthly/Quarterly Cannabis Industry status reports to State, County and City stakeholders and gatekeepers on 13 key metrics regarding Washington State Cannabis Industry development; Cannabis Patient Complaint Hotline; Washington State Cannabis Industry Oversight and Enforcement Inspection Schedule [A listing of self-audits/ reviews/ inspections of Clinics, Collective Gardens and Cultivators/Growers business practices to ensure timely member compliance with Washington State law, King County and Seattle Police Department guidelines, City of Seattle local ordinance and SCA and local City/County community expectations]; and Interim Inspection Guidelines for City of Seattle Medical Cannabis Testing Service Oversight [including Clinic, Collective Garden and Vendor inspections and Gas Chromatograph Cannabis Testing validation for use within the City of

Seattle]. **Education: Masters of Science (M.S.) in Computing Systems.** Graduated 2002
City University, Bellevue, WA.; **Bachelor of Science (B.S.) in Business Administration**
Graduated 2000. City University, Bellevue, WA.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Please answer the questions listed below, attaching additional pages as necessary:

5. **Ability, Capacity and Skills.** In two (2) pages or less, please **describe your firm’s ability, capacity, skills and/or expertise in Product Quality Standards and Testing**, including but not limited to the following:
- a. Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations
 - i. Our firm has the ability, capacity, skills and expertise in marijuana Product Quality Standards and Testing. Our knowledge and expertise has been recognized by the communities in which we operate. We have established and accepted scientific testing methodologies specific to marijuana testing that: have been validated field tested and are considered fit-for-purpose within Washington State, King County and the City of Seattle. Our experience with the use of Gas Chromatograph testing of marijuana encourages affordable, accurate and professional safety and quality testing; compliant with existing Washington State law and applicable City and County ordinance and community expectations. Our ability to conduct a microbiological inspection and use Gas Chromatography testing [an established and accepted multiple industry “best practice”] for cannabis analysis, specifically the analysis of: the identification of the three primary active cannabinoids in marijuana [Cannabidiol (CBD) Tetrahydrocannabinol (THC) and Cannabinol (CBN)]. Our testing results also indicate: percent of cannabinoid concentration and safety/ potency [quality] levels. Our testing also point out cost effectiveness and efficiencies for cultivator strain selection & procurement; equitable pricing structure, the identification of improved cultivation techniques and quality measures in addressing product quality, content, ingredients; and consumer safety and protection considerations regarding bacteria, mold, mildew, fungi and pesticide use.
 - ii. Our firm has also expertise in developing Guidelines for inspecting marijuana testing facilities, marijuana Vendor Management oversight and Inspector Training, including defining the Inspectors role when inspecting a facility, reviewing test result documentation, and how to ensure testing results are accurately recorded and retained.
 - iii. Our firm inspection objectives centered on professional conduct, testing adequacy and auditability, and testing result accuracy and labeling completeness for consumer protection and safety in lieu of other regulations.
 - iv. Our firm testing and inspection activities/finding were coordinated with appropriate state and local agencies, stakeholders and gatekeepers [including Washington State AG - Consumer Protection, Washington State Department of Health and City Consumer Protection and Tax Revenue.
 - v. Our firm has developed Testing Control System guidelines that include requirements, measures and activities related to: marijuana testing analytical methods documentation, verification/validation and marijuana Testing Control System stability.
 - b. Assisting the WSLCB with establishing quality standards for testing Marijuana
 - i. Our firm has the capability and expertise to assist the WSLCB in crafting guidelines that ensure:
 1. Proper interpretation, coordination and flowing down of complex requirements to vendors/suppliers and consumers.
 2. Education and Training/qualification of Technicians
 3. Adequacy of staffing for operations
 4. Adequacy of equipment and Instruments
 5. Calibration and maintenance for analytical instruments and equipment
 6. Validation and security of computerized or automated processes
 7. Reference standards, source, purity and assay
 8. Suitability checks on systems used in marijuana testing
 9. Specifications, standards and representative sampling plans
 10. Adherence to written methods of analysis
 11. Verification/validation of analytical methods
 12. Documentation of control system for implementing changes in testing operations;

13. Investigation into any unexpected discrepancy and adherence to an adequate out of specification procedure which includes timely completion of the investigation;
 14. Adequacy of record and data retention policy [i.e. chromatograms and data retained for a minimum of 3 years after posting any test results];
 15. Appropriate identification and publication of test results [i.e. Reports/summaries, labels etc];
 16. Correlation of test result summaries to data and presence of unused data;
 17. Adequacy of reserve sample for oversight examination and validation [i.e. kept for each sample tested for a minimum of 60 days after publication of test results using a suitable sample storage vial for Federal, State and Local coordination];
 18. Adequacy of medical cannabis Testing Control System stability, including demonstration of system stability and testing methods.
6. **Experience.** In two (2) pages or less, please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.
- a. Our firm has developed Washington States' only published marijuana testing procedure [Medical Cannabis Testing]. This Guidelines document was developed to specifically address the lack of safety and quality standards with regard to cannabis testing; and the proliferation of Collective Gardens and Testing facilities within the City of Seattle. Entitled: "**Interim Inspection Guidelines for the City of Seattle Medical Cannabis Testing. Service Oversight SCA-001 v.1 dated 11/14/11**". This document was shared with the Seattle Cannabis community [and all cannabis Testing facilities within Seattle] and provided to the City of Seattle Consumer Protection and Tax Revenue organization. Guidelines document uses industry and government agency "Quality Management System best practices" [tailored for marijuana testing use] based upon existing U.S Food and Drug Administration [FDA] Laboratory guidelines, Clinical Laboratory Improvement Amendments [CLIA], Washington State Medical Test Site [MTS] licensure program, Laboratory Quality Assurance [LQA] requirements and Good Laboratory Practice [GLP] program principles appropriate for marijuana testing within Washington State [in lieu of other regulations].
 - b. Our firm coordinated testing activities within the cannabis community and with all its State and applicable City and County stakeholders and gatekeepers including:
 - i. State of Washington [Attorney General's office – Consumer Protection; Department of Health, Department of Agriculture];
 - ii. King County [Council members]
 - iii. City of Seattle [Consumer Protection and Tax Revenue, Seattle City Council]
 - iv. Cannabis Community [40 plus Growers, 70 plus Collective Garden owners, Cannabis Advocates Cannabis Testing facilities and Clinic Healthcare Professionals].
 - c. Our firm was responsible for keeping the cost of cannabis testing below \$50 dollars per test in the State of Washington and has over 5000 injections [over 800 samples tested] using an ISO/FDA conforming Gas Chromatograph system set up and equipment. Gas Chromatograph methodologies and microbiological testing were employed using a SRI 310 GC with TID detector, Restek standards, a digital microscope with magnification ratio 20x to 400x and our firm developed guidelines for marijuana Testing and Lab/facility Oversight. All marijuana testing was based upon Washington State testing requirements and established laboratory testing principles and accepted practices. Testing was routinely performed for any authorized Medical cannabis patient and Washington State registered business with a City/County license on a donation basis or a no cost. Testing service oversight focus is on verifying testing service "adequacy" and testing results "accuracy". in ensuring consumer safety/protection and citizens ability to make informed choices with regards to marijuana strain selection and the improvement of marijuana cultivation quality and safety. Knowing what is in a marijuana product and that the product is free of harmful levels of pesticides and microorganisms assures the citizens of Washington that the marijuana they consume is safe.
7. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

- a. **Eric Young sole staff at our firm.** He is our: Business Consultant. **Summary of Qualifications:** Creative and innovative professional with over 15 years managerial experience designing, planning, executing, controlling, and monitoring business activities with the goal of ensuring business compliance through building viable safety, quality and consumer focused infrastructures, leveraging logistics, synchronizing supply with demand and measuring performance.
- i. Demonstrated ability in: providing an effective governance structure, providing strategic direction and implementation, developing goals and objectives aligned to organization mission and vision; and understanding, interpreting and communicating complex requirements into organizational policies, processes and procedures.
 - ii. Comfortable collaborating and communicating with diverse communities and developing effective relationships, leading teams and identifying business and regulatory risks, opportunities and new approaches that maximize public safety and public trust through positive interaction with regulated communities and other governmental agencies.
 - iii. Sound knowledge of: regulatory and enforcement activities within Washington State with regards to Medical Cannabis, Recreational marijuana and Industrial Hemp; Clinic, Cultivator/Grower and Collective Garden behaviors and strategies; scientifically based testing methods using Gas Chromatograph systems for cannabis analysis; and effective and cost efficient solutions and strategies applicable to Washington State in achieving specific and immediate “local” community, business, industry and municipality objectives.
 - iv. **Experience** Seattle Cannabis Association Seattle, WA Founder/Executive Director -From: 3/11 To: Present. Seattle Cannabis Association [SCA] www.SeattleCannabisAssociation.com is a non-profit [*conforming*] Patient Safety Organization / Trade Association that specializes in providing no cost or donation based business services that include: Medical Cannabis Compliance Documentation, Auditing Services; Gas Chromatograph (GC) Cannabis Safety and Quality Testing for public (patient consumer) safety and protection, research, educational and charitable purposes. SCA membership is free and SCA testing services are available to “law abiding” State registered and City/County licensed medical cannabis business providers and any authorized medical cannabis patient. **Responsible for providing guidance on:** the development, planning, implementation and monitoring of a comprehensive, integrated safety and quality focused, patient-centric, control and risk based medical cannabis Self-Governance Program within the Seattle Cannabis community. Program concentration was on membership complying with laws, regulations and voluntary codes of practice, ensuring honest and responsible conduct and behavior, and providing an effective governance structure to ensure member accountability and evidence of compliance. **As Founder:** I created SCA’s mission statement, goals, objectives, strategic plan and identified performance targets and metrics; Interpreted Washington State medical cannabis requirements and created appropriate policies, procedures and associated documentation in communicating SCA and community expectations to membership for compliance monitoring and control enforcement. **Coordinated my activities with:** the Seattle Cannabis community, Seattle City Council, Seattle Consumer Protection and Tax Revenue, King County and Washington State AG - Consumer Protection, Department of Health, Department of Agriculture, Medical Test Site and Laboratory Quality Assurance. **Developed suitable Cannabis community Self-Governance program documentation including:** Outreach materials and Education and Training Programs; Member Safety and Quality Program Plans; SCA Pledge Statement with uniformed Code of Conduct based upon community values, ethics and standardized Safety, Quality and Enforcement criteria; Monthly/Quarterly Cannabis Industry status reports to State, County and City stakeholders and gatekeepers on 13 key metrics regarding Washington State Cannabis Industry development; Cannabis Patient Complaint Hotline; Washington State Cannabis Industry Oversight and Enforcement Inspection

Schedule [A listing of self-audits/ reviews/ inspections of Clinics, Collective Gardens and Cultivators/Growers business practices to ensure timely member compliance with Washington State law, King County and Seattle Police Department guidelines, City of Seattle local ordinance and SCA and local City/County community expectations]; and Interim Inspection Guidelines for City of Seattle Medical Cannabis Testing Service Oversight [including Clinic, Collective Garden and Vendor inspections and Gas Chromatograph Cannabis Testing validation for use within the City of Seattle].**Education: Masters of Science (M.S.) in Computing Systems.** Graduated 2002 City University, Bellevue, WA.; **Bachelor of Science (B.S.) in Business Administration** Graduated 2000. City University, Bellevue, WA.

8. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminates, and Product strain.
- a. Our firm will work closely with the Federal and local governments, as well as the State and the citizens of Washington to clearly understand the current and future business direction and public opinions regarding i-502 implementation. Our approach is to utilize elements of our standard self-governance model to ensure that all i-502 implementation goals are understood, properly documented and coordinated. We plan to accomplish this through our knowledge - *of marijuana cultivation and harvesting techniques, the emerging Washington State Cannabis Industry, marijuana product quality testing methods and techniques*; and our abilities - *to determine product usage and verify consumption levels and create effective marijuana regulations*. At the core of this approach is our capacity to use effective communications and collaboration strategies to ensure i-502 implementation meets WSLCB expectations

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Please answer the questions listed below, attaching additional pages as necessary:

9. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise to estimate Product Usage and Consumption levels by geographic areas in Washington State.
- a. Our firm has the ability, capacity and skills to accurately estimate product usage and consumption levels by geographic areas in Washington State. We are able to explain usage frequency, duration of usage, and consumer response to product consumption features. Based on product usage, we are able to define the main components or drivers of marijuana product usage including but not limited to intrinsic motivations, product characteristics, external rewards provided by past consumption etc. The influence of past consumer choices on decisions takes the form of a cue-based habit formation mechanism. Using various estimating models we will be able to provide the WSLCB relevant and timely insights on product usage and consumption validation
10. **Experience.** In two (2) pages or less, please describe your firm's experience in statistical research, specifically related to determining demographic and/or psychographic segmentation, preferably related to the use of Cannabis.
- a. Our firm has knowledge and expertise in determining demographic and/or psychographic segmentation as related to the use of marijuana. Most product usage drivers are at some level controlled by or influenced by marketing actions, and therefore, the WSLCB may be inevitably interested in understanding the relation between the usage drivers and the long-term user participation. Understanding of the post-purchase dynamic is also an invaluable input into the WSLCB innovation agenda.
11. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

- a. **Eric Young sole staff at our firm.** He is our: Business Consultant. **Summary of Qualifications:** Creative and innovative professional with over 15 years managerial experience designing, planning, executing, controlling, and monitoring business activities with the goal of ensuring business compliance through building viable safety, quality and consumer focused infrastructures, leveraging logistics, synchronizing supply with demand and measuring performance.
- i. Demonstrated ability in: providing an effective governance structure, providing strategic direction and implementation, developing goals and objectives aligned to organization mission and vision; and understanding, interpreting and communicating complex requirements into organizational policies, processes and procedures.
 - ii. Comfortable collaborating and communicating with diverse communities and developing effective relationships, leading teams and identifying business and regulatory risks, opportunities and new approaches that maximize public safety and public trust through positive interaction with regulated communities and other governmental agencies.
 - iii. Sound knowledge of: regulatory and enforcement activities within Washington State with regards to Medical Cannabis, Recreational marijuana and Industrial Hemp; Clinic, Cultivator/Grower and Collective Garden behaviors and strategies; scientifically based testing methods using Gas Chromatograph systems for cannabis analysis; and effective and cost efficient solutions and strategies applicable to Washington State in achieving specific and immediate “local” community, business, industry and municipality objectives.
 - iv. **Experience** Seattle Cannabis Association Seattle, WA Founder/Executive Director -From: 3/11 To: Present. Seattle Cannabis Association [SCA] www.SeattleCannabisAssociation.com is a non-profit [*conforming*] Patient Safety Organization / Trade Association that specializes in providing no cost or donation based business services that include: Medical Cannabis Compliance Documentation, Auditing Services; Gas Chromatograph (GC) Cannabis Safety and Quality Testing for public (patient consumer) safety and protection, research, educational and charitable purposes. SCA membership is free and SCA testing services are available to “law abiding” State registered and City/County licensed medical cannabis business providers and any authorized medical cannabis patient. **Responsible for providing guidance on:** the development, planning, implementation and monitoring of a comprehensive, integrated safety and quality focused, patient-centric, control and risk based medical cannabis Self-Governance Program within the Seattle Cannabis community. Program concentration was on membership complying with laws, regulations and voluntary codes of practice, ensuring honest and responsible conduct and behavior, and providing an effective governance structure to ensure member accountability and evidence of compliance. **As Founder:** I created SCA’s mission statement, goals, objectives, strategic plan and identified performance targets and metrics; Interpreted Washington State medical cannabis requirements and created appropriate policies, procedures and associated documentation in communicating SCA and community expectations to membership for compliance monitoring and control enforcement. **Coordinated my activities with:** the Seattle Cannabis community, Seattle City Council, Seattle Consumer Protection and Tax Revenue, King County and Washington State AG - Consumer Protection, Department of Health, Department of Agriculture, Medical Test Site and Laboratory Quality Assurance. **Developed suitable Cannabis community Self-Governance program documentation including:** Outreach materials and Education and Training Programs; Member Safety and Quality Program Plans; SCA Pledge Statement with uniformed Code of Conduct based upon community values, ethics and standardized Safety, Quality and Enforcement criteria; Monthly/Quarterly Cannabis Industry status reports to State, County and City stakeholders and gatekeepers on 13 key metrics regarding Washington State Cannabis Industry development; Cannabis Patient Complaint Hotline; Washington State Cannabis Industry Oversight and Enforcement Inspection

Schedule [A listing of self-audits/ reviews/ inspections of Clinics, Collective Gardens and Cultivators/Growers business practices to ensure timely member compliance with Washington State law, King County and Seattle Police Department guidelines, City of Seattle local ordinance and SCA and local City/County community expectations]; and Interim Inspection Guidelines for City of Seattle Medical Cannabis Testing Service Oversight [including Clinic, Collective Garden and Vendor inspections and Gas Chromatograph Cannabis Testing validation for use within the City of Seattle]. **Education: Masters of Science (M.S.) in Computing Systems.** Graduated 2002 City University, Bellevue, WA.; **Bachelor of Science (B.S.) in Business Administration** Graduated 2000. City University, Bellevue, WA.

12. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firm's proposed approach and methodology to be used for Product Usage and Consumption validation as requested in this RFP, to estimate demographic and psychographic segmentation, specifically related to the use of Cannabis.
- a. Our firm will work closely with the Federal and local governments, as well as the State and the citizens of Washington to clearly understand the current and future business direction and public opinions regarding i-502 implementation. Our approach is to utilize elements of our standard self-governance model to ensure that all i-502 implementation goals are understood, properly documented and coordinated. We plan to accomplish this thru: our knowledge - *of marijuana cultivation and harvesting techniques, the emerging Washington State Cannabis Industry, marijuana product quality testing methods and techniques*; and our abilities - *to determine product usage and verify consumption levels and create effective marijuana regulations*. At the core of this approach is our capacity to use effective communications and collaboration strategies to ensure i-502 implementation meets WSLCB expectations

CATEGORY 4 – PRODUCT REGULATION

Please answer the questions listed below, attaching additional pages as necessary:

13. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise in Product Regulation, including but not limited to, the following:
- a. Experience with State, local or Federal government processes and procedures
 - i. Our firm has the ability, capacity, and skills and expertise in product regulation. We are experienced and have knowledge of interpreting and understanding complex Federal, State and Local laws, ordinances, guidelines, processes and procedures. Our firm can assist the WSLCB in ensuring the correct and proper interpretation and flow down occurs in generating effective marijuana regulation at all levels of management. We plan to do this thru process owner or procedure owners coordination and collaboration when updating/correcting outdated and ineffective documentation. This will aid the WSLCB in communicating regulatory requirements and better understand cross functional and inter agency interface relationships in ensuring proper requirement alignment.
 - b. Experience in crafting system regulations
 - i. Our firm has over 15 years experience interpreting requirements and crafting procedures, processes and standards that: explain how an organization should operate; educate and train staff with their roles, responsibilities and interfaces; and lead to fulfilling successful organizational and consumer outcomes. Our experience has taught us that it's important to create procedures, processes and standards for all key business activities and include relevant cross functional and cross organizational references and interfaces when updating, modifying and/or changing your document. Well-written procedures and processes can often eliminate the need for clarification and documenting other instructions and/or guidelines. It all boils down to knowing your audience, and communicating at an appropriate level of detail. Processes, procedures and standards are all part of the business

eco-system, and just like anything else, they work best when we work to manage all of them together using a more holistic approach.

14. **Experience.** In two (2) pages or less, please describe your firm's experience in working within the confines of a regulatory system, and experience in creating and/or modifying rule, law, ordinance, and/or guidelines.
- a. Our firm is experienced working within the confines of the Washington State regulatory system and are familiar with this process in creating and/or modifying rule, law, ordinance or guideline. Our firm understands "change" and the risks and impacts it can bring at the Federal, State and local levels. We have real world expertise in implementing, interpreting and applying best practices that will assist you in reaching your goals and "fill in the gaps" of legislation.
15. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
- a. **Eric Young sole staff at our firm.** He is our: Business Consultant. **Summary of Qualifications:** Creative and innovative professional with over 15 years managerial experience designing, planning, executing, controlling, and monitoring business activities with the goal of ensuring business compliance through building viable safety, quality and consumer focused infrastructures, leveraging logistics, synchronizing supply with demand and measuring performance.
 - i. Demonstrated ability in: providing an effective governance structure, providing strategic direction and implementation, developing goals and objectives aligned to organization mission and vision; and understanding, interpreting and communicating complex requirements into organizational policies, processes and procedures.
 - ii. Comfortable collaborating and communicating with diverse communities and developing effective relationships, leading teams and identifying business and regulatory risks, opportunities and new approaches that maximize public safety and public trust through positive interaction with regulated communities and other governmental agencies.
 - iii. Sound knowledge of: regulatory and enforcement activities within Washington State with regards to Medical Cannabis, Recreational marijuana and Industrial Hemp; Clinic, Cultivator/Grower and Collective Garden behaviors and strategies; scientifically based testing methods using Gas Chromatograph systems for cannabis analysis; and effective and cost efficient solutions and strategies applicable to Washington State in achieving specific and immediate "local" community, business, industry and municipality objectives.
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procedures and associated documentation in communicating SCA and community expectations to membership for compliance monitoring and control enforcement.

Coordinated my activities with: the Seattle Cannabis community, Seattle City Council, Seattle Consumer Protection and Tax Revenue, King County and Washington State AG - Consumer Protection, Department of Health, Department of Agriculture, Medical Test Site and Laboratory Quality Assurance. **Developed suitable Cannabis community Self-Governance program documentation including:** Outreach materials and Education and Training Programs; Member Safety and Quality Program Plans; SCA Pledge Statement with uniformed Code of Conduct based upon community values, ethics and standardized Safety, Quality and Enforcement criteria; Monthly/Quarterly Cannabis Industry status reports to State, County and City stakeholders and gatekeepers on 13 key metrics regarding Washington State Cannabis Industry development; Cannabis Patient Complaint Hotline; Washington State Cannabis Industry Oversight and Enforcement Inspection Schedule [A listing of self-audits/ reviews/ inspections of Clinics, Collective Gardens and Cultivators/Growers business practices to ensure timely member compliance with Washington State law, King County and Seattle Police Department guidelines, City of Seattle local ordinance and SCA and local City/County community expectations]; and Interim Inspection Guidelines for City of Seattle Medical Cannabis Testing Service Oversight [including Clinic, Collective Garden and Vendor inspections and Gas Chromatograph Cannabis Testing validation for use within the City of Seattle]. **Education: Masters of Science (M.S.) in Computing Systems.** Graduated 2002 City University, Bellevue, WA.; **Bachelor of Science (B.S.) in Business Administration** Graduated 2000. City University, Bellevue, WA.

16. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB with developing rules and a regulation strategy for the state of Washington's new Marijuana System.
- a. Our firm will work closely with the Federal and local governments, as well as the State and the citizens of Washington to clearly understand the current and future business direction and public opinions regarding i-502 implementation. Our approach is to utilized elements of our standard self-governance model to ensure that all i-502 implementation goals are understood, properly documented and coordinated. We plan to accomplish this thru: our knowledge - *of marijuana cultivation and harvesting techniques, the emerging Washington State Cannabis Industry, marijuana product quality testing methods and techniques*; and our abilities - *to determine product usage and verify consumption levels and create effective marijuana regulations*. At the core of this approach is our capacity to use effective communications and collaboration strategies to ensure i-502 implementation meets WSLCB expectations.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$52 p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ ____ p/day

Norton, Melissa K

From: Dennis Radliff <dadrad@gmail.com>
Posted At: Tuesday, February 12, 2013 9:19 PM
Conversation: RFP- K430, FatLeaf
Subject: RFP- K430, FatLeaf

Dear Sirs:

Attached is my submission of the RFP for I-502.

Thank you.

Paul C. Kendall
FatLeaf, Inc

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to **lcbbids@liq.wa.gov**.
- Clearly mark the subject line of the email: RFP- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the **lcbbids@liq.wa.gov** inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

Proposer's Authorized Offer (see page 2)	√
Proposer Information (see page 3)	√
Subcontractor Information (see page 4)	N/A
Letter of Submittal (see page 5)	√
Non-Cost Proposal (see page 6)	√
Cost Proposal (see page 8)	√

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Paul C. Kendall, III

Proposer Signature

Sole Proprietor

Title

FatLeaf

Company Name

February 3, 2013

Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name	<u>FatLeaf</u>
Street Address	<u>25418 SE 159th St.</u>
City, State, Zip	<u>Issaquah, WA 98027</u>
Federal Tax ID Number	<u>PersonalInfo</u>
UBI	<u>603 212 255</u>
Website URL	<u>Not available yet</u>

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name:	<u>Paul C. Kendall, III</u>
Telephone:	<u>425-657-0651</u>
Email:	<u>fatleafinc@gmail.com</u>

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount 3% 10 days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input type="checkbox"/>
1	Product and Industry Knowledge	<input checked="" type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: _____
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: ___ Yes ___ No

Subcontractor 2

Name: _____
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: ___ Yes ___ No

Subcontractor 3

Name: _____
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: ___ Yes ___ No

Subcontractor 4

Name: _____
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: ___ Yes ___ No

LETTER OF SUBMITTAL

To Whom It May Concern:

My name is Paul C. Kendall, III, and I am the sole proprietor of **FatLeaf**. I am an experienced grower for the medical marijuana community here in Washington, and I currently operate and maintain a collective garden for 5 licensed marijuana patients, including myself. I am responding to the RFP, K430, under Category 1, Product and Industry Knowledge. There are no current or former state employees who work for **FatLeaf**.

Following is the requested information about my company, **FatLeaf**:

Sole proprietor of **FatLeaf**: Paul C. Kendall, III

Place of business/home address/location of facility: 25418 SE 159th St, Issaquah, WA 98027

Phone number for Paul C. Kendall, III: 425-657-0651

Email: fatleafinc@gmail.com

Sincerely,

Paul C. Kendall, III

NON-COST PROPOSAL

Please refrain from using company name or other information that will identify your company while preparing your response for the Non-Cost Submittal. The Washington State Liquor Control Board (WSLCB) reserves the right to modify proposals in order to eliminate company names or any other information that may identify a specific company brand.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:
 - a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed.

I am an experienced grower for the medical cannabis community in the state of Washington, and have been doing so for 3 years. I operate and maintain a collective garden out of our home, and follow state laws regarding the production of medical cannabis. We have built a grow room in our basement, which has all the proper ventilation, lighting, controls, and drainage to produce a superior cannabis crop, and we have followed all building codes in the construction of the grow room.

As proof of my ability as a grower, I had a previous crop of the 'strain' AK-47 analyzed by the firm Cannatest (www.canna-test.com), and the results showed 14% THC content. This was my 4th crop. I assure you, as I continue growing, active cannabinoids will continue to increase, along with the overall quality of my products. This will be inevitable when standards are in place, and stable strains are available for production.

Fatleaf is a family business that I run. Both of my great grandfathers were farmers, and were quite successful at it. In order to abide by traditional farming practices, I will always grow with organic seeds. I will not use genetically modified organisms (GMO).

Fatleaf will always use organic growing practices held to strict standards, eventually conforming to U.S.D.A. regulations. Foremost, the products used to fertilize our plants currently consist of 18 main ingredients for macro-nutrition, and other various organic elements to satisfy micro-nutrient requirements. This is achieved using mathematical calculations that potentially produce limitless combinations of ingredients; even more so if ingredients are added to the roster. The fertilizers I mix have varying strengths and proportions of nitrogen, phosphorus, and potassium (N-P-K). These proportions are based on the growth phases of specific cannabis strains, which I have found out through my own research.

In addition to the growing operation, I have used leaves and trim from the harvesting process to infuse butter/fats, and I have done Supercritical Fluid Extraction (SFE), with butane, to produce hash-oil.

I currently attend Bellevue College, where I have been granted access to the library's resources, such as peer reviewed studies, and I use their extensive search engine. Established research has given me a general understanding of overall plant growth and structure. I have been basing my growing practices on scholarly journals, and peer-reviewed studies. By doing so, I hope to achieve results comparable to those in studies I have chosen.

I am by no means a certified botanist, perhaps an amateur botanist, but nonetheless, I am on my way to being a great contributor to this potential 20 billion dollar industry. Let me help you, so that you may help me comply with upcoming standards and guidelines, to make this industry flourish.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 **or** Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate **or** Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

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Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ <u>40</u> p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ _____ p/day

RFP K430 SUBMITTAL DOCUMENT

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Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Paul C. Kendall, III

Proposer Signature

Sole Proprietor

Title

FatLeaf

Company Name

February 3, 2013

Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name	<u>FatLeaf</u>
Street Address	<u>25418 SE 159th St.</u>
City, State, Zip	<u>Issaquah, WA 98027</u>
Federal Tax ID Number	<u>PersonallInfo</u>
UBI	<u>603 212 255</u>
Website URL	<u>Not available yet</u>

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name:	<u>Paul C. Kendall, III</u>
Telephone:	<u>425-657-0651</u>
Email:	<u>fatleafinc@gmail.com</u>

Payment Options:

√ YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount 3% 10 days, net 30 days.

√ YES NO Will you accept the State's Purchasing Card (P-Card)?

√ YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input type="checkbox"/>
1	Product and Industry Knowledge	√
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 2

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 3

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 4

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

LETTER OF SUBMITTAL

To Whom It May Concern:

My name is Paul C. Kendall, III, and I am the sole proprietor of **Fatleaf**. I am an experienced grower for the medical marijuana community here in Washington, and I currently operate and maintain a collective garden for 5 licensed marijuana patients, including myself. I am responding to the RFP, K430, under Category 1, Product and Industry Knowledge. There are no current or former state employees who work for **FatLeaf**.

Following is the requested information about my company, **FatLeaf**:

Sole proprietor of **FatLeaf**: Paul C. Kendall, III

Place of business/home address/location of facility: 25418 SE 159th St, Issaquah, WA 98027

Phone number for Paul C. Kendall, III: 425-657-0651

Email: fatleafinc@gmail.com

Sincerely,

Paul C. Kendall, III

NON-COST PROPOSAL

Please refrain from using company name or other information that will identify your company while preparing your response for the Non-Cost Submittal. The Washington State Liquor Control Board (WSLCB) reserves the right to modify proposals in order to eliminate company names or any other information that may identify a specific company brand.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:
 - a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed.

I am an experienced grower for the medical cannabis community in the state of Washington, and have been doing so for 3 years. I operate and maintain a collective garden out of our home, and follow state laws regarding the production of medical cannabis. We have built a grow room in our basement, which has all the proper ventilation, lighting, controls, and drainage to produce a superior cannabis crop, and we have followed all building codes in the construction of the grow room.

As proof of my ability as a grower, I had a previous crop of the 'strain' AK-47 analyzed by the firm Cannatest (www.canna-test.com), and the results showed 14% THC content. This was my 4th crop. I assure you, as I continue growing, active cannabinoids will continue to increase, along with the overall quality of my products. This will be inevitable when standards are in place, and stable strains are available for production.

Fatleaf is a family business that I run. Both of my great grandfathers were farmers, and were quite successful at it. In order to abide by traditional farming practices, I will always grow with organic seeds. I will not use genetically modified organisms (GMO).

Fatleaf will always use organic growing practices held to strict standards, eventually conforming to U.S.D.A. regulations. Foremost, the products used to fertilize our plants currently consist of 18 main ingredients for macro-nutrition, and other various organic elements to satisfy micro-nutrient requirements. This is achieved using mathematical calculations that potentially produce limitless combinations of ingredients; even more so if ingredients are added to the roster. The fertilizers I mix have varying strengths and proportions of nitrogen, phosphorus, and potassium (N-P-K). These proportions are based on the growth phases of specific cannabis strains, which I have found out through my own research.

In addition to the growing operation, I have used leaves and trim from the harvesting process to infuse butter/fats, and I have done Supercritical Fluid Extraction (SFE), with butane, to produce hash-oil.

I currently attend Bellevue College, where I have been granted access to the library's resources, such as peer reviewed studies, and I use their extensive search engine. Established research has given me a general understanding of overall plant growth and structure. I have been basing my growing practices on scholarly journals, and peer-reviewed studies. By doing so, I hope to achieve results comparable to those in studies I have chosen.

I am by no means a certified botanist, perhaps an amateur botanist, but nonetheless, I am on my way to being a great contributor to this potential 20 billion dollar industry. Let me help you, so that you may help me comply with upcoming standards and guidelines, to make this industry flourish.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 **or** Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate **or** Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ <u>40</u> p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ _____ p/day

Norton, Melissa K

From: cnmherrera06202011@comcast.net
Posted At: Friday, February 15, 2013 12:59 PM
Conversation: RFP-K430, Herrera Contracting
Subject: RFP-K430, Herrera Contracting

Hello, I am submitting a proposal for the purpose of consultation to the Liquor Control Board for I 502. I have attached a copy of the submittal document including my proposal as requested.

Michael Herrera
Herrera Contracting

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Herrera Contracting
- 91-2006613
- 601-484-075
- phone 360 868 2127
- email cmherrera@282811@comcast.net

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to
- Clearly mark the subject line of the email: RFP- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time received at the WSLCB's mail server in the inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

- | | |
|--|-------------------------------------|
| Proposer's Authorized Offer (see page 2) | <input checked="" type="checkbox"/> |
| Proposer Information (see page 3) | <input checked="" type="checkbox"/> |
| Subcontractor Information (see page 4) | <input checked="" type="checkbox"/> |
| Letter of Submittal (see page 5) | <input checked="" type="checkbox"/> |
| Non-Cost Proposal (see page 6) | <input checked="" type="checkbox"/> |
| Cost Proposal (see page 8) | <input checked="" type="checkbox"/> |

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER INFORMATION

Proposer Profile:

Firm Name Herrera Contracting
 Street Address 301 Wallace Kneeland Blvd Ste 224-306
 City, State, Zip Shelton WA 98584
 Federal Tax ID Number PersonallInfo
 UBI 601-484-075
 Website URL N/A

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name: Michael Herrera
 Telephone: 360-868-2127
 Email: cmherrera06202011@comcast.net

Payment Options:

- YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.
 Prompt Payment Discount 5 % 10 days, net 30 days.
- YES NO Will you accept the State's Purchasing Card (P-Card)?
- YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input checked="" type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

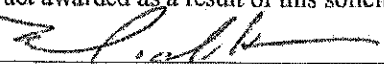
Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.


Proposer Signature

Owner
Title

Herrera Contracting
Company Name

2/14/2013
Date

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services,

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 2

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 3

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 4

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Herrera Contracting

Proposal K430

Letter of Submittal

Letter of Submittal

I am pleased to submit an offer on behalf of my firm, Herrera Contracting, to the Washington State Liquor Control Board for the purpose of fulfilling the necessary consultation on the matter of I 501 implementation. My team is full of educated minds from the University of Washington as students and professors work together with the goal of providing useful strategic data and recommendation, by cognitive reasoning, research, using means of linear regression and statistical analysis. We also will employ those who can provide key information into the current black market, to help scan the external environment for means of strategic planning to beat the black market. We mean to quantify and validate the numbers of marijuana users by means of probability and hypothesis testing, and segment the market using psychographics (personality measures) and demographics (individual characteristics). The marketing program at UW has prepared a few seniors on my team to handle the task including myself. The law is based on what a "reasonable person would think to be normal," with professors that have a J.D. and PhD's offering guidance, my team will be able to help craft regulations for best practices in all phases of the marijuana process from cultivation to disposal. I have read the contract and am confident that we can deliver; viable, sound, accurate, and timely deliverable documents for each of the four categories for which consultation is requested. Not only will the deliverables be provided, but also trainings, forums and seminars will be offered to both licensed growers/processors/retailers to help facilitate changes and ease the State into I 502 implementation as a smooth transition.

I intend to fulfill the requirements of all four categories, and may at some point use sub-contractors, but at this time have not interviewed enough sub-contractors to make a decision on which I would like to employ. At the time of their selection I will add them to the contract with pertinent information about their principles and firm, including license and tax numbers. I have several years of experience in consulting for the construction trades, management, and also to medicinal marijuana growers. I have the most experience working in a regulated industry as a general contractor, and commercial sub-contractor by adhering to building codes and undergoing rigorous inspections. The idea that rules need to be in place is for the safety of the public in general. My firm favors the standpoint that "the means justifies the end result," and not visa-versa, by that we will look to preserve safety, normalcy, and to gain the greatest good for the greatest amount of people.

My firm is currently operating in Shelton Washington, but may consider opening an additional office related primarily to I 502 consultation in the greater Seattle area.

There are currently no State employees on my employment roster.

Herrera Contracting


Phone: 360-868-2127

301 Wallace Kneeland Blvd Suite 224-306

cnmherrera06202011@comcast.net

Shelton WA 98584

Primary Contact: Michael Herrera, Owner, Herrera Contracting

 2/14/2013

Herrera Contracting

Non-Cost Proposal

Ref# K430

Liquor Control Board

RE: Non-Cost Proposal

Category 1

Experience is necessary when consulting with the State, the public, and businesses associated with and holding stake in the implementation of I 502. This firm has experience in the way marijuana should be properly grown, what nutrients may be used in which to produce organic high quality products, how to assure that there are no residual chemicals from the growing stage left in the usable marijuana at the time of harvest, knowledge of methods of infusion into food and drink safely, sizing and pricing of amounts and packaging/ labeling to offer a professional and identifiable as licensed retail, wholesaling pricing, volumes, and mark up at each level of production and through viable market channels, methods of estimating volume required for market competition (stay below black market prices, the State has overestimated the price per gram and larger packages. My firm brings college educated minds in the fields of business and horticulture coupled with real world knowledge and experience with providing consultation to many medicinal marijuana users, although myself, I am not a medicinal user or grower. The results of consulting and advising to associated medicinal patients has been beneficial to them and the greater good of all.

Production

Growers must use certified organic nutrients as fertilizers to be tested and compiled onto an approved fertilizers list to be adopted by growers licensed by the State of Washington. All crops must follow a minimum of 14 day rinse cycle before crop is harvested to decontaminate any residual fertilizer from the expected usable marijuana. Additional requirements will be advised within the contracted time period. All marijuana growers will submit their cured marijuana to weekly test samples to assure that all marijuana is clean to a 95% confidence level, random samples may be also taken for test. Contaminated marijuana, or marijuana unfit for sale must be burned at a State approved Incinerator, associated documentation such as weights, producer affidavits, and receipts from an officer of the Liquor Control Board validating the destruction of such. My firm will work as consultation to the State to come to realistic numbers regarding amounts to be produced for market completion by means of statistical and quantitative analysis, linear regression, hypothesis testing and probability tests. Diagrams, charts, box plots, histograms, scatter grams, and anova tables will be utilized and interpreted. Education to growers will be provided to help them follow State adopted guidelines and standards. My firm has knowledge regarding the prices charged and paid on the black market which will be instrumental to setting prices at all levels for legal production, packaging, and retail sale in Washington State, and make legal marijuana the preferred method for obtaining cannabis based products for consumers.

Packaging

Those licensed to be intermediaries in the supply chain and distribution channels will need to follow strict guidelines to ensure that proper labeling and tax stamp usage practices are applied. All labels must identify the product as marijuana, that one must be above the age of 21 to consume, any proven associated health risks, and warning to the effects that are felt from using marijuana. All labels must be in English as the primary language of the land. The labels should be clear and concise to ensure that a reasonable person can understand the print. Distributors and wholesalers must not allow any of the marijuana to be transported by use of aircraft. Rates for wholesale will be established within the first 90 days of the contract period. All modes of transportation must use an approved tracking system to be determined with the approval of an official from the Liquor Control Board. Consultation with the State and training to licensees in the packaging and distribution chain will be key for a smooth transition into the regulatory system. Federal packaging standards will be followed.

Retail

Strategic planning will be required to assure that the volume produced for consumption, and the price set for retail sale are consistent with demand. The formula for demand will be simulated from a compilation of legal documents, real world experience, data from licensed retailers, cooperative medicinal marijuana dispensaries, statistical analysis, and linear regression. The price should be set so that market competition can be achieved, while beating the prices of the black market. The State should employ a marketing campaign with the appropriate mix to reach the desired market segments. Strict requirements and guidelines should be imposed on retailers to assure that the State receives the appropriate taxation. Suggestions for reporting will be addressed early during the contacted time for consultation. Application for areas where marijuana can be consumed will be addressed. Being realistic and allowing the consumer to make legal marijuana the obvious choice for consumption is key to implementing 1502. Focus groups, surveys, and polls will be utilized regarding some issues. Educating the retailers on market segmentation, and methods to reach their customers will be addressed through negotiated discussions. My firm is not only providing advice, but also helping facilitate changes in the law, through mitigation so that all are best represented.

Herrera Contracting

Non Cost Proposal

K430

Category 1

Team Structure

The team will be structured with my firm at the top with control to approve or reject any of the generated data to be collected or generated by the firms listed below. My firm will be the primary in research and marketing, as well as for regulation, production, infusion, packaging and distribution. Regular meetings will be conducted and recorded to help communication flow and objectives are met. All generated data will be passed on to an outside firm to be audited. The teams will be divided into the four categories identified in the NCP instructions. Each of the firms listed below have their own specific niche in the overall project to provide a comprehensive analysis, quantification, segmentation of the market, to provide approved agricultural procedures, and botanical analysis.

Termination of unfruitful sub-contractors will be reserved for discretion of my firm. All parties will have the opportunity to correct substandard performance one time before termination. The implications of doing quality work in a new field for the State of Washington is not to be taken lightly. All sub-contractors will be required to enter into a contract in order to begin work. There will be a liquidated damages value associated with their contracted participation in the project.

The attorney's offices on the list may be used for providing regulation and proposed rules for procedure. They will work diligently to provide reasonable advice to establishing regulation that is consistent with the new law. They will help set limits to amounts to be produced, regulations for disposal (including documentation) of unusable marijuana. Identify legally what hemp is, and what cannabis is. They will review the constitutionality of all proposed ideas for adoption and regulations considered. After review, proposed ideas for regulation will be advised.

The marketing and research firms will be for reviewing/auditing market segmentation, statistical analysis, quantification, economic impact statements, advise to resellers and wholesalers. We will conduct surveys, polls, focus groups, depth interviews, and then quantify the results using variable elimination test for sensitivity in consumption trends. This will be done by linear regression, supporting data, charts, reports, and meetings will help the State come to a better understanding of the implications of I 502, and provide more than expected value in the consultation process.

The laboratories in the list are proven in the industry for providing technical data and chemical analysis of marijuana. All tested marijuana will be conducted by Northwest Botanical Analysis. Also laboratories listed below may be contracted to help generate a growers approved fertilizers list and provide education to growers licensed to produce marijuana.

My firm will be the primary data collector and statistical analysis provider, calculating the regression is important to get correct. A specialty for my firm is market segmentation, using psychographics (personality measures) and demographics (individual characteristics) to break up the market into segments that one can target for marketing campaigns. Knowing your customer is paramount to building your marketing mix. The market segmentation can begin before the statistics are in.

Below is a list of possible sub-contractors under consideration:

420 Patients LLC	WJ@420Patients.com	(602) 332-0748
Add Value Alliance, Inc.	larry@charterbb.com	(206) 795-3329 SB
Agriculture Development Group, Inc.	aschreib@centurytel.net	(509) 266-4348
Behavior Research Center, Inc.	rfp@brc-research.com	(602) 258-4554
BOTEC Analysis Corporation	sdavenport87@gmail.com	(617) 245-8567
Economic Consultants Oregon LTD	rfp@econw.com	(541) 687-0051
Gibbs Law Offices	gibbslawoffices@gmail.com	(206) 734-4374
Howard S Mehler PhD JD & Associates Incorporated	hmehler@mehler.com	(310) 271-0755
Hydroponic Consultancy	Mtlakehydro@aol.com	(540) 532-1158
Northwest Botanical Analysis	Contact@NWBotanicalAnalysis.com	(206) 545-7233
SBSite Security 360	bo.wandell@sitesecurity360.com	(206) 452-5686
Sea Town Marketing	drmann@seatownmarketing.com	(425) 214-2472 SB

Herrera Contracting

Non-Cost Proposal

K430

Category 2

Ability, Capacity, and Skills

My firm contracts with the best in measuring THC levels or counting mold spores in marijuana, and will utilize proven botanical laboratories that are known to be marijuana experts. Northwest Botanical Analysis Contact@NWBotanicalAnalysis.com (206) 545-7233 will be in conducting analysis. My firm can assist with the State with interpretation of the findings, regulation for safety is important to me. I have knowledge of what is going into the production and current THC levels in marijuana on the black market and for medicinal marijuana dispensaries.

My firm will work tirelessly to help set the best quality testing standards by use of agriculturists, horticulturists, and scientist who have been compiled onto a team structure list. By using the professionals who are renowned for their work in this field, we will have the same advantages to examining marijuana as the competition does. Not only will we advise that, but will advise to standardize the growing procedure so that random samples will truly represent a larger volume to be tested.

We know the proper THC ratio for what is considered good marijuana 25% an up currently, have adopted the belief that urea based fertilizers should not be used for consumable marijuana only organics are safe for human consumption, hence the list for growers. We will identify all chemicals that will be to not be in excess of a certain level for human health risks.

Experience

My firm is not a testing laboratory, but do work with the best in the northwest. The sub-contractor we are using employs botanists, and scientist to do biological and chemical analysis, they have been testing marijuana since it was first made legal for medicinal patients, and have a long history of expertise.

Methodology

My firm plans on building a framework for testing guidelines, by contaminant identification, prevention techniques, mold prevention/remediation, THC level validation, and product strain classification. We will conduct research by exploring common methods used for analysis that concur with agricultural standards. By working with the scientific community we can establish the best practices in making standard procedure that is based on reputable protocol. I will take the suggested ideas from the science professionals under advisement as I help the state set quality standards for product and safety.

Herrera Contracting

Non-Cost Proposal

K430

Category 3

Ability, Capacity, and Skills

My firm is educated in the areas of statistics, probability, hypothesis testing, linear regression, sensitivity testing of variables by elimination, and estimation by using qualitative data as a variable in the regression model. Those working on the quantitative analysis have taken 3+ years of math including 300 level statistics at the University of Washington in the recent past. We have PhD's that will be providing guidance as well as checking for accuracy in the findings. The world class education is from UW is well respected by the State of Washington, as many graduates find employment within its domain. Our capacity to break down the consumption and usage numbers for the 39 counties in Washington State will be unmatched by of the competition as our knowledge, dedication, and perseverance will give precisely measured statistics. We are skilled in chart creation, interpretation and will provide hard copies of such. Use of a standardized curve will be applied to create estimations of usage and projections of consumption.

Experience

We are all skilled in statistical research, as we have explored real world problems and provided solutions. Everyone took and passed Quantitative Analysis 301 as a minimum, some have PhD's in mathematics. I have been using probability testing for years to estimate the likelihood for winning contracts. Qualitative data such as psychographic or demographic factors can be assigned a number for the purpose of fitting into a regression formula, but market segmentation must take place first to achieve analysis based on qualitative data factors. Softer marketing skills are needed for segmentation based on psychographics and demographics, theories from Jung, McClelland, and Freud can be used to identify segments. Moreover, market segmentation is a skill that is developed by use and application more than any other method. Segmentation is a fun and interesting process that leads to new approaches to identify consumers, their trends, preferences, wants, and needs. Education today comes with application of exercises and projects that simulate reality. I have been segmenting markets for a number of years for the purposes of identifying and aiming marketing efforts toward potential clients.

Methodology

We will apply the theories and laws of statistics, probability, hypothesis testing, focus groups, surveys, polls, and depth interviews to collect data. That data will be standardized and a quantitative analysis will be conducted, interpreted, and taught to the Liquor Control Board. Tools for the processes will include bar charts, histograms, box plots, dot plots, anova tables, pie charts, and databases of recorded

information organized at the state and county levels. Segmentation will begin immediately, as will data collection, once both are completed in their initial phase, a comprehensive view as to whom the marijuana smokers in Washington are will come to light. There will be large amounts of data, but not an impossible task for educated professionals, especially if it is only for 39 counties. As time progresses demographics change so do lifestyles, I suggest conducting an initial market segmentation and a secondary segmentation at the end of the two year contracted period. The State of Washington will want to carefully watch the user of marijuana for some time to come; market segmentation is a good way to accomplish that objective.

Herrera Contracting

Non-Cost Proposal

K430

Category 4

Product Regulation

Experience

My firm has experience in providing regulated products and services in the form of construction. I have been conforming to codes, keeping up to date, and undergoing inspections for the safety and wellbeing on products related to residential and commercial construction. That is not to say that I am only a carpenter, I have been a life-long student, understand the need for public safety and will work tirelessly to achieve those goals. Regulation is necessary to establish best practices, safety protocols, and to ensure standardized products are produced to fit their intended purpose (FCC). Product regulation does not only apply to growers, but everyone in the chain of title before the consumer purchases.

Regulation regarding sizing and packaging should be a mixed bag. Packaging and labeling should be consistent with the law as it regards to alcohol and tobacco. My firm can help establish retail sizes for sale, what the price should be for each respectively, and behaviors to be followed by growers, intermediaries, and retailers.

Ability

My team is advised by lawyers, professors, and PhD's; with a diverse knowledge base and adequate use of resources at the proper times, we have the ability to provide the State of Washington advice on crafting regulations as related to marijuana. The advising J.D.'s will be instrumental in providing advice and legal viability for proposed regulations. We will work side by side with the Liquor Control Board to effectively craft a system that seems correct and normal to a reasonable person.

Methodology

The method used to help Washington's New Marijuana System, will be systematic in a step procedure. Research will need to be done, as well as experiments to see what the public will be like with marijuana as a recreational option. Laws will need to be devised so that those smuggling legal marijuana outside of Washington's borders shall lose their right to recreationally use marijuana or its products for a specified time period, as well as punishments thereto. The final direction of the methodology is still under review by members of the team, and will be revealed in the near future. A sub-contractor may be utilized to help beef up the legal team. Above all we will keep Washington's interests and position foremost in our deliverable document related to regulation. Town hall meetings will be utilized.

Herrera Contracting

Staff Qualifications

K430

Staff and Qualifications

Michael Herrera, owner, Herrera Contracting. Currently a senior at University of Washington, business administration. Experienced and knowledgeable in statistical research and probability testing, market segmentation, cannabis industry knowledge, team leadership, conflict resolution, regulatory experience as a contracted service and provider in construction. 38 years old.

Chris Coker, field contact and consultant, medical marijuana. HS Diploma, some technical college. Cannabis industry knowledge of growing methods, weights, organic methods, data collection.

Sonor Llustvator, senior University of Washington, finance. Skilled in statistical analysis, economics formula, valuation, Director of finance. Experience in finance management and conducting focus groups.

Lana Tu, Senior University of Washington, management, data management, public relations, strategic thinking, marketing, always a team motivator. Experience in survey design, application, analysis, and recommendations.

Ben Laskin, Junior University of Washington, educated in research, data collection, market segmentation, knowledge of edible cannabis infusion and methods. Support to duties to support the larger group effort.

More supporting staff will be required for the purpose of graphic design, data collection and organization at primary collection points, survey taking, secretarial support, and educational support. For the purposes of this document, the people named on this page are the brain trust of the firm.

Team members listed below will be retained if awarded contract:

Ryan Card; PhD Mathematics

Gregory Rose PhD Business Administration/Marketing

Jeffrey Dean J.D., MS Statistics

Possibly listed sub-contractors listed in the NCP category 1, under the team structure heading.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) <u>Hourly</u> Rate for I-502 Consulting Services as stated in this RFP	\$ <u>250</u> p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) <u>Daily</u> Rate for I-502 Consulting Services as stated in this RFP	\$ ____ p/day

Norton, Melissa K

From: Becky Yalch <Becky.Yalch@orcinternational.com>
Posted At: Friday, February 15, 2013 12:27 PM
Conversation: RFP K430, HOBAN & FEOLA, LLC
Subject: RE: RFP K430, HOBAN & FEOLA, LLC

This looks awesome. Thanks for the hard work. Keeping fingers crossed

Sent via my Samsung Galaxy S™III smartphone

"Robert T. Hoban" <bob@hobanandfeola.com> wrote:
Please find attached Hoban & Feola, LLC's Proposal Regarding: [RFP] K430 INITIATIVE 502 CONSULTING SERVICES.

Index of Attached Documents (Total Data: 1.66 MB):

1. Completed WSLCB Submittal Document;
2. Letter of Submittal;
3. Non-Cost Proposal Addendum;
4. Robert Hoban C.V.;
5. Lauren Davis C.V.;
6. Dr. Joseph DiVerdi C.V.;
7. Joseph Scott Wagner C.V.;
8. ORC Staff C.V. 1;
9. ORC Staff C.V. 2;
10. Kate Melvin C.V.;
11. Bradley Melshenker C.V.;
12. Exhibit to Addendum - Rule Making Overview and Proposed Timeline;
13. Exhibit to Addendum - Chemotypes and Cannabanoid Profile; and,
14. Authorizer Executed Signature Page.

All documents are attached in PDF format for your convenience. Please confirm receipt. Thank you.

Gratefully yours,

Robert T. Hoban, Esq.



Hoban & Feola, LLC
Phone: 303.674.7000
Fax: 303-382-4685
Email: Bob@HobanandFeola.com
Web: www.HobanandFeola.com

Denver Office

1626 Wazee Street, Suite 2A
Denver, CO 80202

Colorado Springs Office
422 East Vermijo, Suite 208
Colorado Springs, CO 80903
Office: 719-445-9702
Fax: 719-352-3630

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Norton, Melissa K

From: Robert T. Hoban <bob@hobanandfeola.com>
Posted At: Friday, February 15, 2013 3:17 PM
Conversation: RFP K430, HOBAN & FEOLA, LLC
Subject: RE: RFP K430, HOBAN & FEOLA, LLC

Thank you.

Gratefully yours,

Robert T. Hoban, Esq.



HOBAN & FEOLA, LLC
ATTORNEYS AT LAW

Hoban & Feola, LLC
Phone: 303.674.7000
Fax: 303-382-4685
Email: Bob@HobanandFeola.com
Web: www.HobanandFeola.com

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From: K430 [<mailto:K430@liq.wa.gov>]
Sent: Friday, February 15, 2013 12:57 PM
To: Robert T. Hoban
Subject: RE: RFP K430, HOBAN & FEOLA, LLC

Good Morning Robert,

Your response has been received.

Thank you,

John Farley
Procurement Coordinator
K430@liq.wa.gov

From: Robert T. Hoban [<mailto:bob@hobanandfeola.com>]

Posted At: Friday, February 15, 2013 10:30 AM

Posted To: K430

Conversation: RFP K430, HOBAN & FEOLA, LLC

Subject: RFP K430, HOBAN & FEOLA, LLC

Please find attached Hoban & Feola, LLC's Proposal Regarding: [RFP] K430 INITIATIVE 502 CONSULTING SERVICES.

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Robert T. Hoban, Esq.



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Norton, Melissa K

From: Robert T. Hoban <bob@hobanandfeola.com>
Posted At: Friday, February 15, 2013 10:30 AM
Conversation: RFP K430, HOBAN & FEOLA, LLC
Subject: RFP K430, HOBAN & FEOLA, LLC

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Robert T. Hoban, Esq.



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From: Robert T. Hoban <bob@hobanandfeola.com>
Posted At: Friday, February 15, 2013 10:30 AM
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Robert T. Hoban, Esq.



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Bradley Gibbs Melshenker
Boulder, CO
310-717-4490
Brad@greenestgreen.org

Qualifications:

Sound knowledge of the cannabis industry, market principles and trends with the ability to formulate strategies, make decisions, plan with confidence and execute, having a quick grasp of the cutting edge technologies in both the medical marijuana and recreational cannabis industries. Strong communication and leadership skills, networking expertise and innate charisma.

Education

The Ohio State University
Bachelor of Arts, Psychology
Columbus, OH
March 2004

Received the National Buckeye Scholarship in 2000

Employment History

9/2009-Present

Principal, Manager of Retail, Cultivation and Infused Products
The Greenest Green, LLC, Boulder, CO

- Planned and directed all functions of the company, from production to retail operations. Built business from zero to \$1.5million revenue in first 2 years of establishment.
- Designed and built 15,000 sq feet of city & state compliant cannabis cultivation operations.
- Designed and relocated 3 different retail operations to maintain city, state and federal zoning compliance.
- Analyzed market trends and statistics to determine potential of growth in the cannabis industry.
- Leader in market trend of BHO concentrate production and sales. Revolutionized production of BHO to maintain specific cannabis terpene profiles.

6/2007-8/2009

LiveUniverse Inc, Los Angeles, CA

Manager Sales & Sponsorships

- Generated multiple sales meetings with top tier agencies including, Starcomm, OMD, Deutsch, and Saatchi & Saatchi, Avenue A-Razorfish, Ignited Minds, Palisades Media, Team-One, RPA, Off Madison Ave.
- Source and complete R.F.P.s for Paramount, Lexus, Sony, Genius Products, Universal, Hanes, POMWonderful, Jack In the Box, TGI Fridays, Men's Warehouse.
- Developed solid understanding of online media buying and campaign strategy.
- Led direct sales efforts that resulted in \$300,000 in revenues.
- Developed category system for athlete sponsorship.
- Promoted online content through a variety of social networks.

1/2006 – 2/2007

Kinetix Clothing, Los Angeles, CA

National Account Manager

- Opened and maintained over 100 accounts nationwide. (Boutiques & Department stores)
- Marketed, sold and presented the clothing line each season all over the country
- Generated over 300k in new business within first year
- Assisted and influenced new designs
- Assisted in-house public relations involving advertising and sales campaigns and fashion shows

2/2005-12/2005

Capital Investments & Improvements, Potomac, MD

Senior Marketing & Sales Director

- Met & exceeded monthly sales quota, Received #1 Sales Representative
- Generated new clients through direct mail marketing and set leads by the company
- Prepared presentations and led prospective client meetings to generate approximately \$500,000 new revenue for the company in a six month period

3/2003- 12/2004

American Home Contractors, Columbus, OH

Sales and Marketing Representative

References

Furnished upon request

CHEMOTYPES AND CANNABINOID PROFILE

Type 1	Type 2	Type 3	Type 4	Type 5	Type 6	Type 7	Type 8
Mexican Haze type	CBC - Haze type	Indian type	Kenyan type	Thai type	CBC - Thai type	Skunk type	Haze type

Type 9	Type 10	Type 11	Type 12	Type 13	Type 14	Specimen
Hashplant African type	Hash type	Skunk Hashish type	Ruderalis type	Hemp CBD type	Hemp CBG type	Full cannabinoid fingerprint

CHEMOTYPES AND CANNABINOID PROFILE EFFECT RELATIONSHIPS FOR CANNABIS SPECIES

	WAX	CBD	THC	THCV	CBG	CBC	EFFECTS & CHARACTERISTICS 1) START- MIDDLE STAGE 2) FINALLY
Type 1 Mexican Haze type	●	●	●	●	●	●	1) High, fast & powerful by THCV. Languishing and strong feeling of intoxication, due to CBG. 2) Stoned, yet high. Activating, Energizing. If high in CBG and/or CBND: Sleepy. Sedative. Slowed down feeling
Type 2 CBC - Haze type	●	●	●	●	●	●	1) High-stoned. 2) Body buzz, sleepy/drowsy. Sedative due to CBG/CBC. Slowed down feeling. Stoned.
Type 3 Indian type	●	●	●	●	●	●	1) High, fast & powerful by THCV. Long lasting and strong feeling of intoxication, due to CBD. No CBC. 2) High-/sedative, stoned (CBG)
Type 4 Kenian type	●	●	●	●	●	●	1) High, fast & powerful strong high-feeeling. 2) High-/euphoric.
Type 5 Thai type	●	●	●	●	●	●	1) High, cerebral (head-effect). Energizing. Excessively enhances all senses. 2) High, strong Euphoric, "Up-feeeling". Physical & moral well-being.
Type 6 CBC - Thai type	●	●	●	●	●	●	1) High, cerebral (Head-effect). 2) High, euphoric. CBC makes the "high" more intense.
Type 7 Skunk type	●	●	●	●	●	●	1) Bright "High" effect, strong & "flashy" due to THCV and CBC. 2) Activating strain (no CBG). 3) Not stoned. Together with CBG, indica effects, "stony-let-high"
Type 8 Haze type	●	●	●	●	●	●	1) High, Active, Strong (>CBG). 2) Drowsy, stoned: "Hazy buzz" A Typical, "Haze experience" when high in CBG.
Type 9 Hashplant African type	●	●	●	●	●	●	1) High, Activating, A Typical hashish "experience". Less intense than Hashish.
Type 10 Hash type	●	●	●	●	●	●	1) Physical and moral well-being. Joy, Happiness, desire for movement, Brightness. Energizing (<CBG), "calm and tranquil ecstasy" 2) Deep absolute sleep (>CBG + CBD), Stoned. Typical "Hashish-experience"
Type 11 Skunk Hashish type	●	●	●	●	●	●	1) Physical and moral well-being. Joy, Happiness, desire for movement, Brightness, Energizing activating, "calm and tranquil ecstasy" 2) Activating, energizing. Typical "Hashish-experience" Never contains CBG!
Type 12 Ruderalis type	●	●	●	●	●	●	*CBGM= Cannabigerol-methyl ether. Ruderalis or "Lowridel" types contains this cannabinoid, CBGM!
Type 13 Hemp CBD type	●	●	●	●	●	●	1) Effect = CBG effect (Table 2)
Type 14 Hemp CBG type	●	●	●	●	●	●	1) Effect = CBD effect (Table 2)
Type 15 Ice water Hashish type	●	●	●	●	●	●	1) Effect = CBG + THC effect. Leaves contains no THCV and no acidic cannabinoids

THE INDIVIDUAL CANNABINOID: THEIR PHYSICAL AND MENTAL EFFECTS & MEDICAL APPLICATIONS

CANNABINOID	EFFECTS, FEATURES & MEDICAL APPLICATIONS
THC Tetrahydrocannabinol	Responsible for the "High"-effect (psychoactive); it uppers all sensory functions as sight, hearing, colour sensitivity and increases as no other drug (the sexual arousal by men and women. Strong feeling of euphoria. It sharpens the mind. Analgesic (pain relieving), well-being, sedative relaxing. Lowering IOP, sharpens sight (anti-glaucoma). Bronchi-dilating effect (anti-asthma). The THCV/THCV ratio determines the degree of appetite stimulation: THC uppers, THCV lowers appetite.
THCV Tetrahydrocannabivarine	Potentiate THC strongly, and provokes heavy "buzz"-types*. Stronger and faster "High"-effect. It makes the strain "powerful". Although THCV is a cannabinoid CB1 and CB2 receptor antagonist, the "high" comes quicker and disappears sooner. THC-antagonist. Lowers appetite and so food intake. Responsible for the "flashy" and "quick" effects. Euphoria and analgesic. THCV is found in very potent marijuana originated in central Africa, southeast and central Asia. Growth at high altitudes; UV-C stimulates THCV production.
CBD Cannabidiol	CBD works antagonistic in micromolar range; it has an opposite effect of THC. It reduces the psychoactive effect, or the "high" of THC, but in contrast, it will prolong slowly but increasingly this effect strongly. CBD inhibits the THC breakdown in the liver, by inhibiting the so-called Cytochrome P-450-3A and 2C (subfamilies of clean-up)-enzymes system. Body-effects, grows; Just like THC and CBN analgesic. CBD and THCV both enhance intoxication; you will "feel it". Not psychoactive. Sedative. Strong (smooth) muscle relaxation. Reduces muscle spasm.
CBN Cannabinol	Mild psychoactive, sedative, analgesic. CBN is, just like aspirin, a non-narcotic type analgesic, but 3x as strong. If present, than at very low concentrations (< 0.2%). Mostly not present. CBN is a breakdown product of THC. During storage (aging) CBN will slowly increase, while the THC spot will decrease (in a non-stoichiometric manner). It will appear as a violet colored spot right under yellow CBD. Oxygen will be the most important decomposing factor. Mildly psychoactive (weak agonist for CB1 receptor). High concentrations: disorientation, stupefying effect. Relieves headache.
CBG Cannabigerol	Sedative, sleep inducing. Drowsiness, narcotic. Anti-microbial properties. Lowers intra-ocular pressure (IOP) glaucoma).
CBC Cannabichromene	Potentiate THC. It interacts somewhat with THC to make the "high" more intense and pronounced, and acts, like most other cannabinoids (same structure relationships), sedative and analgesic.
CBND Cannabindiol	Probably responsible for the strong sedative/sleepy (heavy, psychologic) effects. One of the "cryptics". Little bright, yellow spot on the RH position 0.42.
SUBTYPES (OR: SUB-CHEMOTYPES) IN:	
CHEMOTYPE 1	Subtype 1 "Powerplant" saliva chemovar - strong activating Subtype 2 "White Widow" indica chemovar- body effects, sleepy
CHEMOTYPE 8	Subtype 1 "Haze" (only CBC/wax, THC and CBD (high) spots) Subtype 2 "Mexican Haze" (+THCV) "Haze" (only CBC/wax, THC and CBD (high) spots), sedatief, werkt sterk anide-pressief, Subtype 2 were THCV is crossed in; Haze blends with the trivial names, "JackHerer", "Ajejen's Haze" "White Haze", etc.
CHEMOTYPE 9 - 10 - 11	always huge amounts of CBD present in a10 to 22% range Subtype 1 "Skunk type hashish" with no CBG Subtype 2 miscellaneous varieties processed as "Hashish" + CBG Subtype 3 ice water isolates, whole trichome fraction (WTF) and Crystal-Head fraction (CHF). Hashish with No CBD! (exception to the rule; If from the "Hash-Plant", only this variety contains CBD).
NEW RECENTLY FOUND:	
CHEMOTYPE 10	"Skunk" type hashish no CBG present
CHEMOTYPE 11	"Ruderalis type" + CBGM
CHEMOTYPE 15	"blue berry"-profile high THC, THCV and contains relative a huge amount of CBC.

8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.

9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

/s/ Robert T. Hoban (original signature on file)

Hoban & Feola, LLC

Proposer Signature

Company Name

Managing Partner

2/14/13

Title

Date

Dr. Joseph DiVerdi

Education

- B.S., Biological Chemistry, Saint Peter's College, Jersey City, NJ, 1975
- Ph.D., Biophysical Chemistry, University of Pennsylvania, 1981
- M.B.A., Colorado State University, Fort Collins, CO, 1999

Professional Employment

- Smith, Kline & French Laboratories, Philadelphia, PA
 - Associate Senior Investigator, 1982-1986
- Chemagnetics, Inc., Fort Collins, CO
 - Senior Scientist, 1986-1988
 - Director, 1988-1997
- XTR Systems, Inc. Fort Collins, CO
 - Founder, 1997-present
- Colorado State University, Fort Collins, CO
 - Research Scientist, 2003-2008
 - Special Associate Professor, 2010-present

Professional Associations

- American Chemical Society
- American Association for the Advancement of Science

Additional Professional Activities

- Deep Space Exploration Society, Vice-President 2005-2008

Kate Melvin
1485 East Drive
Beaumont, TX 77706
T 303 882 1781
kjmelvin@gmail.com

Employment History

Hoban & Feola, Attorneys at Law; Denver, Colorado
Firm Administrator and Litigation Legal Assistant
January 2010-Current (part-time, remote work from home)
www.hobanandfeola.com

Morrell Dermatology, P.A; Beaumont, Texas
Assistant Office Manager and Medical Assistant
August, 2012-Current
www.morrellderm.com

Southeast Texas EventsBook; Beaumont, Texas
Editor
August, 2012-Current
www.southeasttexas.com

Colorado Pen Direct; Lakewood, Colorado
Customer Service Representative
August 2007-December, 2011
www.coloradopen.com

Face the State; Denver, Colorado
Staff Reporter and Investigative Journalist
November 2008-August, 2009

Education

Master of Public Administration: 5/16/2011
University of Colorado Denver
Concentration: Local Government

Bachelor of Arts: 05/16/2009
University of Colorado Denver
Declared major: Economics
Declared minors: Political Science and Applied Leadership
Chancellor's Scholars and Leaders Program
GPA: 3.6/4.0, Top 25% of graduating class, Dean's List 2006, 2008

Lakewood Sr. High School: 5/28/2005
GPA: 3.5/4.0
International Baccalaureate Program Graduate

Extracurricular Activities

National Forensic League Certified Judge
2005-Current
Libertarian Party of Colorado, Media Director
July 2009-July, 2011
Leadership Program of the Rockies
September 2008-June, 2009
Volunteer with SafeHouse Denver
November 2008-May, 2009
Assistant Director, Amendment 46 Campaign
June 2008-November, 2008
Research Assistant, Independence Institute
Concentration: Property rights. January-June, 2008
Campus Village Community Council
Founding Member and Administrator. 2006
Future Business Leaders of America (FBLA)
State Officer 2004-2005

Honors

Phi Alpha Alpha Public Affairs Honor Society
Inducted May, 2011
Graduate of the Leadership Program of the Rockies
May, 2009
El Pomar Scholarship and recognition as El Pomar Scholar
2007-May, 2009
Recipient of Undergraduate Alumni Association Scholarship
2008-May, 2009
Recipient of Flanagan-Walker Scholarship
2008-May, 2009
Accepted to for Foundation for Economic Education program
July 2008
Published in Denver Post and Denver Daily News.
March, 2008.
Nomination to Golden Key Honor Society.
2007, 2008
Nominated for USA Today's College All Stars-Second Team
2008

References available upon request.

LAUREN C. DAVIS, ESQ.

Lauren Davis is Senior Special Counsel at Hoban & Feola, where she specializes in medical marijuana business and regulatory issues, as well as general criminal defense.

Lauren's practice focuses on advising medical marijuana Center owners and infused products providers on how to establish legally compliant State businesses. Lauren works closely with local and state regulatory agencies, tax specialists and business professionals to ensure her clients stay licensed and informed. Whether her clients need help establishing a locally and State compliant marijuana business, navigating zoning issues, counseling on regulatory compliance, or resolving administrative citations, Lauren provides passionate, vigorous representation specifically tailored to her clients' goals and wishes.

Lauren also remains committed to protecting the Constitutional rights of patients and caregivers. She currently advises dozens of patients and caregivers, helping them navigate the complex Constitutional issues surrounding their rights.

With fifteen years of legal experience, Lauren has tried over a hundred cases to verdict. Lauren started her legal career clerking for the New Jersey Supreme Court. From there, she worked as a Deputy District Attorney in Denver and New York City. Her litigation practice now centers on defending individuals charged with offenses ranging from cultivation, to possession, to driving under the influence.

Lauren has been a key member of the legal teams involved in cutting edge medical marijuana litigation throughout the State. She has successfully defended one of the first physicians charged for writing a medical marijuana recommendation; sued the Colorado Department of Health for their "emergency" attempt to change the definition of primary caregiver; sued the City of Centennial for trying to ban dispensaries based on Federal law; helped business owners obtain local licensing despite the existence of moratoriums; sued municipalities for attempting to ban Centers through zoning. Her writings have also been quoted by witnesses testifying before the U.S. Congress.

Lauren holds a Juris Doctor from the prestigious New York University School of Law. She completed her undergraduate education at the University of Michigan - Ann Arbor, where she graduated Magna Cum Laude. When she is not working, you can find Lauren skiing, mountain biking, hiking or hula hooping at concerts.



Robert T. Hoban, Managing Partner
303-674-7000 Phone

February 15, 2013

Washington State Liquor Control Board
3000 Pacific Ave. S.E.
Olympia, WA 98501

RE: K430 INITIATIVE 502 CONSULTING SERVICES – LETTER OF SUBMITTAL

To whom it may concern:

I. Introduction

My name is Robert T. Hoban, and I am the Managing Partner of Hoban & Feola, LLC (“H&F”). I write to submit a proposal to assist the WSLCB with the implementation of the Washington State Initiative 502 (I-502) requirements. Hoban & Feola, LLC is the proposed prime contractor for this submittal. My Firm’s background and qualifications will provide the WSLCB with precisely the sort of experienced consulting that it seeks. For over four years, H&F has represented clients in *every* aspect of the commercial cannabis industry. In leading this work, H&F will work in conjunction with the WSLCB project manager and any other identified WSLCB personnel to ensure that the services are provided in accordance with industry standards and best practices.

More importantly, our only objective is to provide the WSLCB with the requested services, as no member of our team seeks any sort of license from the WSLCB. Moreover, H&F’s resources enable it to perform the requested work on time (the majority of work will be completed on or before December 13, 2013) and on budget, with the necessary flexibility to assist with the evolving needs of the WSLCB as implementation of I-502 moves forward. Integrity is very important to us. H&F is prepared to move forward immediately.

To that end, we have assembled a team of experts with unparalleled commercial cannabis experience who will be able to meet every single need and requirement of the WSLCB for each of the four Categories specified. A Curriculum Vitae (C.V./Résumé) is attached for all team members, and a brief summary of their respective qualifications is as follows:

1. Robert T. Hoban, Esq.:

- Managing Partner at Colorado’s largest and most experienced commercial marijuana business team/law firm;
- Professor at the University of Denver, teaching regulatory law and public policy;
- Former President of the Cannabis Business Alliance;
- A member of the Colorado Medical Marijuana Enforcement Division Rules Committee;
- Has litigated every aspect of Colorado’s marijuana regulatory framework;
- Has published various articles concerning marijuana law and policy issues;

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303.674.7000 Phone • 303.382.4685 Fax

www.HobanandFeola.com



Robert Hoban, Massachusetts Bar #1015
303-674-7000 Phone

- Expert witness in marijuana related issues;
 - Published author and frequent speaker/lecturer/panelist concerning various commercial marijuana topics; and,
 - Was a drafter of Colorado's marijuana regulatory legislation
2. Lauren C. Davis, Esq.:
- Former District Attorney in New York and Colorado;
 - Member of Colorado Governor Hickenlooper's strategic marijuana task force;
 - Colorado NORML Board Member;
 - A member of the Colorado Medical Marijuana Enforcement Division ("MMED") Rules Committee;
 - Member of advisory committee to General Assembly concerning proposed DUID legislation;
 - Has litigated every aspect of Colorado's marijuana regulatory framework; and,
 - Was a drafter of Colorado's marijuana regulatory legislation
3. Laura Haynes, Esq.:
- Former attorney with Washington, D.C.-based national law firm specializing in regulatory law; and,
 - Member of the El Paso County, Colorado strategic marijuana task force
4. Joseph Scott Wagner, B.S.
- B.S., Horticulture/Botany, Colorado State University, 1980;
 - Extensive history with commercial plant production business operations; and,
 - Frequent consultant in Colorado's commercial marijuana industry.
5. ORC International
- ORC International is a leading global market research firm uniquely able to integrate our people, methods, technology and insights to address our clients' strategic issues, challenges and opportunities. Since our founding in 1938, we've maintained a passion to drive our clients' success through innovative, integrated research solutions.
 - ORC International delivers tailored and proven research solutions. Notably, ORC International's Public & Civic Services practice has designed and implemented large-scale research efforts to measure demand for existing and new products. Much of this work has been for regulated industries and has been heavily scrutinized by regulatory agencies and legislative bodies.

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Robert Hoban, Managing Partner
303-674-7000 Denver

6. Dr. Joseph DiVerdi, B.S., Ph.D., M.B.A.
 - Colorado State University, Associate Professor, Upper Division Undergraduate Lab Coordinator;
 - Specializes in Nuclear Magnetic Resonance Spectroscopy & Imaging, Solid-State & *in vivo* NMR Spectroscopy, Scientific Instrumentation Design, Biophysical and Physical Chemistry, Science & Technology Education; and,
 - Frequent consultant concerning standardization and testing technologies in Colorado commercial marijuana industry.
7. Bradley Melshenker, B.S.
 - B.S., Ohio State University;
 - Owner/Principal of the Greenest Green, LLC, located in Boulder, Colorado;
 - Contributor to the Boulder County, Colorado strategic marijuana task force;
 - State and Local business licensee; and,
 - Successful commercial marijuana business owner.

II. Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.

Robert T. Hoban
Hoban & Feola, LLC
1626 Wazee Street, Suite 2A
Denver, Colorado 80202
Phone: (303) 674-7000
Fax: (303) 382-4685
Email: Bob@HobanandFeola.com

III. Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)

Robert T. Hoban
Managing Partner
Hoban & Feola, LLC
1626 Wazee Street, Suite 2A
Denver, Colorado 80202
Phone: (303) 674-7000

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303 674.7000 PHONE • 303 382.4685 FAX



ROBERT MICHAEL MOHRING, PARTNER
303-674-7000 PHONE

David C. Feola
Partner
Hoban & Feola, LLC
1626 Wazee Street, Suite 2A
Denver, Colorado 80202
Phone: (303) 674-7000

IV. Location of the facility from which the Proposer would operate.

H&F plans to work primarily from its Denver, Colorado headquarters. However, it is wholly willing to work locally as may be required or requested.

Please note that ORC International Public & Civic Services practice is based in Seattle, WA and as needed work and support services will be provided from that office, or in Olympia as needed.

V. Statement of which of the following Categories Proposer is responding to:

As set forth more fully on the attached Non Cost Proposal "Addendum," H&F proposes that it be the Prime Contractor for all four Categories of inquiry: Category 1 (Product and Industry Knowledge); Category 2 (Product Quality Standards and Testing); Category 3 (Product Usage and Consumption Validation); and, Category 4 (Product Regulation). H&F, and its employees/legal staff will provide the WSLCB with measured expertise and leadership concerning all four Categories. Furthermore, it has assembled a closely knit team of category-specific experienced and highly educated experts to assist the WSLCB in achieving its objectives. H&F's team members all meet the minimum qualifications set forth on the WSLCB Submittal Document, in that they each have at least three (3) years of consulting experience relating to the knowledge of the cannabis industry

VI. Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Proposer's organization. If following a review of this information, it is determined by the WSLCB that a conflict of interest exists, the Proposer may be disqualified from further consideration for the award of a contract.

Not applicable.

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303.674.7000 PHONE • 303.382.4695 FAX



Robert Hoban, Managing Partner
303-674-7000 Phone

Should you have any questions or comments, or should you require any further information, please do not hesitate to contact me. Thank you for your time in advance. We all look forward to the opportunity to serve the State of Washington with honesty, integrity, and pride.

Gratefully yours,

/s/ Robert T. Hoban, Esq.

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NON-COST PROPOSAL ADDENDUM
(WSLCB – RFP K430 INITIATIVE 502 CONSULTING SERVICES)

TO: WSLCB
FR: ROBERT T. HOBAN, ESQ.
RE: RFP K430 RESPONSES
DT: FEBRUARY 11, 2013

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm’s ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:
 - a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
 - b. How Marijuana is infused into food and beverages
 - c. How Marijuana should be packaged, labeled, transported, and sold at retail level
 - d. How wholesale and retail Product should be recalled and accounted for
 - e. How Marijuana should be destroyed if overproduced, contaminated, or recalled

Hoban & Feola, LLC (“H&F”) is a regional Colorado law firm with offices in Colorado Springs and Denver. It is the largest and most experienced commercial cannabis business and regulatory compliance firm in the State of Colorado. Having worked closely with the Colorado General Assembly and the State Medical Marijuana Enforcement Division (“MMED”) in crafting the present legal environment, H&F has the necessary experience concerning product and industry knowledge. In addition, Mr. Hoban previously served as the President of the Cannabis Business Alliance, Colorado’s largest marijuana trade group and has testified as an expert witness concerning product and industry knowledge on various occasions. Finally, and most importantly, H&F works extremely closely with its clients in this burgeoning industry, and H&F’s attorneys have necessarily become intimately familiar with all aspects of a commercial cannabis operation – from seed to sale.

In addition, H&F has teamed up with experienced industry specific experts, such as Joseph Scott Wagner and Bradley Melshenker, to assist it with consulting on certain nuanced issues of marijuana cultivation, harvesting, curing, and processing. Mr. Wagner is a lifetime commercial horticulturist, with recent experience (four years) consulting in the commercial cannabis industry. Mr. Melshenker is an expert in marijuana infusion, packaging, labeling, branding, and transportation. His successful experience as a licensed commercial cannabis business operator for four plus years will provide the WSLCB with direct practical advice and experiences on all of the sub-issues identified above. Furthermore, both Mr. Wagner and Mr. Melshenker have vast

experience with product tracking, destruction, and contamination. Finally, Dr. DiVerdi has expertise on various infusion technologies, and will complement the working group accordingly.

H&F's team members all meet the minimum qualifications set forth on the WSLCB Submittal Document, in that they each have at least three (3) years of consulting experience relating to the knowledge of the Cannabis industry, including but not limited to, product growth, harvesting, packaging, product infusion, and product safety.

With this experience, H&F will be able to provide the WSLCB with:

1. Minimum standards relating to the growth, harvesting, transporting and sale of useable recreational Marijuana;
 2. Minimum standards for Product safety relating to the infusion of Marijuana or Marijuana byproducts in food, beverage, lotions, ointments or other Products to be sold in retail locations; and,
 3. Minimum standards for the tracking and reconciliation of Product grown, sold, and/or destroyed.
2. **Experience.** In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.

This response closely dovetails with the response provided to No. 1 above. As Colorado's largest marijuana business and regulatory law firm, we have had experience in *every* aspect of the commercial cannabis industry -- from seed to sale. Our experience comes from: (i) intimate involvement in the crafting of the Colorado laws and regulations; (ii) law practice in every aspect of the cannabis industry; (iii) research and teaching resources from the University of Denver; (iv) service as Past President of the Colorado Cannabis Business Alliance (Colorado's largest trade/lobby group); (v) service as a District Attorney; and, (vi) hands on experience with business advising in every aspect of our clients' operations in the cannabis industry. Our cannabis industry clients include: marijuana retail centers; cultivation facilities; security services; construction contractors; real estate owners/landlords; disposal crew companies; trim/cure subcontractors; infused products processors; industry software support; and, compliance servicers. Due to the intimate working relationship with its clients, along with the requirement that H&F understand the details of its client's day to day business operations for court proceedings (and the like), H&F has collective product and industry knowledge that is unsurpassed.

In addition, since 2009, Bradley Melshenker has successfully operated a fully compliant licensed commercial cannabis business (retail, cultivation, and infused product production), in which he has navigated through all aspects of the commercial cannabis business and regulatory environment with the assistance of H&F.

Mr. Wagner and Mr. DiVerdi have been hands-on with a number of cannabis business clients throughout the better part of the past four years in Colorado's commercial cannabis industry.

In sum, H&F has assembled a team that will be able to provide consulting services to the WSLCB at a higher level than anyone else due to our first hand cumulative experience for the better part of the past four-six years. Furthermore, our team is extremely proud of its integrity and reputation. H&F's team has vast experience in all aspects of the commercial cannabis industry and can undoubtedly meet the needs of the WSLCB.

3. **Team Structure and Internal Controls.** In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.

Robert T. Hoban, the Managing Partner of H&F will be the primary contact person and de facto head of the organization for this project. Mr. Hoban will be responsible for each and every aspect of the project and will coordinate with each of the subcontractors as needed toward completion of each Category objective. H&F will hire a new Legal Assistant, which will free up current H&F employee, Rachelle Rehse (University of Denver, J.D., 2012), to serve as the Contract Administrator, in conjunction with current H&F employee, Katherine Joy Melvin (University of Colorado, M.P.A., 2010), to ensure appropriate record keeping, scheduling, and strict contract compliance. Bi-weekly meetings will take place to ensure all tasks are being accomplished, and to ensure that all subcontractors are producing expected deliverables. All H&F personnel, including Ms. Davis and Ms. Haynes, will also answer to Mr. Hoban throughout this process. While Mr. Hoban will provide latitude to the identified subcontractors to accomplish the work objectives, Mr. Hoban will ultimately ensure timely work product and communication with the WSLCB. There will be a team for each Category, and a team leader assigned for each Category. A sketch of the lines of authority and team composition is as follows:

Robert T. Hoban			
	/	\	
	Rachelle Rehse	Katherine Joy Melvin	
<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>	<u>Category 4</u>
Robert T. Hoban	Bradley Melshenker	Rebecca Yalch (ORC)*	Robert T. Hoban
Lauren Davis	Dr. Joseph DiVerdi*	Lauren Davis	Lauren Davis*
Laura Haynes*	J. Scott Wagner *	Bradley Melshenker	Laura Haynes
Bradley Melshenker	D.U. Intern	D.U. Intern	Bradley Melshenker
J. Scott Wagner	H&F Staff	H&F Staff	D.U. Intern
Dr. Joseph DiVerdi			H&F Staff
D.U. Intern			
H&F Staff			
* = Category Team Leader, or Co-Leaders			

During the term of this project, H&F will staff the other programs and daily functions of the law firm by assigning Cajardo Lindsey, Esq. to Litigation Manager in order to lead on litigation matters, and Jean E.S. Gonnell, Esq. will be assigned as Transactional/Regulatory Manager. In

addition, H&F will be hiring two additional attorneys with two years of experience to serve on the Litigation and Transactional/Regulatory Teams. These alternative arrangements will afford Mr. Hoban sufficient time to oversee this Project, while maintaining the law firm's substantial practice.

4. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

A. Robert T. Hoban, Esq.:

- Managing Partner at Colorado's largest and most experienced commercial marijuana business team/law firm;
- Professor at the University of Denver, teaching regulatory law and public policy;
- Former President of the Cannabis Business Alliance;
- A member of the Colorado Medical Marijuana Enforcement Division Rules Committee;
- Has litigated every aspect of Colorado's marijuana regulatory framework;
- Has published various articles concerning marijuana law and policy issues;
- Expert witness in marijuana related issues;
- Published author and frequent speaker/lecturer/panelist concerning various commercial marijuana topics; and,
- Was a drafter of Colorado's marijuana regulatory legislation

B. Lauren C. Davis, Esq.:

- Former District Attorney in New York and Colorado;
- Member of Colorado Governor Hickenlooper's strategic marijuana task force;
- Colorado NORML Board Member;
- A member of the Colorado Medical Marijuana Enforcement Division ("MMED") Rules Committee;
- Has litigated every aspect of Colorado's marijuana regulatory framework; and,
- Was a drafter of Colorado's marijuana regulatory legislation

C. Laura Haynes, Esq.:

- Former attorney with Washington, D.C.-based national law firm specializing in regulatory law; and,
- Member of the El Paso County, Colorado strategic marijuana task force

D. Joseph Scott Wagner, B.S.:

- B.S., Horticulture/Botany, Colorado State University, 1980;
- Extensive history with commercial plant production business operations; and,
- Frequent consultant in Colorado's commercial marijuana industry.

- E. Dr. Joseph DiVerdi, B.S., Ph.D., M.B.A.:
- Colorado State University, Associate Professor, Upper Division Undergraduate Lab Coordinator;
 - Specializes in Nuclear Magnetic Resonance Spectroscopy & Imaging, Solid-State & *in vivo* NMR Spectroscopy, Scientific Instrumentation Design, Biophysical and Physical Chemistry, Science & Technology Education; and,
 - Frequent consultant concerning standardization and testing technologies in Colorado commercial marijuana industry.
- F. Bradley Melshenker, B.S.:
- B.S., Ohio State University;
 - Owner/Principal of the Greenest Green, LLC, located in Boulder, Colorado;
 - Contributor to the Boulder County, Colorado strategic marijuana task force;
 - State and Local business licensee; and,
 - Successful commercial marijuana business owner.
- G. Rachelle Rehse, J.D.:
- University of Denver, J.D., 2012
 - Legal Writing Award
- H. Katherine Joy Melvin, M.P.A.:
- University of Colorado, M.P.A., 2010
 - Pi Alpha Alpha
- I. University of Denver (“DU”) Interns:
- DU provides our law firm with one-to-three interns per quarter.
 - H&F will utilize these interns on an as needed basis
- J. H&F Staff:
- Additional H&F staff may be involved in the project, as needed.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Please answer the questions listed below, attaching additional pages as necessary:

5. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm’s ability, capacity, skills and/or expertise in Product Quality Standards and Testing, including but not limited to the following:
- a. Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations
 - b. Assisting the WSLCB with establishing quality standards for testing Marijuana

As set forth above, H&F, and its attorneys have hands on, intimate working knowledge of the commercial cannabis industry, including product quality standards and testing. Moreover, as a business owner/operator, Mr. Melshenker has direct experience with cultivating, trimming, curing, processing, and regulatory compliance concerning the product – marijuana. He has personal knowledge of all aspects of product quality and today’s ever-evolving quality standards,

regulatory labeling requirements, and consumer safety issues. Furthermore, he has constructed, along with expert engineers, ideal cultivation and testing facilities for his business, which are recognized throughout the State of Colorado. Mr. Melshneker also has direct experience in dealing with various commercial testing laboratories, such as Full Spectrum labs and CannaTest.

Dr. DiVerdi is the true expert in this area. His academic background, research, and knowledge involves various forms of cutting edge material quality testing and standardization. His cannabis product quality standardizing and testing experience is broad over the past four-to-six years. He has proposed various forms of product standardization for both infused products and cured cannabis flower products.

Mr. Wagner will compliment these gentlemen with his extensive scientific knowledge of plant cultivation and horticulture, and will also utilize his long held production background to assist in infrastructure development recommendations and other standardization measures. In addition, Mr. Wagner will provide a listing of recommended nutrients and horticultural production enhancers that will be safe for the consumer.

In sum, HUF's team will be able to provide the WSLCB with the following:

1. Minimum standards allowed for testing and confirming Product safety from contaminants;
2. Testing standards for Product testing of THC/CBD levels and ratios for Product offered; and,
3. Labeling standards needed to meet the requirements as defined by law.

6. **Experience.** In two (2) pages or less, please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.

Dr. DiVerdi has decades of high-level academic and practical experience with the various applicable forms of product testing. Furthermore, he has consulted with a number of commercial cannabis industry members of the previous four years concerning testing and product standardization practices. He will head the team described herein in developing the appropriate framework for the WSLCB. Mr. Melshenker and Mr. Wagner will compliment Dr. DiVerdi's work with hands-on practical considerations in light of their respective experiences in Colorado's commercial cannabis industry.

7. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

A. Joseph Scott Wagner, B.S.:

- B.S., Horticulture/Botany, Colorado State University, 1980;
- Extensive history with commercial plant production business operations; and,
- Frequent consultant in Colorado's commercial marijuana industry.

- B. Dr. Joseph DiVerdi, B.S., Ph.D., M.B.A.:
- Colorado State University, Associate Professor, Upper Division Undergraduate Lab Coordinator;
 - Specializes in Nuclear Magnetic Resonance Spectroscopy & Imaging, Solid-State & *in vivo* NMR Spectroscopy, Scientific Instrumentation Design, Biophysical and Physical Chemistry, Science & Technology Education; and,
 - Frequent consultant concerning standardization and testing technologies in Colorado commercial marijuana industry.
- C. Bradley Melshenker, B.S.:
- B.S., Ohio State University;
 - Owner/Principal of the Greenest Green, LLC, located in Boulder, Colorado;
 - Contributor to the Boulder County, Colorado strategic marijuana task force;
 - State and Local business licensee; and,
 - Successful commercial marijuana business owner.
- D. Rachelle Rehse, J.D.:
- University of Denver, J.D., 2012
 - Legal Writing Award
- E. Katherine Joy Melvin, M.P.A.:
- University of Colorado, M.P.A., 2010
 - Pi Alpha Alpha
- F. University of Denver (“DU”) Interns:
- DU provides our law firm with one-to-three interns per quarter.
 - H&F will utilize these interns on an as needed basis
- G. H&F Staff:
- Additional H&F staff may be involved in the project, as needed.

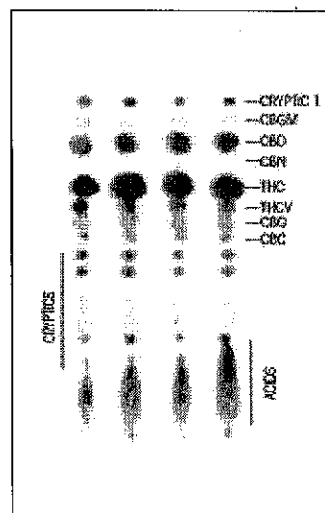
8. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms’ proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminants, and Product strain.

Any effort to standardize the cannabis product must begin with the recognition that there are six prevalent cannabinoids in cannabis - THC, THCV, CBG, CBC, CBN, and CBD, as well as the acidic levels of the neutral cannabinoids such as THCA.¹ Our team is committed to the advancement and legitimization of medical cannabis to create standardized dosage options for patients and educating users about the natural ingredients called cannabinoids. The intent is to

¹ See attached *Chemotypes and Cannabinoid Profile*.

identify and quantify the six main cannabinoids present in cannabis by generating a visual cannabinoid profile of each cannabis strain that will allow consistency and predictability in the product, which will allow individual users to assess its pharmacological and/or potency/effect.

We intend to use High Performance Thin Layer Chromatography (HPTLC) to establish what cannabinoids are present in cannabis. This sort of testing will reveal a complete cannabinoid profile, producing qualitative percentages of THC, THCV, CBG, CBC, CBN, and CBD, as well as the acidic levels of the neutral cannabinoids such as THCA. The test plates (shown below) will create a cannabinoid fingerprint that is unique to each strain and identifies its cannabis chemotype. This will enable standardization and consistency in the marketplace for consumers.



In conducting the foregoing analysis, consumers and the WSLCB will be able to understand potency and other product content issues. This sort of testing will also reveal other production ingredients, such as the nutrients and the horticultural enhancers utilized (E.G., Azamax, SnS244, and Neem Oil). The latter will need to be fully considered for purposes of product labeling and consumer disclosure requirements.

While the foregoing represents the simplest and most direct manner in which to test and standardize the commercial cannabis product, Dr. DiVerdi intends to discuss, examine, and educate the WSLCB on advanced techniques of standardization and quality control through various forms of cutting edge testing technology. These new methods will likely set the standard for all future cannabis standardization and testing, nationwide.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Please answer the questions listed below, attaching additional pages as necessary:

9. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise to estimate Product Usage and Consumption levels by geographic areas in Washington State.

ORC International is a collaborative and consultative research partner to hundreds of organizations around the globe. Headquartered in Princeton, NJ ORC International is a leading global market research firm uniquely able to integrate our people, methods, technology and insights to address our clients' strategic issues, challenges and opportunities. The company is organized by industry expertise and our Public & Civic Services Practice is based in Seattle, WA. ORC International delivers tailored and proven research solutions and specializes in research related to Business & Market Expansion and Product Development & Innovation. Integrated Intelligence (i²), our unique research-based collaborative framework, combines creative methods, talented people with deep domain knowledge and client-centered technology and insights.

Ability, capacity, and skills that are unique and relevant to this research include:

- A research planning and implementation process that ensures our ability to understand the context in which research will be used, the internal measures and pressures under which an agency operates, and the external challenges that represent obstacles to the achievement of the long- and short-term project objectives. Our project management process includes proactive communication, anticipation of obstacles and corrective solutions to successfully achieve project objectives on time and within budget.
- The ability to integrate primary market research and qualitative business research. That is, we can link secondary research, competitive and strategic intelligence, insights from more than 15,000 experts in our *intota* network (www.intota.com), and primary research into a comprehensive research program. Industry knowledge can be supplemented by searching our extensive databases for relevant research on the industry. We have already identified multiple sources of volumetric data from US and international study. Additional relevant research is not available in the public domain but can be obtained through this service. In addition, a preliminary search of our *intota* network identified six experts with expertise in forensic science, medical pharmacology, product safety and testing with experience related to marijuana. Our Strategic Intelligence group has the ability to garner in-depth and unbiased feedback from industry experts
- ORC International places great emphasis on the quality of the data it collects. We have implemented sophisticated quality assurance protocols for all research tasks. We have the capacity to conduct all phases of this research in-house and do not offshore any part of the data collection or reporting process, ensuring the highest-quality data collection, data processing, and reporting efforts, timely delivery of required deliverables, and data security. All work is conducted in compliance with quality procedures as required for ISO 20252 – Market Research standards.
- We offer advanced analytics and modeling capabilities employing traditional and proprietary methods that are applicable to the reliable estimation of product usage and the understanding of the impact of price on product demand. Our capabilities include choice-based methods, segmentation and targeting, pricing/volume analysis, text analysis, and business modeling.

In sum, H&F's team will be able to provide the WSLCB with the following:

1. A report detailing recreational, medical and total Marijuana use in Washington State, by county; and,
2. A projected volume of Marijuana needed on an annual basis to satisfy demand, and establish plant yield and growth volume assumptions needed to keep pricing at or below black market levels.

10. Experience. In two (2) pages or less, please describe your firm's experience in statistical research, specifically related to determining demographic and/or psychographic segmentation, preferably related to the use of Cannabis.

ORC International has extensive experience estimating demand for new and existing products as well as how demand will vary under different conditions. By way of example:

- **U.S. Postal Service:** ORC International has conducted several large-scale forecasting projects for the U.S. Postal Service. The most recent were in support of the Postal Service's proposal to eliminate Saturday mail delivery and a subsequent proposal to modify existing First-Class Mail Service Standards. Both studies looked at the impact on volume of mail if these changes to service were implemented. Because there is no historical data available, primary market research was needed. In conjunction with the Postal Service, ORC International developed and implemented a research design that provided a reliable estimate of the percentage change in mail volume among business and residential customers for each Postal Service product. The Postal Service used these estimates to develop estimates of the impact of the proposed changes on revenue and cost savings.

Results of the research were presented in the form of written and oral testimony to the Postal Regulatory Commission. Rebecca Elmore-Yalch, Managing Director of ORC's Public & Civic Services Practice, provided the original testimony for both studies as well as surrebuttal testimony for the FCM Service Standards research.

A recent follow-up survey measured the demand for a new Postal Service product related to Saturday mail delivery. Choice-based conjoint was used to estimate demand for and resulting revenue for the service at different price points. More than 3,000 telephone interviews were complete for this most recent study with business and residential customers.

- **Washington State Transportation Commission:** In 2007, ORC International designed an executed an extensive research effort on the characteristics of Washington State Ferry customers as required by the Washington State Legislature. A major purpose of this research was to provide an estimate of the demographic and travel characteristics of WSF and to estimate the impact of different pricing and demand management programs on ridership. A reliable measure of fare elasticity was also provided. More than 13,000 WSF customers were surveyed as part of this project.

Results of this research were heavily scrutinized by the Washington State Legislature and other stakeholder groups. Ms. Elmore-Yalch presented results of the research to the House and Senate sub-committees on transportation.

In addition to this work, ORC International has conducted other research designed specifically to provide reliable estimates of product adoption.

- **Broadband Adoption:** To support a national effort to understand and better support the needs of communities under-served by broadband technology, ORC International conducted primary research for the Oregon Public Utility Commission and the Washington DC Office of the Chief Technology Officer to provide a reliable estimate of the rate of broadband technology at the household level. Both studies provided estimates at the aggregate level for the entire region as well as in the case of Oregon, county level, and DC, ward level, estimates. Both studies used a dual-frame (landline and cell phone) sample methodology to ensure representation of all households. More than 4,000 interviews were completed in the State of Oregon and 800 interviews were completed in Washington DC.
- **Residential Building Stock Assessment:** As part of large-scale effort to install energy-efficient devices in selected households, ORC International was asked to conduct two major residential characterization studies in Washington, Oregon, Idaho, and Western Montans. More than 6,000 surveys were completed in a two-month period using a complex sample to provide reliable estimates at the local utility level and for different dwelling types. The results are being used by Northwest Energy Efficiency Alliance (NEEA), Bonneville Power Authority (BPA), and utilities throughout the Northwest to guide future planning efforts and provide a solid base for assessing energy savings on residential programs.
- **Federal Highway Administration:** Based on a comprehensive review of existing research and qualitative research, ORC International designed and implemented study of US residents regarding travel characteristics on federal highways and perceptions of service. More than 2,500 surveys were completed with licensed drivers nationwide. A complex sample design ensured adequate representation of each state. States were invited to participate in the TOP Survey. Participating states used a core questionnaire that contained components of the national survey. In addition, participating states added specific, custom questions. Seven states elected to participate in this comprehensive survey effort, California, Idaho, Michigan, Oklahoma, Oregon, Tennessee, and Virginia. In total, ORC International completed more than 9,000 surveys over a ten week period. Extensive multivariate analysis was being used to identify areas for improvement at the national, regional, and state levels, including use of a unique regression model that clearly identified those aspects of service that have the greatest impact on customer satisfaction.

11. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including

the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Each major account is assigned to a practice Managing Director who acts as the overall account manager and supervises the project from start to finish. Rebecca Elmore-Yalch, Managing Director of ORC International's Public & Civic Services practice will serve in this role.

- Managing Directors have senior-level authority to garner the necessary resources within ORC International and among our subcontractors and are able to instill the level of quality and integrity in the execution of the work to ensure success.
- They offer both issue and industry experience to guide the relevance of the research. These individuals also have substantial experience interacting with executive-level management to effectively convey the relevant insights.
- They have the ultimate internal and external responsibility for ensuring that the study is completed on-time, within the agreed upon budget, and meeting or exceeding the required specifications.

Rebecca has worked on the client side in strategic planning and advertising management and on the supplier side in marketing research and consulting. She developed one of the first marketing plans for mobile (soon-to-be wireless) telecommunications services in the nation.

Rebecca lectured in marketing research and advertising management at the University of Washington and Northwestern University before launching a firm (Northwest Research Group) in 1985, which was one of the 10 largest in the Pacific Northwest when acquired by ORC International. Rebecca has long practiced innovation in serving the public sector while ensuring strict quality and business standards. She has more than 25 years of experience as a researcher and consultant for public policy research and has worked for agencies at the federal, state, and local levels.

Much of Rebecca's work has entailed the application of large-scale telephone surveys and focus groups. She is an expert on sampling and research methods and has been a leader in the use of dual-frame and address-based samples to address the growing prevalence of cell phone only households. She is also an experienced focus group moderator.

She has successfully presented to City Councils, State Legislators, and other legislative bodies and community organizations. Her studies are designed to withstand scrutiny at the highest levels.

Rebecca holds a BA in Journalism and Mass Communications with a concentration in advertising management from the University of Minnesota and an MBA with an emphasis in marketing and statistics from the University of Washington and holds an Expert-Level Professional Research Certification from the Marketing Research Association.

Ms. Elmore-Yalch will draw on resources from throughout the organization to provide the necessary research and operations staff to support the research.

In addition, two members of the team have extensive experience in advanced analytics and modeling, specifically as it applies to demand forecasting and market segmentation. This support is provided via an ongoing partnership with Parametric Marketing LLC, a firm that specializes in advanced analytics and modeling.

Scott Laing leads client services at Parametric. His interest in the business application of data allows Parametric to actively integrate wide-ranging data sources into client engagements. Active in the industry, Scott served as the 2011-2012 President of the Puget Sound Research Forum.

Prior to co-founding Parametric, Scott served as Director of Market Development at WebCriteria (acquired by Coremetrics, now IBM), responsible for defining and implementing partnership and lead generation strategies. In this role, he developed and led over 100 executive workshops to help clients define Marketing program objectives and measurement strategy. Prior to joining WebCriteria, Scott spent eight years with Hewlett-Packard in a variety of analytical Marketing roles at HP's Corvallis, OR, Vancouver, WA and Böblingen, Germany sites.

While at HP, Scott led an investigation of growth opportunities for HP print technologies that resulted in the creation of several business operations. In addition, Scott led influential benchmarking programs to model best practices in consumer segmentation and product customization. Scott earned a B.A. from the University of Pennsylvania and an MBA from Carnegie Mellon University's Tepper School of Business.

Chris Robson leads selection and development of all analysis capabilities at Parametric. Chris has been instrumental in expanding Parametric's "R2R" practice providing complex analytics and methodology support to leading marketing research firms. He is a regular speaker at industry events and serves as President of the Northwest Chapter of the Marketing Research Association. Prior to co-founding Parametric, Chris was Vice President of Engineering for WebCriteria, Inc. (acquired by Coremetrics, Inc.), and was responsible for the development of Site Analyst, described by Forrester as "a smart – and unique – choice for Web Managers struggling to define success metrics."

Prior to that, he spent thirteen years with Hewlett-Packard in a variety of senior management roles in R&D, Marketing, Business Development and Advanced Research. He started his career as a mathematician building complex statistical models of radar systems. Chris is a native of England and holds an honors degree in Mathematics from Brunel University of West London. Chris Robson and Scott Laing provided advanced analytics support for ORC International's work for the Postal Service on the current Network Optimization and First Class Mail Services Standards project as well as other work including work for Sacramento Municipal Utility District (SMUD), Southern California Edison, Pierce Transit, City of Fort Worth, TX and others.

12. Approach and Methodology. In two (2) pages or less, please provide a complete description of your firm's proposed approach and methodology to be used for Product Usage and Consumption validation as requested in this RFP, to estimate demographic and psychographic segmentation, specifically related to the use of Cannabis.

Study Objectives: The State requires reliable estimates of likely product usage (overall and by form) at different price points. Results will be used to determine the number of licensed growers and retail distributors would be required to meet product demand as well as the potential tax revenues that would accrue to the state. Reliable estimates are needed by geographic regions across the state (county-level, large metro, small metro, rural, etc.).

Overall Approach: We propose a statewide telephone survey using a dual-frame (landline and cell phone) sample. Telephone surveys, when conducted appropriately, continue to provide the most reliable and valid methodology to reach a probability sample of the population which then allows us to project the results of the research to the general population of interest with known confidence intervals.

We propose a statewide sample of 3,500 individuals, 21 years of age and older. Sample will be stratified so that a minimum of 25 interviews will be completed in each county. In larger counties, the sample size will be roughly proportionate to the population within the county.

According to the most recent estimates, 38% of Washington households are wireless only households. In an effort to balance the need to represent these households but also to address the additional cost of surveying these households (due to the inefficiencies in the sample as well as regulations which prohibit the use of dialer systems), we recommend completing a minimum of 30% of the interviews using an RDD cell phone sample. The balance will use an RDD landline sample which ensures the inclusion of both listed and unlisted telephone households.

In households with more than one adult 21 years of age and older, we will develop a protocol to randomly select the individual to be surveyed.

Strict dialing protocols will be used to maximize response rates. These will include up to 7 attempts to landline numbers and 3 attempts to the cell phone sample. In those instances where a qualified respondent has been identified, additional attempts are made. Moreover, at least one attempt is made to reach those who initially refused to complete the survey. We are happy to discuss other strategies that we use to ensure high response rates.

Questionnaire Development: Because this type of research has never been done before careful attention must be paid to the development of the survey. Questions must be carefully worded so that social desirability bias is avoided and the appropriate terminology is used so that survey respondents who would potentially purchase marijuana in some form but are not familiar with the industry parlance can provide responses.

We propose using qualitative research and cognitive testing to ensure that the survey leads to unbiased estimates. The primary purpose of cognitive testing is to investigate how well questions perform when asked of survey respondents, that is, if respondents understand the question correctly and if they can provide accurate answers. Cognitive testing insures that a survey question successfully captures the scientific intent of the question and, at the same time, makes sense to respondents. Cognitive testing is performed by conducting in-depth, semi-structured interviews with a small number of respondents similar to those targeted in the survey. The interviews are designed to elicit respondents' thought processes when answering the tested

question, specifically, how they understood a question and how they arrived at their answer. Data from cognitive interviews are qualitative, and analysis of those interviews can indicate the sources of potential response error as well as various interpretations of the question. By conducting a comparative analysis of cognitive interviews, it is possible to identify patterns of error and patterns of interpretation across groups of people. This type of analysis is especially useful when examining the comparability of measures, for example, between social classes. We propose conducting 60 to 70 depth interviews in four selected communities across the state.

We also propose a traditional pretest (n = 75) of the final survey questionnaire to confirm study incidence, length, sampling, programming quality, etc. Our estimate is based on a final survey questionnaire that averages no more than 15 minutes in length.

Demand estimation: In order to estimate demand we propose a two-phase methodology, where we first identify affinity with the products and overall likelihood to consume, followed by a choice exercise where we determine preferences for the form of consumption and price sensitivity. The general shape of these phases will be as follows:

- Phase 1: Acceptance and affinity
 - Read respondents a description of the concept – i.e., cannabis will be sold through licensed retailers in different forms
 - Determine overall probability of using regardless of price
- Phase 2: Preference and price sensitivity (asked if acceptance in Phase 1 meets threshold)
 - Uses a Choice-Based Conjoint design
 - Attributes cover form, packaging and price
 - Design must be streamlined to facilitate administering by phone
 - Design type may be choice or volumetric (this will be decided during full exercise design phase)

Results from the Conjoint will be analyzed using Hierarchical Bayes or Logit techniques to determine product/packaging mix and price sensitivity. We will then use likelihood to purchase and volume estimates from other survey sections to produce projections of demand based on different levels of price and availability.

CATEGORY 4 – PRODUCT REGULATION

Please answer the questions listed below, attaching additional pages as necessary:

13. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise in Product Regulation, including but not limited to, the following:
- a. Experience with State, local or Federal government processes and procedures
 - b. Experience in crafting system regulations

As previously stated, H&F has substantial experience in the crafting of legislation, rules, trade practices, and local licensing authority rules regarding the sale and distribution of commercial cannabis. In addition, H&F has extensive experience with working with (and against) the Local and State licensing authorities in the administration, creation, and enforcement of the industry regulatory framework in Colorado. Colorado's cannabis regulatory framework includes a dual licensing system, like that of most liquor, gambling, and/or pharmaceutical licensing systems.

This system creates multiple layers of consideration, rulemaking, and approval. In recent months, H&F has been involved in the revisionary process of the current medicinal cannabis code in Colorado.²

Also, H&F has extensive experience working through the federal process and treatment of medical marijuana and the Federal Controlled Substances Act (e.g., forfeiture issues, the Drug Free School Zone Act, federal preemption/federalism issues, and political momentum/activity).

Furthermore, as part of its practice, H&F has represented numerous liquor distribution and night club entities with substantial regulatory oversight. Also, H&F represents a number of licensed professionals, who fall under the extensive regulatory framework imposed by the Colorado Division of Regulatory Agencies (“DORA”). This experience and representation has provided H&F with a genuine understanding of the necessary regulatory framework for the commercial cannabis industry to comply, be constrained (within reasonable limitations), and to thrive with the necessary regulatory oversight.

The creation, organic establishment, and study of various regulatory frameworks are a regular focal point of Mr. Hoban’s Regulatory Law and Policy courses at the University of Denver. And Mr. Hoban will have a number of research assistants available to gather information in this regard, as necessary.

14. Experience. In two (2) pages or less, please describe your firm’s experience in working within the confines of a regulatory system, and experience in creating and/or modifying rule, law, ordinance, and/or guidelines.

As discussed throughout this *Addendum*, multiple team members have had extensive experience working with the Colorado State and Local licensing authorities, as well as the Colorado General Assembly in crafting regulations for the commercial cannabis industry. Specifically, H&F has been intimately involved in the crafting of House Bill 1284, House Bill 1043, and all Department of Revenue/MMED Regulations flowing therefrom. In addition, H&F has worked with the Local licensing authorities in the crafting of their individual local rules in multiple cases.

K. Robert T. Hoban, Esq.:

- Managing Partner at Colorado’s largest and most experienced commercial marijuana business team/law firm;
- Professor at the University of Denver, teaching regulatory law and public policy;
- Former President of the Cannabis Business Alliance;
- A member of the Colorado Medical Marijuana Enforcement Division Rules Committee;
- Has litigated every aspect of Colorado’s marijuana regulatory framework;
- Has published various articles concerning marijuana law and policy issues;
- Expert witness in marijuana related issues;
- Published author and frequent speaker/lecturer/panelist concerning various commercial marijuana topics; and,

² See attached proposed MMED *Rulemaking Overview and Proposed Timeline*.

- Was a drafter of Colorado’s marijuana regulatory legislation

L. Lauren C. Davis, Esq.:

- Former District Attorney in New York and Colorado;
- Member of Colorado Governor Hickenlooper’s strategic marijuana task force;
- Colorado NORML Board Member;
- A member of the Colorado Medical Marijuana Enforcement Division (“MMED”) Rules Committee;
- Has litigated every aspect of Colorado’s marijuana regulatory framework; and,
- Was a drafter of Colorado’s marijuana regulatory legislation

M. Laura Haynes, Esq.:

- Former attorney with Washington, D.C.-based national law firm specializing in regulatory law; and,
- Member of the El Paso County, Colorado strategic marijuana task force

N. Bradley Melshenker, B.S.:

- B.S., Ohio State University;
- Owner/Principal of the Greenest Green, LLC, located in Boulder, Colorado;
- Contributor to the Boulder County, Colorado strategic marijuana task force;
- State and Local business licensee; and,
- Successful commercial marijuana business owner.

O. Rachelle Rehse, J.D.:

- University of Denver, J.D., 2012
- Legal Writing Award

P. Katherine Joy Melvin, M.P.A.:

- University of Colorado, M.P.A., 2010
- Pi Alpha Alpha

Q. University of Denver (“DU”) Interns:

- DU provides our law firm with one-to-three interns per quarter.
- H&F will utilize these interns on an as needed basis

R. H&F Staff:

- Additional H&F staff may be involved in the project, as needed.

15. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals’ particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Team qualifications have been addressed in multiple places throughout this document, and are expressly incorporated here as well. In addition, it is important to note that H&F has litigated all significant appeals involving the commercial cannabis industry before the Colorado Court of Appeals (*Giuliani v. Jefferson County*; *Frasher v. Centennial*; *I&S, LLC v. Littleton*). Furthermore, H&F has been involved in dozens of commercial cannabis industry business disputes and regulatory actions. Through these experiences, H&F can pinpoint the normal sources of conflict and enforcement, and will be able to provide advice to the WSLCB that is unparalleled. This will translate into a comprehensive regulatory framework.

The team structure is as follows. A summary of each team member's relevant experience is found above, in response to Question No. 14. Furthermore, all team member detailed qualifications are attached to this *Addendum*.

Robert T. Hoban			
	/	\	
	Rachelle Rehse	Katherine Joy Melvin	
<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>	<u>Category 4</u>
Robert T. Hoban	Bradley Melshenker	Rebecca Yalch (ORC)*	Robert T. Hoban
Lauren Davis	Dr. Joseph DiVerdi*	Lauren Davis	Lauren Davis*
Laura Haynes*	J. Scott Wagner *	Bradley Melshenker	Laura Haynes
Bradley Melshenker	D.U. Intern	D.U. Intern	Bradley Melshenker
J. Scott Wagner	H&F Staff	H&F Staff	D.U. Intern
Dr. Joseph DiVerdi			H&F Staff
D.U. Intern			
H&F Staff			
* = Category Team Leader, or Co-Leaders			

16. Approach and Methodology. In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB with developing rules and a regulation strategy for the state of Washington's new Marijuana System.

Having been involved in all aspects of the creation of Colorado's commercial cannabis industry, H&F proposes a similar roadmap.

First, it will be important to assess the nuances of the I-502 language to see if there are any recommended statutory items that the Washington Legislature could/should consider.

Second, H&F will endeavor to create the State Rules Framework. Numerous policy issues need to be discussed in order to structure a responsive and effective regulatory environment. Some of the areas for substantial discussion and input involve: industrial hemp regulation; on site consumption/clubs; diversion safeguards; public/private regulatory balance; distance requirements; standardization; and endorsement of a self regulatory model for industry trade associations, etc. Outside of those significant discussions and decisions, the following represents

the recommended fundamental rules framework that the WSLCB should oversee and implement following a public process that addresses the following detailed areas:

A. General Rules and Regulations	
i.	Compliance
ii.	Engaging in Business
iii.	Cultivation License
iv.	Prohibited Activity
v.	Infused Products
vi.	Duty to Report Offenses
B. Enforcement	
i.	Registration of a Retail Center
ii.	Retail Center Inventory
iii.	Approved Handling Procedures
iv.	Purchase and Sale Restrictions
C. Violations	
i.	Complaints Against Licensees
ii.	License Suspension/Revocation
D. Duties of Officers and Employees of the WSLCB	
i.	Investigators and Supervisors
ii.	Powers and Authority
E. Instructions - Local Auth./Law Enforcement	
F. Inspections, Investigations, Searches and Seizures	
G. Range of Penalties	
i.	Penalty Schedule
H. Unfair and Prohibited Practices	
i.	Advertising Practices
ii.	Marijuana Center Sales
I. Informational and Product Displays	
J. Identification Card and Background Checks	
i.	Occupational Licenses Required
K. State Licensees	
i.	General Disclosure Requirements
ii.	Unlawful Financial Assistance

iii.	Transfer/Changes of Ownership
L. Security Requirements	
i.	Limited Access Area
ii.	Display of License Required
iii.	Security Alarm Systems
iv.	Lock Standards
M. Storage and Transportation	
i.	General Provisions for Storage
ii.	Storage-Warehouse Storage Permit
iii.	General Provisions - Transportation
N. Sanitary Requirements	
i.	Physical premises
ii.	Marijuana Infused Products
iii.	Waste Disposal
O. Verifying a Sale	
i.	Acceptable Identification
P. Labeling Standards	
i.	Product Labeling, Substitution
ii.	Sampling and Analysis
Q. Record Retention by Licensee and Access	
R. State Licensing Procedures	
i.	Initial Licenses
ii.	Application – General Provisions
iii.	Changes
iv.	Renewals
v.	Reinstatements
vi.	Licensing Fees
S. Sales Tax	
i.	Reporting of Tax Payments
ii.	Access to Licensing Information
T. Administrative Citations	
i.	Violation List/Penalty Schedule

Third, the above-referenced rulemaking process must contemplate a default system of local rules for local authorities that do not have the time or resources to implement their own independent rule framework in a dual licensing system. In addition, the WSLCB must contemplate recommended resources and/or considerations for those local authorities that choose to implement their own detailed local regulatory schemes.

In sum, H&F will, at a minimum, be able to assist the WSLCB by:

1. Conducting stakeholder focus groups for discussion and determination of best practice relating to the growth, harvesting, distribution, product infusion and sale of useable recreational Marijuana; and,,
2. Providing written independent third party assumptions, recommendations and oversight following guidelines established by the open government act.



Scott Laing co-founded Parametric in 2003 and leads the firm's business and financial analysis activities. Scott has over 15 years of experience in all areas of marketing with a particular emphasis on the application of analytical marketing methods to address client financial questions. Recent projects include:

- Transit tax measure voter acceptance analysis (in conjunction with lead firm ORC International) (2010)
- Pricing and revenue analysis for Washington State Ferries (in conjunction with lead firms ORC International and Market Decisions Corp.) (2008, 2010)
- Community profiling and segmentation for Southwest Washington community bank (2010)
- Customer panel development and profiling for specialty electronics manufacturer (2009)
- Community profiling and segmentation for Southwest Washington healthcare provider (2008)
- Customer valuation study to evaluate viability of expansion of technology services business for major PC manufacturer (2008)

Scott is a recognized leader in marketing research. He has been awarded Expert-level Professional Researcher Certification (PRC) by the Marketing Research Association (MRA). Scott also serves on the Board of the Puget Sound Research Forum (PSRF) as its President. In addition, Scott speaks regularly to research audiences and trains clients in selection of methods and research design. Recent public talks include:

- *Marketing Forensics: Understanding What Your Data is Really Saying* (Institute for International Research "Return on Marketing Investment" Conference, 2004)
- *From Data to Dollars: Presenting Research Results in the Language of Business* (Puget Sound Research Forum luncheon, 2008)
- *Not Drowning, but Waving: Learning to Swim in the Ocean of "Found" Data* (MRA Northwest Chapter Spring educational conference, 2009)
- *Beyond the Report: Expanding the Life of Research through Interactive Deliverables* (MRA Joint Chapter Conference, Las Vegas, 2010)
- Panelist, *Outside Our Box: Marketing Experts Weigh in on Energy Efficiency* (NEEA Efficiency Connections Northwest, 2010)

Prior Work History

Director, Market Development

WebCriteria, Inc., a premier provider of Web analytics software and services, Portland, OR, 2001 - 2003

Strategic Business Consultant & Product Marketing Manager

Hewlett-Packard Company, Vancouver, WA, 1998 - 2001

Business Segment Manager

Hewlett-Packard Company, Corvallis, OR and Böblingen, Germany, 1997 - 1998

Sales Developer & Product Manager

Hewlett-Packard Company, Corvallis, OR, 1994 - 1997

Education

Carnegie Mellon University, Tepper School of Business, Pittsburgh, PA

Master of Science in Industrial Administration (MBA), May 1994

Concentrations in Finance and Marketing

University of Pennsylvania, College of Arts and Sciences, Philadelphia, PA

Bachelor of Arts in History, June 1988



Chris Robson co-founded Parametric in 2003 and leads the selection and development of all analysis capabilities, as well as the development of our extensive custom tools. He is a seasoned executive with 20+ years of wide-ranging experience in both marketing and technology. Recent projects include:

- Parking demand/pricing assessment for WA public sector client (in conjunction with lead firm Gilmore Research Group) (2011)
- Segmentation and database targeting study for major CA health insurance (in conjunction with lead firm Opinion Research Corporation) (2010)
- Pricing and revenue analysis for Washington State Ferries (in conjunction with lead firm Opinion Research Corporation and Market Decisions Corp.) (2008, 2010)
- Development of high-volume text mining tools and application on large text databases for major software vendor (2009)
- Design and implementation of a major global feature optimization conjoint, including the development of enduser simulation tools (2007) *Initially for a Japanese electronics manufacturer, the tools have now been adapted and used with many business and government clients*
- New feature prioritization using MaxDiff, including development of proprietary optimization tools for technology provider (2008)

Chris is a recognized leader in marketing research. He has been awarded Expert-level Professional Researcher Certification (PRC) by the Marketing Research Association (MRA). Chris also serves on the Board of the Northwest Chapter of the MRA and as its President-elect. He speaks regularly to broad research audiences, in addition to leading practitioner workshops. Recent public talks include:

- *Overcoming Issues in ROMI Measurement* (AMA Portland Chapter luncheon, 2004)
- *Simulating Customer Ownership of Durable Goods* (INFORMS/Winter Simulation Joint Conference, 2005)
- *Strategies for Maximizing Value through Pricing Research* (MRA Northwest Chapter Spring educational conference, 2008)
- *From Data to Dollars: Presenting Research Results in the Language of Business* (Puget Sound Research Forum luncheon, 2008)
- *Not Drowning, but Waving: Learning to Swim in the Ocean of "Found" Data* (MRA Northwest Chapter Spring educational conference, 2009)
- *Reinventing Research: Meeting New Industry Challenges* (MRA Northwest Chapter Spring educational conference, 2010)

Prior Work History

Vice President, Engineering

WebCriteria, Inc., a premier provider of Web analytics software and services, Portland, OR, 2000 - 2001

R&D Manager, Hewlett Packard, 1987 – 2000

- R&D Manager for HP's Commercial Print Services (70+ global employees and \$10M+ budget responsibility)
- Future Product Marketing Manager for Internet Print Services and Consumer Appliances
- Research Department Manager for Mobile and Distributed Systems (in HPLabs, Bristol UK)

Senior Engineer (Mathematician), Plessey Radar, 1984 – 1987

Education

Brunel University of West London: BSc Hons, Mathematics

1980 – 1984

Rebecca Elmore-Yalch

Summary

Rebecca Elmore-Yalch has worked in marketing research and strategic planning for more than 25 years. She is a respected leader in public policy research and has managed ORC International's Public and Civic Services Practice since 2007.

Ms. Elmore-Yalch has been and remains in the forefront of developing and implementing new research methods and technologies and actively seeks out new ways to conduct research. She constantly challenges assumptions and strives to get clients to think out of the box when it comes to research design, implementation, and analysis. Her work has withstood scrutiny by regulatory agencies and the government.

Rebecca is a trained focus group moderator and developed one of the first online asynchronous qualitative research platforms.

Education

M.B.A., University of Washington, 1978, Marketing and Statistics

B.A., Journalism and Mass Communications, University of Minnesota, 1976, Advertising Management
Expert-Level Professional Research Certification from the Marketing Research Association

Experience

ORC International 2007-Present

Managing Director, Public & Civic Services Practice

Ms. Elmore-Yalch joined ORC International when they acquired her company, Northwest Research Group. When ORC International acquired Northwest Research Group in 2007, Ms. Elmore-Yalch had grown the company to be one of the top five research firms in the Pacific Northwest.

Ms. Elmore-Yalch currently manages ORC International's Public and Civic Services Practice and is responsible for overall management of the practice as well as general oversight of all public services project. Since that time her focus has been on growing ORC International's public policy research practice.

Ms. Elmore-Yalch is a respected leader in public policy research and works with federal and state agencies as well as local and municipal governments. She works specifically in five primary sectors:

- **Federal / State Governments:** U.S. Postal Service, State of Washington, State of Oregon (Oregon Progress Board)
- **Transportation:** King County Metro, Sound Transit, Pierce Transit, Chicago Transit Authority, Amtrak, and Washington State Ferries
- **Public Health:** State of Idaho Department of Health and Welfare, State of Nevada Department of Health and Welfare, Community Health Plan of Washington

Rebecca Elmore-Yalch
ORC International Public & Civic Services
600 University Street, Suite 2704
Seattle, WA 98101

- **Utilities:** Oregon Public Utility Commission, Southern California Edison, Northwest Energy Efficiency Alliance (NEEA), Sacramento Municipal Utility District (SMUD), Seattle Public Utilities
- **Municipal Governments:** Bellevue WA, Boise and Meridian ID, Fort Worth TX, Cedar Rapids IA, Elgin IL, Fort Worth, TX

Ms. Elmore-Yalch's work has run the gamut of complex quantitative and qualitative research. Most of her work has entailed the application of large-scale telephone surveys and focus groups. More recently, she has been advancing the use of address-based sampling methods using a mixed mode of data collection and in other cases the use of dual-frame samples to address the increasing prevalence of cell phone households. She has testified as to the validity of the research methods used and reliability of results in front of the Postal Regulatory Commission, the Oregon Progress Board, and other legislative bodies.

Northwest Research Group 1985-2007

Ms. Elmore-Yalch started Northwest Research Group, a small consulting firm providing support for research design and statistical analysis, in 1985. She provided support for the initial design of a complex research study and was often called in to fix a problem study. In particular, she worked with clients in the management of complex data sets, sampling statistics and weighting, and analysis. In 1989, Ms. Elmore-Yalch expanded the company by opening one of the first computer-assisted telephone interviewing (CATI) centers. Her company was a beta site for Sawtooth Software's Ciz CATI system, one of the first of its kind in the country. Her first full-service client was Seattle City Light for whom she designed their first customer survey that looked at the value of customer services, using the voice of the customer as the reference point.

Northwest Research Group worked with public agencies nationwide such as King County Metro, Sound Transit, Chicago Transit Authority, New York MTA, Amtrak as well as many of the rapidly growing companies based in the Northwest such as Starbucks, Coinstar, Classmates.com, Expedia, and T-Mobile. Most work focused on customer strategies and made use of new methods as they developed: Northwest Research Group was one of the first companies to use conjoint analysis to develop a pricing strategy for wireless telephone service as it moved from the analog to digital age.

Over the years, Ms. Elmore-Yalch developed several proprietary products and methods including, CSMPactor®, a unique tool for customer satisfaction research that identifies key problems with the customer experience and their impact on customer satisfaction and loyalty, CityMARKS™ a program for monitoring and benchmarking local government performance, IDetailing™ one of the first online asynchronous bulletin board tools for qualitative research, and SoundStats™, a multi-state telephone omnibus survey serving the Northwest.

University of Washington, 1980 - 1981, 1982 - 1985

Ms. Elmore-Yalch was a lecturer at the University of Washington teaching undergraduate courses in advertising management and marketing research. In addition, she taught several continuing education and professional management courses including marketing research for business professionals and several courses to introduce research business practices to visiting Korean and Japanese business leaders.

Rebecca Elmore-Yalch
ORC International Public & Civic Services
600 University Street, Suite 2704
Seattle, WA 98101

Northwestern University, 1981 – 1982

Ms. Elmore-Yalch was a visiting lecturer at Northwestern University during the 1981 to 1982 academic year where she taught an undergraduate course in advertising management at their downtown Chicago campus.

Pacific Northwest Bell, 1978 - 1979

Upon graduating from university, Ms. Elmore-Yalch started her career as a Project Manager for Pacific Northwest Bell. At that time, she developed one of the first marketing plans for mobile (soon-to-be wireless) telecommunications services in the nation.

Professional Memberships

Transportation Research Board

Puget Sound Research Forum (Founding Member)

Marketing and Communications Subcommittee, American Public Transit Association (APTA)

Transportation, Infrastructure, and Logistics Committee of the U.S. Chamber of Commerce

Honors and Awards

Woman Business Owner of the Year for the Boise Area and Southern Idaho Chapter of the National Association of Women Business Owners (NAWBO) 2006

Inc. Magazine Web Awards, Web Portal allowing clients 24/7 access to their research, 2000

Publications, Presentations, Expert Testimony

U.S. Postal Service (2012): Postal Regulatory Commission Docket N-2012-1, Mail Processing Network Rationalization Service Changes, 2012

White Paper (2012) Benchmarking Public Services & Facilities: A Tale of Three Cities, The Value of a Robust Composite Index

White Paper (2012): "Random Digit Dialing" No Longer Is Obtaining Representative Samples via Dual-Mode Address-Based Sampling

U.S. Postal Service (2010): Postal Regulatory Commission Docket N-2010-1, Six to Five-Day Carrier Delivery and Related Service Changes

Transportation Research Board, Report 37: TCRP Project B-2: Integrating Market Research into Transit Decision-Making

Transportation Research Board, Report 36: TCRP Project B-9: Using Market Segmentation to Increase Transit Ridership

Yalch, Richard and Elmore-Yalch, Rebecca (1984), "The Effects of Numbers on the Route to Persuasion," *Journal of Consumer Research*, 11 (June), 522-7.

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to **lbbids@liq.wa.gov**.
- Clearly mark the subject line of the email: RFP- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the **lbbids@liq.wa.gov** inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

Proposer's Authorized Offer (see page 2)	<input checked="" type="checkbox"/>
Proposer Information (see page 3)	<input checked="" type="checkbox"/>
Subcontractor Information (see page 4)	<input checked="" type="checkbox"/>
Letter of Submittal (see page 5)	<input checked="" type="checkbox"/>
Non-Cost Proposal (see page 6)	<input checked="" type="checkbox"/>
Cost Proposal (see page 8)	<input checked="" type="checkbox"/>

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.

8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

/s/ Robert T. Hoban (original signature on file

Hoban & Feola, LLC

Proposer Signature
 Managing Partner
 Title

Company Name
 2/14/13
 Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name	Hoban & Feola, LLC
Street Address	1626 Wazee Street, Suite 2A
City, State, Zip	Denver, Colorado 80202
Federal Tax ID Number	PersonallInfo
UBI	
Website URL	www.hobanandfeola.com

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name:	Robert T. Hoban
Telephone:	303.674.7000
Email:	BOB@HOBANANDFEOLA.COM

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount 8 % 45 days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input checked="" type="checkbox"/>
1	Product and Industry Knowledge	<input checked="" type="checkbox"/>
2	Product Quality Standards and Testing	<input checked="" type="checkbox"/>
3	Product Usage and Consumption Validation	<input checked="" type="checkbox"/>
4	Product Regulation	<input checked="" type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1	Subcontractor 2
Name: <u>ORC International</u>	Name: <u>Joseph Scott Wagner</u>
Services: <u>global market research</u>	Services: <u>horticulture, product growth, harvesting, packaging, product infusion, and product safety; cannabis testing</u>
Address: <u>600 University Street Suite 2704 Seattle, WA 98101-4151</u>	Address: <u>15165 Washington Street Broomfield, Colorado 80023</u>
Telephone: <u>206-624-6465</u>	Telephone: <u>303.944.4600</u>
Email: <u>Becky.Yalch@ORCInternational.com</u>	Email: <u>scott@waterscapesinc.com</u>
Fed ID: _____	Fed ID: PersonalInfo _____
UBI: _____	UBI: _____
Work to be Performed: <u>Category 3 - demand forecasting work; estimation of product usage and consumption levels by geographic areas in Washington State</u>	Work to be Performed: <u>Category 1 - product growth, harvesting, packaging, product infusion, and product safety Category 2 – Cannabis testing</u>
OMWBE certified: <u>___</u> Yes <u>x</u> No	OMWBE certified: <u>___</u> Yes <u>x</u> No

Subcontractor 3Name: XTR Systems, LLC
Joseph DiVerdi

Services: Testing and consulting regarding: Nuclear Magnetic Resonance Spectroscopy & Imaging, Spectroscopy, Scientific Instrumentation Design, Biophysical and Physical Chemistry, and Science & Technology Education

Address: Colorado State University
Department of Chemistry – C312
Fort Collins, Colorado
80521

Telephone: 970-491-1761

Email: diverdi@xtrsystems.com

Fed ID: **PersonalInfo**

UBI:

Work to be Performed: Category 1 - Consulting regarding: product growth and processing; and, how Marijuana is infused into food and beverages.

Category 2 - Consulting regarding: knowledge of the infrastructure required to test Marijuana to ensure the following; product quality, content, and ingredients; consumer safety; establishment of quality standards for testing; establishment and implementation of industry testing standards and practices; and, knowledge on methods to safely process product.

OMWBE certified: Yes No**Subcontractor 4**

Name: Bradley Melshenker

Services: Consultation regarding the establishment of various Category 1 and 2 items set forth below.

Address: 5290 Arapahoe Avenue
Suite J
Boulder, Colorado 80303

Telephone: 310-717-4490

Email: bmelshenker@gmail.com

Fed ID: **PersonalInfo**

UBI:

Work to be Performed: Category 1 - Consulting regarding: how Marijuana is grown, cultivated, harvested, cured, and processed; how Marijuana is infused into food and beverages; how Marijuana should be packaged, labeled, transported, and sold at retail level; how wholesale and retail product should be recalled and accounted for; and, how Marijuana should be destroyed.

Category 2 - Consulting regarding: the expert knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients, and consumer safety; the establishment of Industry testing standards and practices; and, methods to safely process product.

OMWBE certified: Yes No

LETTER OF SUBMITTAL

The Proposer's Letter of Submittal must be signed by the individual within the organization authorized to bind the bidder to the offer. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Proposer and any proposed subcontractors:

- Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.
- Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)
- Location of the facility from which the Proposer would operate.
- Statement of which of the following Categories Proposer is responding to:
 - Category 1: Product and Industry Knowledge
 - Category 2: Product Quality Standards and Testing
 - Category 3: Product Usage and Consumption Validation
 - Category 4: Product Regulation
- Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Proposer's organization. If following a review of this information, it is determined by the WSLCB that a conflict of interest exists, the Proposer may be disqualified from further consideration for the award of a contract.

NON-COST PROPOSAL

Please refrain from using company name or other information that will identify your company while preparing your response for the Non-Cost Submittal. The Washington State Liquor Control Board (WSLCB) reserves the right to modify proposals in order to eliminate company names or any other information that may identify a specific company brand.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:
 - a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
 - b. How Marijuana is infused into food and beverages
 - c. How Marijuana should be packaged, labeled, transported, and sold at retail level
 - d. How wholesale and retail Product should be recalled and accounted for
 - e. How Marijuana should be destroyed if overproduced, contaminated, or recalled
2. **Experience.** In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.
3. **Team Structure and Internal Controls.** In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.
4. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Please answer the questions listed below, attaching additional pages as necessary:

5. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or expertise in Product Quality Standards and Testing, including but not limited to the following:
 - a. Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations
 - b. Assisting the WSLCB with establishing quality standards for testing Marijuana
6. **Experience.** In two (2) pages or less, please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.
7. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
8. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminants, and Product strain.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Please answer the questions listed below, attaching additional pages as necessary:

9. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise to estimate Product Usage and Consumption levels by geographic areas in Washington State.
10. **Experience.** In two (2) pages or less, please describe your firm's experience in statistical research, specifically related to determining demographic and/or psychographic segmentation, preferably related to the use of Cannabis.
11. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
12. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firm's proposed approach and methodology to be used for Product Usage and Consumption validation as requested in this RFP, to estimate demographic and psychographic segmentation, specifically related to the use of Cannabis.

CATEGORY 4 – PRODUCT REGULATION

Please answer the questions listed below, attaching additional pages as necessary:

13. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise in Product Regulation, including but not limited to, the following:
 - a. Experience with State, local or Federal government processes and procedures
 - b. Experience in crafting system regulations
14. **Experience.** In two (2) pages or less, please describe your firm's experience in working within the confines of a regulatory system, and experience in creating and/or modifying rule, law, ordinance, and/or guidelines.
15. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
16. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB with developing rules and a regulation strategy for the state of Washington's new Marijuana System.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ <u>165.00</u> p/hour

Please note that this is a blended rate across the four Category Areas, and involves consideration of professional services and administrative services. A detailed can be provided across Categories and by personnel involved upon request.

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ _____ p/day

ROBERT ("BOB") THOMAS HOBAN

31834 Ponderosa Way
bobhoban@comcast.net

Evergreen, Colorado 80439
303.960.8849

EDUCATION

- UNIVERSITY OF COLORADO, GRADUATE SCHOOL OF PUBLIC AFFAIRS, Ph.D., ABD, 2007
- UNIVERSITY OF WYOMING, COLLEGE OF LAW, JD, 2001
- RUTGERS UNIVERSITY, BS, 1997

PROFESSIONAL EXPERIENCE

- HOBAN & FEOLA, LLC: 2009-Present, Denver and Colorado Springs, Colorado, *Managing Partner*. [www.hobanandfeola.com]
- WAUNITA POWER COMPANY: 2008-Present, Gunnison, Colorado, *Vice President/General Counsel*. [www.waunitapower.com]
- MARTIN, LUBITZ AND HYMAN, LLC: 2008-2009, Denver, Colorado, *Of Counsel*.
- FRANK & FINGER, P.C.: 2006-2008, Evergreen, Colorado, *Partner*.
- HALE FRIESEN, LLP: 2003-2006, Denver, Colorado, *Associate Attorney*.
- U.S. DISTRICT COURT (Hon. W. Beaman): 2002, *Law Clerk*.
- COLORADO DISTRICT COURT (Hon. J. Berryhill): 2001, *Law Clerk*.

PROFESSIONAL TEACHING EXPERIENCE

- UNIVERSITY OF DENVER: 2011-Present, Denver, CO, *Adjunct Professor/Lecturer*. Political Science/Law & Society
- LARAMIE COUNTY COMMUNITY COLLEGE: 1999-2001, Laramie/Cheyenne, WY, *Adjunct Professor/Lecturer*. Business Law, Administration of Justice.
- PANEL MEMBER: Colorado Department of Revenue, Rules Committee; City of Denver, Excise and Licensing Advisory Committee; Colorado Bar Association, Eminent Domain Committee.

PROFESSIONAL SEMINARS – FACULTY/PRESENTER

- Eminent Domain Conference - CLE International - Featured Presenter - 2006
- Real Estate Conference - CLE International - Faculty/Lecturer - 2006
- Real Estate Conference - CLE International - Faculty/Lecturer - 2005
- Eminent Domain Conference - Lecturer/Faculty - 2005
- Eminent Domain Conference - Lecturer/Faculty - 2006
- Colorado Dairy Farmers Association - Lecturer/Faculty - Land Use/Eminent Domain - 2006
- Colorado Property Rights Coalition - Lecturer/Faculty - Land Use Law in Colorado - 2007, 2008
- Alternative Energy Workshop - Lecturer/Faculty - 2007, 2008
- Colorado No Till Convention – Eminent Domain and Agriculture – 2008, 2009
- Eminent Domain Practice and Procedure – 1st J.D. Bar Association CLE – 2010
- The Business of Medical Marijuana – CLE – 2010
- Medical Marijuana: Leases and Business Structure – CWA/WJEC – 2010
- Medical Marijuana in the Workplace – Denver University – 2011
- The Politics of Medical Marijuana – Denver University – 2012

COMMUNITY INVOLVEMENT

- Former Board Member, Evergreen Jazz Festival
- Board Member, Colorado Trail Foundation
- High School Mock Trial Competition Judge and Volunteer
- Collegiate and High School Basketball Official
- Colorado Property Rights Coalition, Co-Founder and Volunteer
- First Judicial District Bar Association (Former Trustee, Former Board of Governors Representative, Current Awards Committee Chairperson)

EXTENDED RELEVANT WORK EXPERIENCE

- COLORADO 1st JUDICIAL DIST., HON. J.W. BERRYHILL: 2001-2002
Golden, CO. *Law Clerk*.

- **U.S. DISTRICT COURT – WYOMING:** Spring 2001. Cheyenne, WY. *Intern.*
- **WYOMING ATTORNEY GENERAL:** Fall 2000. Cheyenne, WY. *Intern.*
- **COLLEGE OF LAW, PROF. ELAINE WELLE:** 2000-2001. Laramie, WY. *Research Assistant.*
- **WYOMING LEGAL RESEARCH SERVICES:** May 2000-August 2001. Laramie, WY. *Assistant Director.*
- **WYOMING LAW REVIEW:** May 2000-May 2001. Laramie, WY. *Author/Editor.*
- **NEW HAMPSHIRE STATE PUBLIC DEFENDER:** Summer 2000. Concord, NH. *Law Clerk.*
- **COLLEGE OF LAW, PROFESSOR JIM DWYER, PhD:** May 1999-May 2000
Laramie, WY. *Teaching and Research Assistant.*
- **WESTERN TRIAL ADVOCACY INSTITUTE:** June-July 1999
Laramie, WY. *Assistant to Director; Presenter.*

REPORTED CASES:

Cornerstone Group XXII, L.L.C. v. Wheat Ridge Urban Renewal, — P.3d —, WL 2291146 (Colo. App.)

Whalen v. Shepler, 104 P.3d 243, 244 (Colo.App. 2004)

Jack Akin and Carole Stepe v. Four Corners Encampment, et al., — P.3d —, 2007 WL 1150450 (Colo.App. 2007), Court of Appeals No.: 05CA1228.

PUBLICATIONS

- *Victim or the Crime: An Analysis of Hate Crime Legislation* – 2000
- *Vouchers Within Reason: A Child-Centered Approach to Education Reform* – 2002
- “From New London to Telluride and Beyond: Legal Developments Surrounding Eminent Domain in Colorado from 2004-2009,” co-authored by Jessica Peck and Bob Hoban – 2009.
- “Colorado’s Emerging Medical Marijuana Legal Framework and Constitutional Rights,” Bob Hoban – 2011

BAR ADMISSIONS

- Colorado
- Wyoming
- U.S. District Court, Colorado
- U.S. District Court, Wyoming
- U. S. Bankruptcy Court, Colorado

MEMBERSHIPS

- First Judicial District Bar Association: Board of Trustees, Board of Governors
- Colorado Bar Association: Board of Governors
- Denver Bar Association

MMED Rule Making 2012 – 2013

Based on industry feedback, and its own experience, the MMED has determined that the majority of the existing medical marijuana rules that were effective July 1, 2011, are in need of amendment. Further, Governor Hickenlooper (Executive Order D 2012-002) and the general assembly (HB 12-1008) have mandated that all state agencies amend and improve at least 20% of existing rules, and that such agencies establish representative industry groups to evaluate the proposed amendments.

With this in mind, the MMED will be reviewing the entire medical marijuana rule structure and rule content with the following objectives:

- Ensuring that rules are necessary and not duplicative
- Ensuring that rules are written in plain language and are easy to understand
- Ensuring that rules achieve the desired intent, and assessing whether more or less regulation is needed
- Determining if the rules can be amended to reduce regulatory burden while maintaining the desired benefits
- Ensuring that rules related to processes are implemented in an efficient and effective manner

The following calendar table is intended as a general timeline designed to keep this effort focused and on track. The dates for stakeholder meetings are noted in red and are open to all stakeholders interested in providing comment. The division is hopeful that opening the discussion beyond the designated advisory panel will encourage the participation of those with valuable and constructive input. Before the meetings, the division will release the agenda and general guidelines for constructive participation.

Proposed Timeline 2012-2013

MMED will release preliminary proposed rules framework via email and web site. The division is proposing a reconfiguration and amendment of the existing set of rules. There will be no draft rule language in this framework	December 3, 2012
Written comments regarding the proposed framework and suggested rule language may be submitted.	December 3 – December 28, 2012
MMED will release an initial draft of rules language via electronic communication and web site for industry review.	No later than December 28, 2012
First stakeholder forum for public comment, discussion and Q&A, chaired by the division director (Jefferson County Courthouse - time and room location to be announced). MMED licensing, enforcement, and administrative staff will be available. There will be no structured advisory committee.	January 11, 2013
MMED will release redrafted proposed rules to incorporate collected stakeholder feedback, or to reserve feedback for further discussion.	No later than February 1, 2013
Second stakeholder forum meeting for further discussion and review (Jefferson County Courthouse - time and room location to be announced).	February 15, 2013
Redraft and refine final proposed rules for consideration in public hearing	No later than March 1, 2013
Final stakeholder forum meeting for public discussion and review (Jefferson County Courthouse - time and room location to be announced).	March 22, 2013
Finalize proposed rule language and provide schedule for hearing (in accordance with the Administrative Procedures Act)	April 2, 2013

Scott Wagner

2008-Present

Founder, Waunita Power Company

2002 – Present

Owner/Developer – Waunita Hot Springs

1980 – Present

Founder/Operator of Nature's Way Waterscapes/Horticultural Products with an average of 2-3 million (yearly) in sales.

1993 – Present

Owner/operator of High Plains Stone, average sales of 3-5 million yearly.

1980 – Colorado State University B.S. in Horticulture/Landscape Architecture

Norton, Melissa K

From: Gordon Fagras <gordonfagras@gmail.com>
Posted At: Friday, February 15, 2013 1:05 PM
Conversation: RFP-K430, Homeland Security Corporation
Subject: RFP-K430, Homeland Security Corporation

WA State Liquor Control Board WSLCB
RFP-K430

To Whom It Concerns,

Please find attached our completed Respond to Request for Proposal K430 (PDF File) on behalf of Homeland Security Corporation(HSC). Our first submittal had a bad file type that would not open, please disregard the initial proposal email. This is the correct file type submittal. We look forward to any questions/comments you may have concerning our proposal and we can be contacted via our WEBS contact information or directly to this email. We are pleased to be able to participate/respond in this innovative RFP as WA State moves towards successful implementation of I-502.

On behalf of the entire team at HSC and it's subcontractors our best regards,

Gordon Fagras
Homeland Security Corporation

Norton, Melissa K

From: Gordon Fagras <gordonfagras@gmail.com>
Posted At: Friday, February 15, 2013 12:49 PM
Conversation: RFP-K430, Homeland Security Corporation
Subject: RFP-K430, Homeland Security Corporation

Washington State Liquor Control Board
3000 Pacific Ave SE
Olympia, WA 98504

RFP-K430

To Whom It Concerns,

Please find attached our completed Respond to Request for Proposal K430 on behalf of Homeland Security Corporation(HSC). We look forward to any questions/comments you may have concerning our proposal and we can be contacted via our WEBS contact information or directly to this email. We are pleased to be able to participate/respond in this innovative RFP as WA State moves towards successful implementation of I-502.

On behalf of the entire team at HSC and it's subcontractors our best regards,

Gordon Fagras
Homeland Security Corporation
509.499.8462 cell

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services - RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, (or substantially similar terms), if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and I agree to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in this Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.


Proposer Signature

HOWARD STEWART CORP
Company Name

Chief Executive Officer
Title

2-7-13
Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name	Homeland Security Corporation
Street Address	1136 Twin Lakes Drive Box 1020/13145 N Calispel Ct.
City, State, Zip	Wrightwood, CA. 92397/Spokane, WA 99208
Federal Tax ID Number	PersonalInfo
UBI	NV-20051617744
Website URL	www.hscsurveillance.com

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name:	David Shade
Telephone:	877-931-1999
Email:	dave@hscsurveillance.com

Payment Options:

YES **NO** Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount 2 % 10 days, net 30 days.

YES **NO** Will you accept the State's Purchasing Card (P-Card)?

YES **NO** Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input checked="" type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: Daniel Joseph Rogers
d/b/a Greenwerkz

Services: Category 1, Category 3

Address: 1131 W. Custer Place,
Denver, CO 80223

Telephone: (303) 877-7452

Email: Danrogers74@gmail.com

Fed ID: **PersonallInfo**

UBI:

Work to be Performed: Provide expertise in the area of cultivation, harvesting and processing of marijuana; product usage and consumption validation.

OMWBE certified: ___Yes ___No: X

Subcontractor 2

Name: David Land, Ph.D. d/b/a Halent
Laboratories, Inc.

Services: Category 2

Address: PO Box 73613, Davis CA 95617

Telephone: 530-219-4366

Email: DLand@Halent.com

Fed ID: **PersonallInfo**

UBI: Pending

Work to be Performed: Provide expertise in infrastructure required to test marijuana to ensure product quality, content, ingredients and consumer safety. Assist WSLCB in established quality standards for testing.

OMWBE certified: ___Yes ___No X

Subcontractor 3

Name: Stephen Reichard d/b//a Reichard and Associates

Services: Project Management

Address: 6124 N Williams Ave

Telephone: 509-999-3091

Email: stephenreichard@gmail.comFed ID: **PersonalInfo**

UBI:

Work to be Performed: Project management

OMWBE certified: Yes No: X**Subcontractor 5**

Name: Alan Schreiber, Ph.D.

Services: Category 3

Address: 2621 Ringold Road, Eltopia, WA 99330

Telephone: 509 266 4348

Email: aschreib@centurytel.netFed ID: **PersonalInfo**

UBI: 601 840 556

Work to be Performed: Oversee product usage and consumption validation survey work to be completed by the WSU Social and Economic Science Research Center.

OMWBE certified: Yes No: X**Subcontractor 4**

Name: Chris Kealy d/b/a Member Management Services

Services: Category 4

Address: 333 15th St, NE, Auburn, WA 98002-1619

Telephone: 253-572-3873

Email: cpkealy@yahoo.comFed ID: **PersonalInfo**

UBI: 602 126 363

Work to be Performed: Provide expertise in the development of rules and regulations within the State of Washington

OMWBE certified: Yes No**Subcontractor 6**

Name: Rev. Dr. Kymron deCesare, d/b/a Halent Laboratories, Inc.

Services: Category 2

Address: 220 Jessie Ave, Sacramento, CA 95838

Telephone: 916-717-7567

Email: KdeCesare@Halent.comFed ID: **PersonalInfo**

UBI: Pending

Work to be Performed: Provide expertise in infrastructure required to test marijuana to ensure product quality, content, ingredients and consumer safety. Assist WSLCB in established quality standards for testing.

OMWBE certified: Yes No X



Greenwerkz

A Cannabis Company

City of Denver - Colorado
City of Edgewater - Colorado
City of Greenwood Springs - Colorado

February 12, 2013

David Shade
Homeland Security Corporation
1280 Bison, Suite B9-611
Newport Beach, CA 92660

Dear Mr. Shade:

Thank you for the opportunity to participate with you on the K430 Initiative: 502 Consulting Services opportunity with the Washington State Liquor Control Board. We would be delighted to join you by providing services in the area of Category 1: Product and Industry Knowledge and Category 3: Product usage and Consumption Validation. I have read the proposed state contract, the standard terms and conditions and agree to all of the requirements presented therein.

Sincerely,

Daniel Joseph Rogers
Chief Executive Officer
Greenwerkz
djro@greenwerkz.com
303-877-7452



February 12, 2013

David Shade, CEO

Homeland Security Corporation

Dear Mr. Shade:

Thank you for the opportunity to participate with you on the K430 Initiative 502 Consulting Services opportunity with the Washington State Liquor Control Board. We would be delighted to join you by providing services in the area of Category 2: Product Quality Standards and Testing. I have read the proposed state contract, the standard terms and conditions and agree to all of the requirements presented therein.

Sincerely,

A handwritten signature in cursive script that reads "Donald P. Land".

Donald P. Land
Chief Scientific Consultant
Halent Laboratories
Davis, CA




February 12, 2013

David Shade, CEO
Homeland Security Corporation
1280 Bison, Suite 119-611
Newport Beach, CA 92660

Dear Mr. Shade:

Thank you for the opportunity to participate with you on the K430 Initiative 502 Consulting Services opportunity with the Washington State Liquor Control Board. We would be delighted to join you by providing services in the area of Category 1: Product and Industry Knowledge with a specific focus on Team Structure and Internal Controls, that is, project management. I have read the proposed state contract, the standard terms and conditions and agree to all of the requirements presented therein.

Sincerely,



Stephen Reichard

Member Management Services, LLC

333 15th Street NE, Auburn, WA 98002-1619
Phone: 253-572-3373 Fax: 253-572-4702

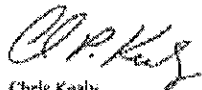
February 12, 2013

David Shade
Homeland Security Corporation
1280 Biscan, Suite H9-611
Newport Beach, CA 92660

Dear Mr. Shade:

Thank you for the opportunity to participate with you on the R-435 Initiative 502 Consulting Services opportunity with the Washington State Liquor Control Board. We would be delighted to join you by providing services in the area of Category 4: Product Regulation. I have read the proposed state contract, the standard terms and conditions and agree to all of the requirements presented therein.

Sincerely,

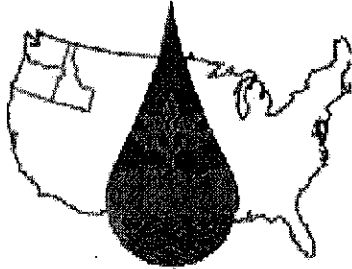


Chris Koaly
Managing Partner

AGRICULTURE DEVELOPMENT GROUP, INC.

Independent agriculture research and information service

Alan Schreiber, President



February 14, 2013
David Shade
Homeland Security Corporation
1280 Bison, Suite B9-611
Newport Beach, CA 92660

Dear Mr. Shade:

Thank you for the opportunity to participate with you on the K430 Initiative 502 Consulting Services opportunity with the Washington State Liquor Control Board. We would be delighted to join you by providing services in the area of Category 3: Product Usage and Consumption Validation. I have read the proposed state contract, the standard terms and conditions and agree to all of the requirements presented therein.

Sincerely,

A handwritten signature in black ink that reads "Alan Schreiber". The signature is written in a cursive, flowing style.

Alan Schreiber, Ph.D., President
Agriculture Development Group, Inc.



February 12, 2013

David Shade, CEO

Homeland Security Corporation

Dear Mr. Shade:

Thank you for the opportunity to participate with you on the K430 Initiative 502 Consulting Services opportunity with the Washington State Liquor Control Board. We would be delighted to join you by providing services in the area of Category 2: Product Quality Standards and Testing. I have read the proposed state contract, the standard terms and conditions and agree to all of the requirements presented therein.

Sincerely,

A handwritten signature in black ink, appearing to read "Kymron deCesare", written over a horizontal line.

Rev. Dr. Kymron deCesare
Scientific Consultant
Halent Laboratories
Davis, CA



February 15, 2013

Washington State Liquor Control Board
3000 Pacific Ave SE, P.O. Box 43090
Olympia, WA 98504-3090
K430@lq.wa.gov

Re: Request for Proposal – K430 Initiative 502 Consulting Services

To Whom It May Concern:

Homeland Security Corporation (HSC), a Nevada Woman and Minority Owned Business, is pleased to submit its comprehensive response to Request for Proposal K430, Initiative 502 Consulting Services. Incorporated in 2003, we trade under the symbol HSCC. HSC and its subcontractors bring extensive industry knowledge and many years experience in the production, distribution and sale of medical marijuana inclusive of testing and product regulation, together with decades of relevant experience in related fields. Over the past 10 years the corporation has been a leading innovator and implementer of security driven technologies that can be deployed in any environment throughout the World to meet customer's needs. Our primary customer base has been major fortune 100 companies and the Federal, States, and municipalities. During this period we have provided security systems to Camp Pendleton Marine Base in California, Florida Veterans Administration, Oregon Fish and Game Department and for Fluor Energy. Our team includes extensive, successful experience in project management that ensure that the WSLCB meets its ambitious schedule for the development of a "tightly regulated, state-licensed system similar to that for controlling hard alcohol"

As of the date of this proposal, neither HSC's employees nor any members of its governing board have served as Washington State employees. One of the subcontractors served as an employee of Washington State University between 1990-1995. Proposer Information and Subcontractor Information follow on subsequent pages. You will find, in addition, a list of the principal officers of HSC following the Proposer Information.

Should HSC secure this contract, the principal place of business shall be HSC's satellite office in Spokane, WA, identified in the Proposer Information attached. As a Women and Minority Owned Business, we will pursue such status in the State of Washington upon receiving the contract.

If you should have any further questions regarding any aspect of this Response to Request for Proposal, please do not hesitate to contact me at your earliest convenience. Thank you in advance for this opportunity.

Sincerely,



DAVID SHADE, CEO.

Po Box 1020
Wrightwood, CA 92397
Website: www.hscsurveillance.com
Phone: 1-877-931-1999
E-mail: sales@hscsurveillance.com



BOARD OF DIRECTORS / OFFICERS
HOMELAND SECURITY CORPORATION

CHAIRMAN OF THE BOARD-- GLORIA A. REGALADO-PRESIDENT
DIRECTOR- DAVID LSHADE—CHIEF EXECUTIVE OFFICER, CORPORATE COUNSEL
DIRECTOR- GARY WILLIAMS- VICE PRESIDENT OPERATIONS
DIRECTOR- GORDON FAGRAS- VICE PRESIDENT SALES/MARKETING
DIRECTOR- TED C.CONNOLLY- SECRETARY/TREASURER

Po Box 1020
Wrightwood, CA 92397
Website: www.justsurveillance.com
Phone: 1-877-931-1999
E-mail: sales@justsurveillance.com

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Ability, Capacity and Skills

The prime vendor's vice president has extensive product and industry knowledge arising from his tenure as the general manager of a medical marijuana compliance company that contracted with Colorado dispensaries and grow operations to ensure compliance with the rules and regulations established by the State of Colorado Department of Revenue's Medical Marijuana Compliance Division. In that capacity, he was responsible for all on-site compliance inspections at dispensaries and grow operations across the State of Colorado. As an inspector, he gained expertise not only in security matters as they relate to marijuana but also in the cultivation, harvesting, curing, processing, packaging, labeling, transportation, storage and sale at both the wholesale and retail levels. He also developed expertise in tracking systems for product transport and recall purposes and made recommendations to the State for improving those processes moving forward.

The prime vendor has subcontracted with the CEO of Colorado's premium dispensary with five locations, 30 employees and more than \$2 million in annual sales. In his capacity first as consultant, and later as CEO, the subcontractor has worked closely with local and state governing agencies to help draft legislation, ordinances and rules and have presented economic impact studies to the City of Denver, State of Colorado, State of Connecticut and State of New York. As Colorado's leading dispensary, the subcontractor gained intimate knowledge regarding all aspects of the marijuana production cycle including cultivation, harvest, curing, processing, packaging, labeling, transportation, and storage. He was originally brought into this retail and production operation as a consultant in an effort to stabilize the business due to mismanagement on many levels including state regulatory deficiencies. He was eventually promoted to the position of CEO in June 2010 and since assuming ownership, company revenues have grown from \$600K in 2010 to \$2million by year-end 2012. Operations are now stabilized at this fully-licensed company and it operates at healthy margins. It has won numerous awards for product quality.

In addition to the three retail sites, the subcontractor has overseen and managed two separate production facilities where he stabilized production and structured a 'just in time' production methodology to manage inventory levels. He has refined production growing techniques to minimize environmental impact. The subcontractor employs multiple methods to produce and grow cannabis.

The subcontractor has overseen and managed multiple harvests and has extensive knowledge of expected plant yields prior to harvesting as well as the many ways in which to harvest. Curing is largely dependent on harvesting methodology. He has extensive knowledge in curing processes as well as desired end results from proper curing.

As the owner of three premier cannabis retail centers located in three Colorado counties the subcontractor has extensive knowledge in addressing local market expectations, patient services, cannabis consultation and how to train employees to convey appropriate messaging regarding cannabis dosing, indications of test results as well as what the client/patient can and should expect from different cannabis genetics. Further, the

subcontractor's skill set over the years has allowed the company to develop and provide products that are in demand by the community that consumes cannabis.

Both State of Colorado and local municipality law governs marijuana packaging. The subcontractor's company follows these laws to the letter and does business only with vendors who do the same. Colorado state law dictates that packaging should be done in nondescript methods that ensure it will not entice children. The subcontractor's retail staff is encouraged to reinforce to the client/patient the need to keep the product out of reach from children, as they would with alcohol and other controlled substances.

Similarly, the State of Colorado and local municipalities have laws governing labeling. Labels include where the product is grown (not necessarily the exact address, but the locality), whether the genetic strain is an Indica or Sativa, lab-test results, weight amount and list of ingredients that were used in the production of the cannabis.

The subcontractor advocates and has utilized point of sale systems that allow the product to be tracked from seed to sale, maximizing recall capabilities while significantly enhancing operational and business performance by maximizing inventory control

The prime vendor vice president's security expertise has profoundly impacted medical marijuana industry development in Colorado. In his capacity as general manager of the compliance vendor in the State of Colorado, the prime vendor's vice president made a series of recommendations to the State Medical Marijuana Enforcement Division regarding the controlled and monitored transport of marijuana. While not yet adopted, the prime vendor's proposals for the introduction of state-of-the-art GPS padlocks have the potential to improve transportation security while reducing costs to both the State and the industry.

Similarly, the prime vendor's vice president made recommendations to the Medical Marijuana Enforcement Division for the development of standards for point of sale systems to monitor and track product from seed to sale. Currently, a half dozen point of sale products of sharply differing quality are in service around the State. Some of these point of sale systems accurately track the product throughout the product's life cycle while simultaneously managing inventory in real-time, allowing retail operations to maintain minimum and maximum levels of inventory, simultaneously enhancing security and margin. Other point of sale products poorly track product through the seed to sale life cycle with no inventory management capability. By establishing statewide standards, as the prime vendor's vice president has recommended, the State of Colorado has the opportunity to significantly enhance security and industry health.

Finally, as general manager of the foremost medical marijuana compliance company in the State of Colorado, the prime vendor's vice president had responsibility for inspecting systems for product destruction. Responsibilities included inspecting retail and wholesale dispensaries as well as product disposal companies. In that capacity, the prime vendor gained expertise into systems for product disposal. Product is typically mulched and mixed with oil, either vegetable or petroleum based, and then removed for destruction by a state-licensed disposal company.

Experience

Through the prime vendor's vice president and its subcontractor, the prime vendor brings extensive experience in product and industry knowledge as it relates to marijuana together with substantial relevant, non-product related experience in the security and financial industries. As the WSLCB's vision, goals and objectives for contract performance are clarified (See Team Structure and Internal Controls below), in addition to these two individuals, the prime vendor will bring to bear on this contract opportunity those individuals whose experience and/or expertise and knowledge contribute to the achievement of the WSLCB's vision for a "tightly regulated, state-licensed system similar to that for controlling hard liquor."

The prime vendor's vice president brings three years direct work experience in the medical marijuana industry in Colorado where he served as the General Manager for a medical marijuana compliance company that contracted with dispensaries and growers to ensure compliance with the rules and regulations established by the State of Colorado Department of Revenue's Medical Marijuana Compliance Division and House Bill 1284, the governing legislation for medical marijuana in Colorado. In that capacity, and as described elsewhere in this response to RFP, he gained substantial experience in Product and Industry Knowledge as it relates to marijuana with particular emphasis in the areas of security, transportation, recall and destruction.

In addition to his experience in the medical marijuana industry, the prime vendor's vice president has more than two decades of experience in the security industry including asset protection, counter surveillance, personal protection, product purchasing, bio-metric access control, production process monitoring and equipment sales. He also has extensive experience in subcontract negotiations and procurement. As Vice President of Sales with the prime vendor between 2001-2009, he was responsible for securing the prime vendor's addition to a worldwide purchasing mall for a major Fortune 100 manufacturing company with 160 divisions around the world, one of only two companies approved to sell security related products on this mall.

The subcontractor has served as CEO of Colorado's premium dispensary since June, 2010. In that capacity, he gained experience and expertise in all aspects of the production and sale of medical marijuana from cultivation, harvesting, curing, processing, packaging, labeling, transportation, and storage. Although he was originally brought into this business as a consultant to stabilize operations due to mismanagement, he assumed ownership of the company in June 2010. Since that time, company revenues have grown from \$600K in 2010 to \$2 million by the end of 2012 year. The company today operates at healthy margins and is fully licensed and stabilized production. It has won numerous awards for product quality.

Prior to joining this business, the subcontractor worked for more than a decade as an auditor, underwriter and director of operations in the financial and real estate industries. A decorated officer, he served in the U.S. Army Reserve between 1991 and 1997.

The prime vendor's Consultant and Advisor since 2007 is an inventor, entrepreneur, sales and marketing specialist, and former Air Force and Air Force reserve pilot. He brings more than 15 years of direct sales experience to his work in cycling, pharmaceutical, medical equipment and security industries. He pursued his MBA in business and personnel management at the Squadron Officer School in Montgomery, AL, and received his Bachelor's in Business Administration and Computer Science from the University of Texas-Denton. A veteran of Desert Storm/Desert Shield, the prime vendor Consultant and Advisor is a graduate of the Air Force Quality Management Program. Through his numerous business ventures, he has developed strong project management skills that he will use to oversee project implementation and execution.

The prime vendor Consultant and Advisor will be assisted in project management, planning and meeting facilitation by a long-time Washington State consultant who recently relocated to the Portland, OR area. This individual brings more than 25 years' professional experience to his consulting practice including work as Chief Operating Officer of a 10 clinic, \$20 million dollar safety net clinic offering free and low cost sexual and reproductive health services; as the northwest regional executive for the nation's largest home infusion company; as president and co-founder of a Internet-based rehabilitation company; as the founder and first executive director of a center of excellence in the neurosciences based at Sacred Heart Medical Center in Spokane, WA, and as the interim Executive Director of a Spokane-based \$50 million, twenty-physician oncology practice. A graduate of Columbia University in the City of New York, he was a fellow in African and Latin American history at Northwestern University where he earned his masters degree in 1984. He has completed much of the work for his masters in health policy and administration from Washington State University, published widely in both peer reviewed and non-peer reviewed publications, and has presented at numerous conferences and proceedings.

Team Structure and Internal Controls.

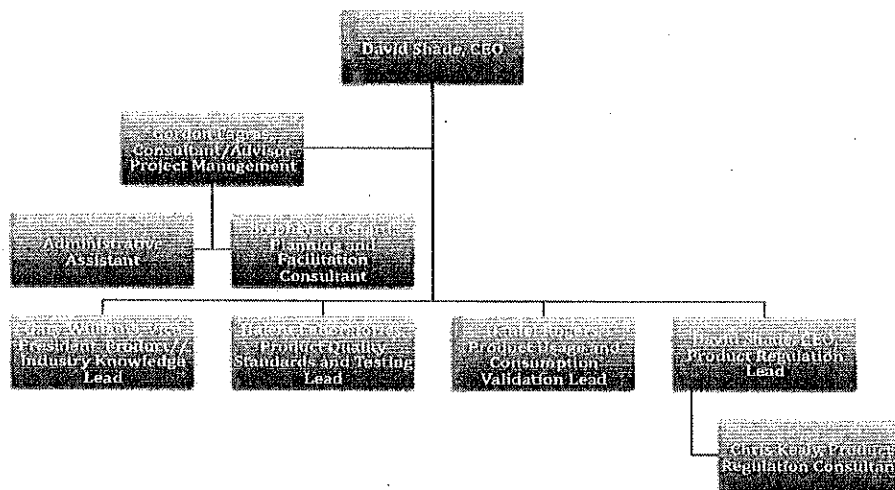
The prime vendor will execute the terms of its contract with WSLCB through a project management approach. In the event it is awarded the contract with WSLCB, the prime vendor's Consultant/Advisor will serve as project manager to plan, coordinate and ensure execution of all aspects of the contract. This individual, who has been employed with the prime vendor since 2007 and whose qualifications and capabilities are described within, managed the response to Request for Proposal process from the WSLCB. The prime vendor will also subcontract with a consultant identified under Staff Qualifications for assistance on an as-needed basis in project management, planning and meeting facilitation.

To ensure compliance with WSLCB vision, goals and objectives throughout the course of the contract period, the prime vendor will pursue a director level liaison within WSLCB. The Project Manager will remain in regular contact with the liaison throughout the duration of the contract.

The prime vendor anticipates a seven "person" team including the CEO, Project Manager, four area specific consultants including Product and Industry Knowledge, Product Quality Standards and Testing, Product Usage and Consumption Validation, and Product Regulation and an Administrative Assistant. The Project Manager and each of the four specific consultant areas will report directly to the CEO. The Administrative Assistant will report to the Project Manager. Additionally, each of the four specific consultant areas will have dotted line reporting to the Project Manager who has responsibility for the day-to-day execution of contract requirements.

The prime vendor will subcontract out Categories 2 – Product Quality Standards and Testing and 3 – Product Usage and Consumption Validation. Based on his extensive expertise in the legal and regulatory arena, the prime vendor's Vice President, Operations, will serve as the primary consultant for Category 1: Product and Industry Knowledge. The prime vendor's CEO will serve as consultant for Category 4: Product Regulation.

EXHIBIT A: PROPOSED PROJECT ORGANIZATION CHART



Project manager responsibilities include facilitating the development of an overall strategic plan for successful execution of the contract as well as facilitating plan development for each of the four specific consultant areas. The planning documents will be so-called One Page Business Plans specifically designed not simply to plan the work but to work the plan, simply. These five plans will consist of vision, goals, objectives, strategy and tactics. They will include specific deliverables, deadlines and responsible parties. As such, they will constitute the primary internal control mechanism to ensure successful contract execution.

EXHIBIT B: SAMPLE ONE PAGE BUSINESS PLAN

Vision	Describes situation/environment/conditions if plan is successfully executed		
Goals	Specific accomplishments that, if realized, will signify that vision has been realized		
Objectives	Short term achievements that, taken together, result in goal(s) being achieved		
Strategies	Method or approach for achieving goals/objectives		
Tactics	Day-to-day activities to be carried out in pursuit of strategies	Responsible	Date

The project manager and his subcontracted consultant will incorporate the five plans into a comprehensive strategic GANTT Chart for overall project management and reporting purposes. The project manager will meet weekly with each of the four consultant areas throughout the course of the contract period to ensure progress toward plan goals. The project manager and his subcontracted consultant will utilize their extensive expertise in process improvement and trouble shooting to assist consultants to proactively identify challenges and solutions, ensuring efficient resolution of problems and on-going progress towards contract execution.

The prime vendor will hire a full-time administrative assistant to report directly to the project manager to assist in all aspects of contract execution. This will include all aspects of scheduling of internal meetings including planning sessions, updates and check-ins; regularly scheduled meetings with the WSLCB; as well as focus groups, and interviews with key stakeholders and other interested parties throughout the state and nation. In addition, the Administrative Assistant will be responsible for travel arrangements as well as the preparation of meetings materials and the preparation of internal reports as well as regular reports to the WLSQB.

Staff Qualifications and Capabilities

The following individuals will provide leadership and support to the WSLCB in the area of product and industry knowledge.

Team Leader: Gary Williams, Vice President, Operations, Homeland Security Corporation

Current Responsibilities: Responsible for management of all sales and technical support for HSC including, system design, product purchasing, initiation of job walks at customer facilities for potential product installations, technical and customer support functions.

Experience: Three years direct experience in the medical marijuana industry as general manager of a compliance company. In that capacity, Williams gained substantial experience in Product and Industry Knowledge as it relates to marijuana with particular emphasis in the areas of security, transportation, recall and destruction. In addition to his work in the medical marijuana industry, Williams has more than twenty years experience as a security consultant.

Education: Williams has undertaken undergraduate study at Pierce College in San Fernando Valley, CA. Additionally, he has procurement certifications through Rockwell International and Douglas Aircraft Company with classes in Price/Cost Analysis, Subcontract Negotiation for Major Subcontracts, Total Quality Management, Case File Preparation, and Supplier Management. In addition, Williams has many years field experience in all areas of security and threat assessment for the home user, business professionals and corporate executive markets. He has worked in conjunction with the FBI, CIA, state and local law enforcement, major corporate executives and accounts, and other agencies in high security environments to assure the safety of clients both at the personal and corporate level.

Product Industry Consultant: Daniel Joseph Rogers, Chief Executive Officer, Greenwerkz

Current Responsibilities: Rogers has operational control of Greenwerkz, a medical cannabis company. In that capacity, he provides executive leadership to one of Colorado's leading medical marijuana dispensaries, a five-site operation with more than \$2 million in annual sales. Roger's has responsibility for guiding the company's licensing process through Colorado's complex medical marijuana regulatory environment.

Experience: Rogers brings four years direct experience in the medical marijuana industry in Colorado in which capacity he gained expertise in all aspects of the production and retailing of medical marijuana. He has worked with local and state governing agencies to help draft legislation, ordinances and rules and has presented economic impact studies to the City of Denver, CO and the states of Colorado, Connecticut and New York. Prior to joining Greenwerkz as its CEO in June, 2010, Rogers working in the financial and real estate industries as an auditor, underwriter and director of operations.

Education: Rogers received his bachelor's degree (cum laude) in Business and Finance from Ft. Lewis College, Durango, Colorado in 1997. In addition, he attended Bank of America's six-month management training program where he studied cash flow and balance sheet analysis, credit underwriting and risk assessment and applicable federal regulatory issues. Rogers attended Basic Training at Ft. Knox, Kentucky and received Advanced Individual Training at Ft. Ben. Harrison, Indiana at the US Army's Finance School.

Project Management: Gordon Fagras, Advisor and Consultant with Homeland Security, Inc. since 2007, and founder and co-owner of Applied Genetics, a Washington State LLC.

Current Responsibilities: Fagras has sales responsibilities with both HSC and Applied Genetics.

Experience: Inventor, entrepreneur, sales and marketing specialist, and former Air Force and Air Force reserve pilot, Fagras brings more than 15 years of direct sales experience to his work in the cycling, pharmaceutical, medical equipment and security industries. Through his numerous business ventures, Fagras has developed strong project management skills that he will use to oversee project implementation and execution.

Education: Fagras pursued his MBA in business and personnel management at the Squadron Officer School in Montgomery, AL, and received his Bachelor's in Business Administration and Computer Science from the University of Texas-Denton. A veteran of Desert Storm/Desert Shield, Major Fagras is a graduate of the Air Force Quality Management Program.

Project Management, Planning and Meeting Facilitation: Stephen Reichard, President, Reichard and Associates

Current Responsibilities: Reichard currently consults with a limited number of clients with a primary focus on project management, strategic planning and funds development.

Experience: Reichard has more than twenty years experience in non-profit administration and healthcare management in the complex healthcare industry where he has provided effective, executive level leadership in all aspects of operations including clinical/patient services, purchasing, medical billing and community outreach. He has extensive project management and strategic planning experience as well as feasibility and statistical analysis, fundraising and grantwriting.

Education: Reichard received his undergraduate degree in history (with honors) from Columbia University in the City of New York in 1982. As a graduate fellow, he received his masters in African History from Northwestern University in Evanston, IL in 1984. During the 1990s, Reichard pursued graduate studies in health policy and administration from Washington State University. Reichard has extensive training in leadership studies through the Scherer Leadership Institute, through Providence Health Services, and elsewhere.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Ability, Capacity and Skills.

The subcontracted provider for product quality and testing has direct experience with setting up and running a quality and testing facility for marijuana samples of all kinds: plant materials, concentrates, edibles, tinctures, beverages, oils, and capsules. For more than two years, this facility has tested thousands of samples for dozens of pesticides, mycotoxins, molds, over a dozen cannabinoids and numerous terpenoids. In addition, one of the subcontractor's principals has ongoing collaborations with federal, State of California, and local crime labs, including analytical methods for determination of controlled substances in forensic samples. The subcontractor is familiar with and experienced in the use of ASTM (formerly American Society for Testing and Materials, now ASTM International) and Environmental Protection Agency (EPA) standard methods for analysis of various types of samples, including, but not limited to cannabinoids, terpenoids, pesticides, mycotoxins, molds, and bacteria. The subcontractor also has experience with laboratory certification programs that establish and monitor quality assurance and technician training and certification. The subcontractor has also consulted with numerous other entities in the process of establishing cannabis testing facilities in Vancouver, British Columbia, Canada, Massachusetts, Washington DC, Colorado, Arizona, and Nevada.

The subcontractor has assisted other entities, including the New Jersey Department of Health and Senior Services, in setting standards and methodology for marijuana testing. The subcontractor is a member of the Association of California Cannabis Laboratories (ACCL), an industry group consisting of numerous California cannabis testing laboratories. The ACCL sets standards and protocols for member testing laboratories and those seeking membership. The subcontractor currently serves as the Chair of the Subcommittee on Standards. Additionally, it has aided the New Jersey Department of Health and Senior Services in their efforts to establish methods and standards for cannabis testing for the State of New Jersey's medicinal cannabis program (Contact: Dr. Sherman Hom). The subcontractor has, since February, 2012 and continuing to the present, been an active participant in the American Herbal Product Association's efforts at "developing recommendations to regulators on best practice protocols for the cultivation, testing, packaging and provision of cannabis as an herbal medicine and supplement," and serves on the "Testing" subcommittee. It has also been involved in assisting other entities interested in setting up cannabis testing laboratories in Vancouver, BC, Massachusetts, Washington D.C., Colorado, Arizona, and Nevada. The subcontractor has made presentations regarding testing methodology to the Oakland City Council Public Safety Committee during their hearings to consider applicants for local licensing. This experience will be leveraged, including educational materials already developed, for the education and training of WSLCB and licensee staff.

Experience

The Chief Scientific Consultant with the subcontractor received his doctorate in Chemistry in 1989 and brings more than 20 years experience in chemical analysis to this work with the Washington State Liquor Control Board. He helped found the subcontractor in 2010, a company that specializes in quality, safety and potency testing of medicinal cannabis. In that capacity, he was responsible for the development of all policies, protocols, and procedures for the testing of medicinal cannabis. He is a full professor at the University of California, Davis, has served as a national expert on the theory and practice of analytical and physical chemistry as it is applied to biological and forensic samples.

The subcontractor's lab manager and Scientific Consultant brings more than 50 years of diverse yet relevant experience to the proposed product quality standards and testing work. Since joining the subcontractor in 2010, the lab manager has established a comprehensive program to study plant content and the effects of growth conditions and selective breeding thereon. Of particular relevance for the WSLCB proposed scope of work, he has developed a testing program to ensure the safety and efficacy of plant products being sold outside of the FDA system of regulation and testing. In addition to his work with the subcontractor, the lab manager works as a research associate with the UC Davis Department of Chemistry where he has been since 1981. Between 1970-1975, he worked as a physician's assistant in the U.S. Navy. Since the early 1960s, he has been a student of Chinese, French, and indigenous herbalism. In that capacity, he has developed countless preparations for symptomatic treatment of physical and psychological ailments, including post-traumatic stress disorder, musculo-skeletal pain, nervous conditions, electrolyte imbalance, topical infection, and many others.

Staff Qualifications and Capabilities

Professor Donald P. Land, Ph.D. is Halent Laboratories' Chief Scientific Consultant. In 2011, Land helped found a private California company for quality, safety, and potency testing of medicinal cannabis. Halent Laboratories has operated continuously ever since, with several thousand cannabis samples of all forms tested to date. Land was responsible for the development of all protocols, instrumentation, standards, and procedures for the testing laboratory. Land also performs these procedures on samples, in addition to training others to do so.

Land simultaneously serves as Full Professor at the University of California, Davis, and is a member of the Department of Chemistry, the Forensic Science Graduate Group, and the Designated Emphasis in Biotechnology. In that capacity, Land trains undergraduate and graduate students, many of whom work for crime labs, in the theory and practice of analytical and physical chemistry as applied to forensic and biological samples. Graduate students from Professor Land's group are employed by the DEA, FBI, ATF, Oregon State Police, California Department of Justice, Sacramento County District Attorney Crime Laboratory, and numerous other crime laboratories across the U.S. Land developed and teaches undergraduate and graduate level courses in the application of the methods used to analyze controlled substances and other trace evidence. These same methods are those used to analyze cannabis for cannabinoids, terpenoids, pesticides, and other chemical and biological content. Land's experience in training and education (thousands of undergraduates and hundreds of graduate students) is extensive, and is an assurance that training and educating WSLCB staff and the staff of licensees will be effective and at the highest levels.

Rev. Dr. Kymron deCesare serves as lab manager and Scientific Consultant to Halent Laboratory. His responsibilities include training of analysts and development and oversight of chemical procedures and protocols. Rev. Dr. deCesare also has over 30 years' experience as a Staff Research Associate at UC Davis Department of Chemistry. In that capacity, Rev. Dr. deCesare manages the General Chemistry Laboratory Teaching program for thousands of undergraduate students each year. He also participates in training of Graduate Teaching Assistants. Rev. Dr. deCesare also has over 50 years' experience as a compounding herbalist, including expertise in the production of tinctures, salves and other forms for herbal remedies and supplements. This experience has proven invaluable in developing analytical methods for the analysis of a wide variety of cannabis-containing products of various forms. Additionally, Rev. Dr. deCesare's abilities as an experienced teacher allows him to train others in the methods of analysis for such products.

Approach and Methodology

The subcontractor anticipates both distance and in-person training of WSLCB staff and the staff of licensees in the protocols and procedures for accurate, reliable testing and quality assurance in cannabis analysis. This will include background lectures and hands-on training, either via distance electronic methods, in person at our California facility or in person and by distance methods at facilities in Washington. Brief and detailed instruction in the theory and practice of the chemical methodologies, the nature of the samples, the differences in testing protocols for differing sample types (plant material, tinctures, edibles, etc.), differences in the phytochemicals and their derivatives produced during processing by different methods, are already developed for implementation in numerous localities. For example, in addition to analysis for THC and CBD, it is important also to test for the acid forms (THCA and CBDA) which are the naturally occurring forms produced in the plants. Additionally, compounds such as THCV, CBG, their acid forms (THCVA, CBGA) and several terpenoids are also often found at percent levels or higher in many cannabis samples. Many other compounds, both cannabinoids and terpenes, are also commonly found in significant amounts. As scientific research reveals the importance of these compounds in the effects of cannabis on humans, it will be desirable to expand testing to include these substances, as well. The subcontractor's testing facility in California has already developed methods for testing many of these compounds and it is uniquely positioned to aid other facilities in implementing those methods.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Ability, Capacity and Skills

The prime vendor intends to subcontract for Category 3 services to the owner of the premium dispensary in Colorado, a \$2 million business consisting of three retail outfits located in three counties together with two production facilities. The subcontractor and current owner initially contracted with this dispensary as a consultant to help improve operational performance. In 2010, he assumed ownership of this operation. Subsequent to that time, sales have grown from \$600,000 to more than \$2,000,000. The owner, and proposed subcontractor, significantly grew market share through complex market analysis that involved combining internally generated data from the company's advanced point of sale software together with geographically specific demographic data including age cohorts, racial, ethnic and income data.

The subcontractor manually created spreadsheets to monitor usage, demand peaks and valleys, strain selections and preferences to estimate demand given population size and demographic characteristics. These complex algorithms allowed the company to accurately forecast production requirements and market demand including for the diverse array of derived products such as smoking cannabis, vaporizing (sublimation), edibles, tinctures, extractions, beverages, lotions, and salves.

As a result of gained expertise in algorithmic market model development, the subcontractor's advice and knowledge was actively sought by numerous government entities including the cities of Denver and Edgewater in Colorado, the states of Colorado, New York and Connecticut and the Mohegan Tribe of Connecticut. Combining models developed locally with third party resources available through the Rand Corporation, the CDC and others, the subcontractor was able to generate "anticipated demand" projections for these various government agencies.

The subcontractor's analyses provided encompassed demand expectations and economic results for production, sales and tax revenue. They covered the following specific areas:

- a. Total anticipated population size likely to consume cannabis – State analysis as well as individual municipality analysis;
- b. Derived total expected market size of cannabis sales;
- c. Derived total expected sales tax revenue at both State and Local levels;
- d. Analysis regarding economic impact of a considered excise tax;
- e. Total anticipated annual size of cannabis production;
- f. Total anticipated direct and indirect employment;
- g. Total demand analysis for required production space if product is to be produced in secure, enclosed facilities; and
- h. Description and discussion of consumption levels in regards to both smoking and derived products including vaporizing (sublimation), edibles, tinctures, extractions, beverages, lotions, and salves.

Finally, the subcontractor, a former banker and analyst, has been called upon by both city and state governments to discuss banking issues as they relate to the medical marijuana industry. This issue is of paramount importance to this emerging market sector because of the conflict between federal and state law and is one that must be addressed by the State of Washington if the implementation of I 502 is to be successful. The subcontractor has met with the Colorado's Banker's Association numerous times and served as Chairman to the Medical Marijuana Industry Group (MMIG) Banking Committee.

The subcontractor will be joined in his work by another subcontractor from the State of Washington who has worked closely and frequently with Washington State University's Social and Economic Science Research Center for survey design and implementation. The Research Center brings more than 35 years of survey experience and excellence to the field of survey design and implementation. As needed, the Center has agreed to work with this proposed subcontractor to gather survey data with 3% error and 97% confidence levels regarding projected usage patterns and other data as required at the county level across the State of Washington.

Experience

The subcontractor brings four years of direct experience in the Colorado medical marijuana market to this work. In that capacity, he utilized his extensive knowledge and experience in market research to accurately determine market demand in three different counties in Colorado where he has retail operations. Because of his accurate forecasting ability, the subcontractor was able to triple sales between 2010 and 2012. Based on his expertise, the subcontractor has been called upon to provide expert testimony to numerous city, state and tribal governments regarding projections for production as well as sales and tax revenue for marijuana and its many derived products including tinctures, edibles, and oils.

As a result of his skill in determining product demand, the subcontractor has become a recognized national expert in all aspects of forecasting for this market segment. His expertise has been solicited by state, local and tribal governments who have recognized the subcontractor's qualifications and capabilities in the development of demand forecasts for numerous aspects of the medical marijuana industry including but not limited to:

- Estimated population of users
- Total expected market size
- Total anticipated tax revenue
- Potential impact of excise tax
- Anticipated annual production
- Anticipated direct and indirect employment
- Demand for required production space

The Washington based subcontractor has decades of experience working closely with the Washington State University Social and Economic Research Center in survey design and implementation as they pertain to agricultural issues in the State of Washington. The Research Center has agreed to participate on an as needed basis in the design and implementation of any surveys as they relate to the implementation of this contract.

Staff Qualifications and Capabilities

The subcontractor, Daniel Joseph Rogers, CEO of Greenwerkz, the premium medical marijuana dispensary in Colorado, brings four years' direct experience in the medical marijuana industry to this contract work. In that capacity, he stabilized operations and oversaw a tripling of sales between 2010 and 2012. Sales growth was aided by Rogers forecasting strength, a skill honed over more than 12 years in the real estate and banking industries. As the CEO of Greenwerkz, Rogers developed complex algorithms to forecast production and sales demands for smoked product as well as marijuana's many derived products including tinctures, edibles, oils and salves. That skill and expertise has been recognized by state, local and tribal governments across the United States that have sought Rogers' services to forecast demand for product as well as estimates for employment and tax revenue.

Rogers' current responsibilities include providing general leadership to Greenwerkz and its three retail outlets and two production facilities. In addition, he is called upon to advise government entities on various aspects of forecasting and economic modeling within the medical marijuana industry as he would be called upon to do with the Washington State Liquor Control Board.

Prior to joining Greenwerkz, Rogers had a successful career in both the banking and real estate worlds. He served as an auditor with the Federal Deposit Insurance Corporation, and as a Finance and Operations Manager with Panattoni Development Company, an international commercial real estate development company with operations in Colorado and Canada. A Vice President with Bank of America, Rogers developed various financial models for their global investment division.

A recipient of the General Abrams Award for Leadership, Rogers completed advanced individual training at the U.S. Army's Ft. Ben Harrison Finance School in Indiana. A graduate of the Bank of America's Management Associate Program, Rogers received his bachelor's degree in Finance from Ft. Lewis College in Colorado.

Rogers will be assisted in conducting survey work by a Alan Schreiber, Ph.D., a Washington-based consultant with expertise in environmental, pesticide, pest management and Food Quality Protection Act issues for grower groups, governmental organizations and agribusiness's, including National Potato Council, Oregon Seed Council, Washington Red Raspberry Commission, Washington State Potato Commission, and Pacific Northwest dill growers. Schreiber, a former professor at Washington State University, has worked frequently and closely with the Washington State University Social and Economic Science Research Center on survey design and implementation around agricultural issues. Schreiber will oversee all required survey work to be carried out by the Research Center.

Approach and Methodology

The subcontractor will work closely with the Washington State Liquor Control Board to address product usage and consumption validation and to estimate demographic and psychographic segmentation. The subcontractor will examine current sales and production data as may be available in Washington State together with data provided by independent third party sources. To the extent that production, sales and demand data is not available, the subcontractor may survey licensed providers around the state to gain a greater appreciation for market differences between Colorado and Washington. It may be advisable as well to examine data, particularly psychographic data, from Mexico and the Netherlands, which have also recently legalized marijuana, to determine the potential impact on production and sales.

In addition, the Washington state subcontractor will work with Washington State University's Social and Economic Research Center to develop survey data regarding potential consumption within a legal market as well as other data, including psychometric data, that may be relevant to the design of a "tightly regulated, state licensed system."

By marrying this comprehensive data with the demand algorithms developed through the subcontractor's work in Colorado, together with his consultative work with local, state and tribal governments, the subcontractor will be able to create certain algorithmic models that should allow the Washington State Liquor Control Board to derive a meaningful and accurate expectation for product use and consumption, production, tax revenue, direct and indirect employment, etc.

CATEGORY 4 – PRODUCTION REGULATION

Ability, Capacity and Skills.

The prime vendor's vice president served as General Manager with the premier medical marijuana compliance company in the State of Colorado to ensure grower and dispensary compliance with the rules and regulations established by the State of Colorado Department of Revenue's Medical Marijuana Compliance. With twenty years' experience as a top level security and surveillance expert, the prime vendor's vice president provided high level guidance to lawmakers and rulemakers in formulating general rules, regulations, compliance, enforcement and violation provisions of House Bill 1284 which governs the cultivation and sale of medical marijuana in that state. In that capacity, the prime vendor's vice president helped to formulate "grower" guidelines in the areas of cultivation, inventory control, owner's background and security requirements. Working with state lawmakers as well as on-the-ground inspectors, our in-state representatives gained invaluable experience in the development and implementation of regulations from "seed to sale."

The prime vendor vice president's experience gained on the ground in Colorado will prove invaluable to the State of Washington as it works to develop a regulatory environment for the production and sale of marijuana. This includes regulations that are simply punitive and do not add to the safe and secure production and sale of marijuana as well as those that positively contribute towards an environment that promotes the safety and wellbeing of the public. For example, Colorado's 70-30 law requires medical marijuana dispensaries to grow 70% of product sold while allowing them to acquire up to 30% from the wholesale market. While the ultimate purpose of the 70-30 rule is to assist the State in tracking product from production through final sale, it has had a chilling impact on retail operations. As Robert Corry, attorney for the medical marijuana industry in Colorado, has noted, "There is no other business on the face of the planet that is required to produce 70 percent of their own retail product." As an alternative to the 70-30 rule, the prime vendor's vice president, as general manager of a Colorado medical marijuana compliance company, has proposed an aggressive point of sale approach that allows the State to achieve its tracking objective, provides for an efficient and effective recall mechanism, and simultaneously allows the development of efficient market mechanisms for the sale and distribution of marijuana.

Given the prime vendor vice president's experience in security and surveillance, and through on-site inspections of facilities, we were able to make valuable recommendations to the State of Colorado Department of Revenue's Enforcement Group, Medical Marijuana Division (MMED) regarding rule-making as it related to video surveillance, waste and disposal issues and transportation. For example, current Colorado rules require that prior to transporting medical marijuana, a manifest must be submitted to MMED with vehicle route and consignment information; product must be weighed and recorded at each encounter. The prime vendor's vice president has proposed modernizing this system with robust GPS tracking padlocks which combine secure locking mechanisms with GPS tracking and remote recording, enabling users to monitor opening and closing of padlocks remotely in real time. These widely available GPS tracking padlocks monitor activity, provide

reports for users, and provide notification if, when and where the container is opened prior to its destination, thus providing a system that is at once secure and efficient.

In addition to the vice president's extensive experience as a medical marijuana compliance company, the prime vendor's CEO, an attorney with more than 35 years experience, served as a city attorney for Adelanto, CA. In that capacity, his primary responsibility was drafting city ordinances. Working with council members, the mayor, the police chief and various community leaders, he created city ordinances in the areas of land use, eminent domain, building codes and compliance, and enforcement. As Adelanto City Attorney, he joined with adjacent city attorneys in a joint civil action challenging the federal government's decision to close George Air Force Base. Through the process of this protracted lawsuit, he gained valuable experience in federal statutory law as it pertains to land use, ownership and civil remedies. The lawsuit settlement was a compromise between the City, the three adjacent cities and the county in which George Air Force Base was situated, and the federal government whereby the cities and county took joint ownership of the base. Through this process, he became deeply involved in the development of numerous multi-city and county ordinances required to comply with the terms of the settlement agreement.

Prior to his work as City Attorney, the prime vendor's CEO served as judge-pro tem for the Victorville Superior Court. In this capacity, in addition to sitting in on numerous criminal trials, he helped to formulate various internal policies for streamlining the court system for filing civil cases and workflow. Prior to that time, as a public defender working on conflict cases, he defended clients prosecuted for the manufacture of methamphetamines. In this capacity, he gained important experience in the criminal code as it related to illegal substances. As the State of Washington develops rules and regulatory strategies to address the current criminal statutes for marijuana, his legal experience as both judge and defense counsel will prove invaluable in helping to reshape Washington's legal and regulatory framework as it pertains to marijuana laws.

Based on its extensive experience in Colorado, as well as the deep and diverse legal, regulatory and administrative experience of its CEO, the prime vendor is well-positioned to consult with Washington State as it seeks to formulate its regulatory system for the cultivation and sale of marijuana.

Additionally, the prime vendor will be subcontracting with a Washington State firm with extensive experience helping to shape new rules and regulations as they pertain to the casino industry in the State of Washington. In that capacity, the subcontractor worked closely with the Washington State Liquor Control Board and the Washington State Gambling Commission to establish the RCWs and WACs that govern that industry today.

Experience

The prime vendor's vice president worked closely with key members of the Colorado Medical Marijuana Enforcement Division (MMJ) to ensure vendor compliance with House Bill 1284, and the rules and regulations promulgated thereunder that sought to guarantee product safety and security. Working with state lawmakers, as well as direct inspectors, our representative gained valuable experience in the regulatory environment from "seed to sale," what worked and what did not. In Colorado, he provided guidance in the formulation of general rules, regulations, compliance, enforcement and violation provisions of Colorado Bill 1284. By working directly with state lawmakers, he helped to solve and formulate strict guidelines around cultivation, inventory, owner's background and, more importantly, security requirements.

In addition to our firm's experience with the Colorado regulatory process, our firm's CEO, an attorney for over 35 years, was a City Attorney for a California municipality. His primary responsibility was drafting City Ordinances. Working with council members, the Mayor, the police chief, and various community leaders, he created City ordinances in the areas of land use, eminent domain, building codes and compliance, and enforcement. In addition, as a member of a group of city attorneys, he was involved in a major lawsuit in which the city sued the federal government for ownership of George Air Force Base that, due to budget cuts, was closed by the government. The base itself was located within the City limits. Three other adjacent cities and the county also claimed ownership. In the process of this protracted suit, he gained valuable experience in federal statutory law pertaining to land use, ownership and civil remedies. The end result of the civil suit was a compromise between the city, the three adjacent cities, the county, and the federal government whereby all the state entities took joint ownership. In this process the CEO became involved in crafting various multi-city and county ordinances needed to comply with the terms of the settlement agreement.

Additionally, the CEO has served as a judge pro tem and as a public defender. In these capacities, he gained considerable experience in criminal law as it relates to controlled substances.

The prime vendor will be subcontracting with a Washington State firm with extensive experience helping to shape new rules and regulations as they pertain to the casino industry in the State of Washington. In that capacity, the subcontractor worked closely with the Washington State Liquor Control Board and the Washington State Gambling Commission to establish the RCWs and WACs that govern that industry today.

Finally, one of the prime vendor's subcontractor's under Category 1: Product and Industry Knowledge, joins this team for his expertise in project management, planning and meeting facilitation. This individual brings many years experience to the team facilitating diverse and often contentious groups of individuals for the purpose of finding consensus. His expertise may be utilized to facilitate meetings among stakeholders groups in an effort to find common ground as it relates to standards, rules and regulations.

Staff Qualifications and Capabilities

David Shade, CEO of Homeland Security Corporation, has more than 35 years experience as a practicing attorney. Responsibilities as CEO include providing executive leadership while the day-to-day operating aspects of the company are managed by the Vice President, Operations.

As an attorney, Shade has served as a public defender, judge pro tem, city attorney and private practice lawyer. In those capacities, Shade has gained deep experience for both criminal, particularly as it relates to controlled substances, and civil jurisprudence. As a city attorney, he gained valuable knowledge and experience in the development of rules and regulations at the local, state and federal levels.

Shade, a member of the California State Bar, has been admitted to the U.S. District Court. He graduated law school with a juris doctorate in law from the University of West Los Angeles, and did his undergraduate work at California State University - Pomona where he received his B.S. in Business Administration. He has completed graduate studies in both marketing and taxation. Prior to starting Homeland Security Corporation, Shade served as President and Chief Financial Officer of Hong Kong-based Systems Pro International, and serves as the founder, chairman and chief executive officer of International Biometrics.

Shade will be assisted in his work by Chris Kealy, President of Member Management Services, LLC of Auburn, WA. Member Management Services has worked extensively in Washington State's casino industry, has worked closely with the Washington State Liquor Control Board and with the Washington State Gaming Commission. In that capacity, he has been instrumental in developing the rules and regulations that govern that industry today, rules and regulations that may have relevance for the development of the regulatory environment for Washington State's marijuana industry. For example, the Washington State Gaming Commission developed a layered licensing system that served regulatory and compliance purposes while simultaneously controlling supply. As required, and in the interests of operational and budget efficiency of the contract, Mr. Shade may subcontract out select legal research to paralegals.

Mr. Kealy attended Olympic College and Seattle University. He serves as board member on numerous organizations including the Tacoma, Lakewood and South Snohomish Chambers of Commerce, the Regional Gaming Association and the Washington Cannabis Association.

Gary Williams, HSC's vice president, is currently responsible for management of all sales and technical support for HSC including, system design, product purchasing, initiation of job walks at customer facilities for potential product installations, technical and customer support functions. He has some three years direct experience in the medical marijuana industry as general manager of a medical marijuana compliance company, MMJ Compliance Services. In that capacity, Williams gained substantial experience in Product and Industry Knowledge as it relates to marijuana with particular emphasis in the areas of security, transportation, recall and destruction. In addition to his work in the medical marijuana industry, Williams has more than twenty years experience as a security consultant. Williams has undertaken undergraduate study at Pierce College in San Fernando Valley, CA.

Additionally, he has procurement certifications through Rockwell International and Douglas Aircraft Company with classes in Price/Cost Analysis, Subcontract Negotiation for Major Subcontracts, Total Quality Management, Case File Preparation, and Supplier Management. In addition, Williams has many years field experience in all areas of security and threat assessment for the home user, business professionals and corporate executive markets. He has worked in conjunction with the FBI, CIA, state and local law enforcement, major corporate executives and accounts, and other agencies in high security environments to assure the safety of clients both at the personal and corporate level.

Finally, Daniel Rogers, subcontractor under Category 3 – Product Usage and Consumption Validation, is a former banker and analyst. In that capacity, he has been called upon by both city and state governments to discuss banking issues as they relate to the medical marijuana industry. This issue is of paramount importance to this emerging market sector because of the conflict between federal and state law and is one that must be addressed by the State of Washington if the implementation of I 502 is to be successful. The subcontractor has met with the Colorado's Banker's Association numerous times and served as Chairman to the Medical Marijuana Industry Group (MMIG) Banking Committee. As required, Mr. Rogers will make his expertise available to the Washington State Liquor Control Board for the purposes of executing this contract.

Approach and Methodology

Based on national figures, the Washington State market for marijuana may be roughly estimated at more than \$2 billion per year. Recently adopted Initiative 502 requires the development of a "tightly regulated, state-licensed system similar to that for controlling hard alcohol." This system includes the cultivation, processing, distribution and sale of marijuana. According to I 502 language, final rules governing the system must be in place by December 1, 2013. There are currently no rules, nor any system, in place to govern this large market, a market that has heretofore operated largely in an unregulated, underground/illegal manner.

The prime vendor proposes the following approach to the rules-making process. Upon contract acquisition, the prime vendor will immediately review existing law, WACs and RCWs as they pertain to the production, distribution and sale of alcohol as well as medical marijuana in the State of Washington. Based on the prime vendor's extensive experience in the State of Colorado, particular attention will be paid to those aspects of code that may be useful, or inhibitory, to the development of efficient and secure systems of production, distribution and sale of marijuana. The prime vendor will develop a comprehensive list of relevant rules from these sources and annotate them as a starting point for the work ahead. Depending upon the size and scope of this work, some of the research may be subcontracted out to paralegals with whom the prime vendor has worked closely in the past.

Upon completion of this preliminary work, the prime vendor will convene a meeting with the WSLCB to share with the WSLCB its initial findings, and to reach a comprehensive understanding of the WSLCB's contract expectations. The prime vendor will facilitate a planning process with the WSLCB to come to a common understanding of its vision for the regulatory environment for Washington's future marijuana industry, for its specific goals and objectives, and to gain a greater appreciation for the legal, regulatory, and political constraints that will influence the future regulatory environment and ultimately the shape of this important, emergent industry in the State. The prime vendor will seek the assignment of a WSLCB director level liaison to facilitate regular communication and problem solving for the duration of the contract period.

In addition to the WSLCB, the prime vendor will convene meetings with other legal and regulatory stakeholders in the State such as the Bureau of Alcohol, Tobacco and Firearms, Washington State Attorney General, relevant and interested members of the state legislature, local enforcement agencies and others recommended by the WSLCB. The purpose of these meetings will be to gain a better and broader understanding of the goals, objectives and concerns of other important stakeholders throughout the State.

With advanced knowledge of the state of the industry, the existing regulatory framework as it pertains to medical marijuana and hard liquor, and a solid understand of the vision, goals and objectives of the WSLCB as well as the possible legal, regulatory and political constraints that will influence the future system's development, the prime vendor will convene a series of local stakeholder focus groups to gain a better understanding of the

requirements and concerns of current and future producers, distributors and vendors as regards any future regulatory environment.

Having accumulated an understanding of the existing regulatory framework, as well as a comprehensive appreciation for the vision, goals and objectives of the many potential stakeholders in this process including regulatory bodies as well as potential producers, distributors and vendors, the prime vendor will engage in a iterative process with the WSLCB to develop the regulations for the production, distribution and sale of marijuana in the State of Washington. As the prime vendor develops proposed rules to regulate various and critical aspects of the production, distribution and sale of marijuana, it will convene meetings with relevant individuals from the WSLCB to review and modify those rules in accordance with the vision, goals, objectives and concerns of the WSLCB.

As rules emerge from this process, the prime vendor will reconvene focus groups with other, previously identified stakeholders within the state, including potential private sector vendors as well as state and local juridical entities, to surface unforeseen challenges the proposed rules may pose to the safe and efficient production, distribution and sale of marijuana. Based upon this "public" input, the prime vendor will propose final rules and regulations for consideration or modification by the WSLCB.

The Washington State Liquor Control Board is under considerable time pressure to develop a comprehensive regulatory environment for the production, distribution and sale of an industry estimated to be worth more than \$2 billion annually. This represents a considerable challenge; the prime vendor is not interested re-inventing the wheel. Wherever possible, the prime vendor proposes to take existing statutes from the State of Washington and State of Colorado (as amended) and elsewhere regarding medical marijuana, together with the legal framework that currently exists for hard liquor production, distribution and sales in the State of Washington and utilize them as a starting point. Through our proposed iterative process, the prime vendor believes that it will arrive at a set of rules and regulations that meets the requirements of Initiative 502 for a "tightly regulated, state-licensed system similar to that for controlling hard alcohol."

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) <u>Hourly</u> Rate for I-502 Consulting Services as stated in this RFP	\$ <u>155.50</u> per person/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) <u>Daily</u> Rate for I-502 Consulting Services as stated in this RFP	\$ ____ p/day

TABLE 1: Justification for Proposed Blended Rate

Category	Individual	% of Work w/i category	Rate	
Category 1	Williams	0.25	150	\$37.50
	Rogers	0.2	150	\$30.00
	Fagras	0.25	150	\$37.50
	Reichard	0.1	150	\$15.00
	Admin	0.2	30	\$6.00
Subtotal				\$126.00
Category 2	Land	0.5	200	\$100.00
	deCesare	0.45	200	\$90.00
	Admin	0.05	30	\$1.50
Subtotal				\$191.50
Category 3	Rogers	0.4	150	\$60.00
	Alan	0.4	150	\$60.00
	Admin	0.2	30	\$6.00
Subtotal				\$126.00
Category 4	Shade	0.35	300	\$105.00
	Paralegal	0.1	150	\$15.00
	Kealy	0.35	150	\$52.50
	Admin	0.2	30	\$6.00
Subtotal				\$178.50
Blended Hourly Rate				\$155.50

Assumptions:

1. Each category works exactly the same amount as every other category
2. Percentages of time worked by each individual w/I each category are estimates
3. The responders assume that there will be additional costs associated with this contract that are not known at this time. For example, should the WSLCB elect to pursue a survey with WSU, as this response to RFP proposes, the cost of the survey is estimated at \$30,000. Assuming that any rules and regulations are to be vetted with outside counsel, the costs there are not known. There may be additional costs as well.

Norton, Melissa K

From: HSA <justdan@comcast.net>
Posted At: Friday, February 15, 2013 10:09 AM
Conversation: RFP- K430, Hydroponic Society of America
Subject: RFP- K430, Hydroponic Society of America

Hello,

Please find attached the RFP - K430 Form and associated information.
Please feel free to contact me at any time.

Thanks and Regards,
Dan Lubkeman
President
Hydroponic Society of America
(510) 552-7632 - cell - PST

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to lcbids@liq.wa.gov.
- Clearly mark the subject line of the email: RFP- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the lcbids@liq.wa.gov inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

- | | |
|--|--------------------------|
| Proposer's Authorized Offer (see page 2) | <input type="checkbox"/> |
| Proposer Information (see page 3) | <input type="checkbox"/> |
| Subcontractor Information (see page 4) | <input type="checkbox"/> |
| Letter of Submittal (see page 5) | <input type="checkbox"/> |
| Non-Cost Proposal (see page 6) | <input type="checkbox"/> |
| Cost Proposal (see page 8) | <input type="checkbox"/> |

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Dan Lubkeman

Hydroponic Society of America

Proposer Signature

Company Name

President

02/14/13

Title

Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name	<u>Hydroponic Society of America</u>
Street Address	<u>POB 1183</u>
City, State, Zip	<u>El Cerrito, CA 94530</u>
Federal Tax ID Number	<u>PersonallInfo</u>
UBI	<u>Pending Process</u>
Website URL	<u>www.hydroponicsocietyofamerica.org</u>

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name:	<u>Dan Lubkeman, President</u>
Telephone:	<u>(510) 552-7632 – cell</u>
Email:	<u>justdan@comcast.net</u>

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount _____% _____ days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input type="checkbox"/>
1	Product and Industry Knowledge	<input checked="" type="checkbox"/>
2	Product Quality Standards and Testing	<input checked="" type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 2

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 3

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 4

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

LETTER OF SUBMITTAL

The Proposer's Letter of Submittal must be signed by the individual within the organization authorized to bind the bidder to the offer. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Proposer and any proposed subcontractors:

- **Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.**

Hydroponic Society of America – POB 1183 – El Cerrito, CA 94530 – office ph: (510) 647-8497

Primary Contact: Dan Lubkeman, President

- **Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)**

President: Dan Lubkeman – POB 1183 El Cerrito, CA 94530 - (510) 552-7632

Vice-President: Michael Romano – POB 1183 El Cerrito, CA 94530 – (303) 875-7375

Treasurer: Heather Middleton – POB 1183 El Cerrito, CA 94530 – (510) 647-8497

- **Location of the facility from which the Proposer would operate.**

An office space would have to be acquired in WA to service the state of WA. TBD.

- **Statement of which of the following Categories Proposer is responding to:**

Category 1: Product and Industry Knowledge -

Category 2: Product Quality Standards and Testing

The H.S.A. is only proposing to work with the state on Category 1 and Category 2 proposals.

- Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Proposer's organization. If following a review of this information, it is determined by the WSLCB that a conflict of interest exists, the Proposer may be disqualified from further consideration for the award of a contract.

N/A

NON-COST PROPOSAL

Please refrain from using company name or other information that will identify your company while preparing your response for the Non-Cost Submittal. The Washington State Liquor Control Board (WSLCB) reserves the right to modify proposals in order to eliminate company names or any other information that may identify a specific company brand.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:
 - a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
 - b. How Marijuana is infused into food and beverages
 - c. How Marijuana should be packaged, labeled, transported, and sold at retail level
 - d. How wholesale and retail Product should be recalled and accounted for
 - e. How Marijuana should be destroyed if overproduced, contaminated, or recalled
2. **Experience.** In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.
3. **Team Structure and Internal Controls.** In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.
4. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Please answer the questions listed below, attaching additional pages as necessary:

5. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or expertise in Product Quality Standards and Testing, including but not limited to the following:
 - a. Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations
 - b. Assisting the WSLCB with establishing quality standards for testing Marijuana
6. **Experience.** In two (2) pages or less, please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.
7. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
8. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminants, and Product strain.

Non Cost Proposal attached as a separate document

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 **or** Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate **or** Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ ____ p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ <u>500.00</u> p/day

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:
 - a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
 - b. How Marijuana is infused into food and beverages
 - c. How Marijuana should be packaged, labeled, transported, and sold at retail level
 - d. How wholesale and retail Product should be recalled and accounted for
 - e. How Marijuana should be destroyed if overproduced, contaminated, or recalled

We are the national science organization for the growing of biomass in controlled environment agricultural facilities. This group is a non-profit association formed in 1977. We teach the sciences that make up controlled environment agriculture. Our organization is composed of active and retired NASA scientists, plant scientists, photo-biologists, electrical and mechanical engineers, HVAC experts, physicists and others.

There is no other group of legitimate scientists within the cannabis industry. As a non-profit, our goal is to educate and consult with members and clients to equip them with the knowledge to succeed. We can guide people towards the best protocols, practices of growing and having the best tools available to use for best efficiency. For consulting, we are prepared to advise the state of WA on (a), "how Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed".

Current growing practices of other states "medical" cannabis growers are sub-standard, leaving chemicals and plant food in the plants and becomes a hazard to anyone who consumes it and puts a flame to it. The growers get the money, the consumers smoke toxic cannabis, the state gets taxes, and everyone calls it a "good thing". We wish to help the state of Washington avoid the hazards and pitfalls of the cannabis industry; there are a lot of potential "land-mines."

If you just regulate cannabis in a manner consistent with food products, then the states path is clear. The state of WA already has systems in place to address many of these issues. We can track cannabis like food, label it like food, recall it like food and dispose of it like food. The project doesn't need to re-invent the wheel; I'm confident the state has the ways and means to succeed in this new venture.

B: How Marijuana is infused into food and beverages.

We do not consult on these processes; only insure that the cannabis it was derived from was safe to begin with. If the cannabis used for processing is toxic, then the food or beverage will be toxic to consumers.

C: How Marijuana should be packaged, labeled, transported, and sold at retail level

We do not advise on these matters.

D: How wholesale and retail Product should be recalled and accounted for

We do not advise on these matters.

E: How Marijuana should be destroyed if overproduced, contaminated, or recalled

We do not advise on these matters.

2. Experience. In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.

We consult on small and large food production projects being developed around the world. We have consulted with some of the largest companies and countries on sustainable 365 day a year food systems. We introduce and educate on advanced technologies and applied sciences as they relate to agriculture, horticulture and other biomass production.

We consulted with the city of Oakland to frame up regulations for commercial cannabis production. The city had no idea how to inspect, regulate or define commercial cannabis production. This group helped provide the core information required to create the subsequent regulations. This included procedures, protocols and testing parameters for cannabis lab analysis.

We are the only organization that understands all the required life sciences and how to integrate and implement those sciences three-dimensionally. We teach these disciplines around the world and apply these technologies into food production facilities. Our group is completely familiar with the growing of cannabis and the references for producing it. When the environmental conditions are proper and we replicate Mother Nature indoors as best we can as humans, we can grow anything that grows in nature.

We are the group that teaches growers how grow sustainably and safely on a large scale with proper understandings of science and proper application of life science technologies.

We currently have clients. We're currently engaged in educating food production facilities on the sciences of controlled environment agriculture. We aren't going through this RFP for money or for greed or personal agenda. We're offering to work with the state of WA at a reduced rate for the sake of the consumers who can be potentially poisoned with toxic cannabis.

The sciences required for a three-dimensional understanding of growing biomass in a controlled environment, including cannabis, are as follows:

1. Physics
2. Nutrition
3. Systems Analysis
4. Instrumentation
5. Ecology
6. Understandings of Experimental Procedures
7. Biochemistry
8. Microbiology
9. Engineering
10. Plant Science
11. Research Methodology
12. Computer Science
13. Microclimatology
14. Mathematics/Statistics
15. Chemistry
16. Nursery Management
17. HVAC Expertise
18. Life Sciences/Biology

This group teaches these sciences and how they all work together to grow sustainable biomass. A lack of knowledge of any one of these sciences will result in an unprofitable, unsuccessful venture into cannabis production. We are a group of scientists, photo-biologists, engineers and physicists here to provide a functional, sustainable framework for legislators and governing agencies. We work with national and international groups involved in sustainable biomass production

Team Structure and Internal Controls. In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.

We have a base of members that participate, each with their own unique skill sets. For example, there are various committees that each have their own Chair-Person and then the volunteer base that serve on the committees. There are academics, scientists, engineers and others that work together in various capacities as needed.

As President of the organization, I would serve as the "lead consultant" for the state in this endeavor. I will call on the required specialist within our organization, if needed, to help participate, but I feel that this is all very straight forward and won't require outside participation from our membership. I will be able to serve as the lead on this project.

We aren't the manufacturers, we're the educators. I can teach people how to use low-end, mid-range, or high-end technologies that exist now, are ready to go and actually work. We have recommendations for specific tools based on the client's budget and what best for the project. We provide the training to support the technologies. Our group, as a non-profit, is fulfilling its mission to educate and disseminate information on these sciences.

I don't believe the state wants it to take teams of people to accomplish what two or three could accomplish. We offer you a simple solution, less cluttered and convoluted and without hidden agendas or greed. Our wish is that one state in the country will have safe, non-toxic cannabis that's fit for human consumption.

3. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Hydroponic Society of America – Staff

Dan Lubkeman – President

- Hydroponic Society of America, an NPO since 1977. President, 15 years
- 25 year career in controlled environment agriculture, hydroponics and commercial growing.
- Educational Consulting, R&D, Science & Technology Development
- Former North American Editor for Practical Hydroponics & Greenhouses magazine.
- 15 year industry writer/editor for American, Canadian, Australian, and UK publications
- Helped provide a preliminary framework for cannabis production policies with the Haas business school at UC Berkeley for the city of Oakland. We worked together to create Standards and Certifications for commercial cannabis production within the county.
- Consults and teaches photobiology, grow-room dynamics, thermal dynamics, plant physiology, and more.
- Introduces advanced models of plant production, lighting, and environmental controls for sustainable, and profitable, biomass production facilities around the world.
- Demonstrates how to achieve a greater yield with fewer plant sites; better energy efficiencies and better consistency in production with the smallest carbon footprint.
- Advises on the integration of “Green” technologies that include solar, wind, geothermal, co-generation, reforestation, and smart grid technology for best efficiency of operations.

Note: As a non-profit, all other functions for the H.S.A. are supported by members and volunteers.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Please answer the questions listed below, attaching additional pages as necessary:

4. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or expertise in Product Quality Standards and Testing, including but not limited to the following:
- a. Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations
 - b. Assisting the WSLCB with establishing quality standards for testing Marijuana

We are the national science organization for the sciences of controlled environment agriculture. We understand the references and the references for those references. To have "Quality Standards and Testing", there has to be an understanding of the sciences, the references of "good and bad" and understanding what to even test for.

We can guide the state to the best testing practices, methodologies and controls. If the state has the testing equipment, then there's no need for outsourcing the lab-work. Some of these questions will be answered in consulting.

5. **Experience.** In two (2) pages or less, please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.

The cannabis industry isn't really an industry. It's a recent commodity that is still largely unrealized. Our group has set a higher standard for growers to comply with and educate them on how to produce safer cannabis.

This is more like setting standards for cat breeding or dog breeding. You have to really understand the animal to make a reference for whether or not its "good" or "bad" and have the experience to back that up. We are the organization that teaches growers the basic tools to discriminate what's good from what's bad. There's no other group on the planet that educates on these skill sets, and we've been doing it for over a decade.

I have stated the scientific nature of our organization throughout this document. We are more than qualified to assist on the scientific side of quality standards and testing.

6. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Hydroponic Society of America – Staff

Dan Lubkeman – President – Experience listed above.

Approach and Methodology. In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminants, and Product strain.

We will work with the state to develop these protocols in consulting. These protocols already exist, but will have to be defined for the state. We can all agree that extensive testing will be required. A final list of chemicals to screen for, recommended methods and protocols for labs, etc., will all be provided in consulting.

Education is key to efficient, consistent and high quality crops. The references for educational standards should be implemented in advance of actual cannabis production.

We provide regulatory program managers and front-line inspection staff with trainings and guidance on growing, planning, scheduling, conducting, and evaluating risk-based inspections, program standards, and can provide additional recommendations to assist in planning and development of other programs.

Various strategies can be implemented to assist operators in achieving active managerial control of cannabis disease/pathogen risk factors. It's imperative to be developing and implementing cannabis safety management systems to prevent, eliminate, or reduce risk factors.

We can provide, in association with the State of WA, the various curriculum components needed to begin at all levels of cannabis production. This would allow state, local, and other departments to conserve their time and funding resources initially, instead of developing their own training courses. The H.S.A. can help agencies cost-effectively disseminate the most current life science information on an as-needed basis.

The training process for inspection staff should be continuous. The final phase of training should include a mechanism to ensure that learning is ongoing and staff is kept abreast of cannabis safety issues and the latest science. This covers the inspection of cannabis plants and the establishment of standards for composition, quality, handling and safety. The H.S.A. can train inspectors on scrutinizing cannabis production facilities and cannabis plants for compliance with the established standards.

Risk Assessment: We can help shape risk assessment that includes the implementation of science-based tools. Our group can help develop a management system in which cannabis safety is addressed through analysis and control of biological, chemical and other risks and hazards involved in material production.

What is Needed to Properly Conduct a Risk-based Inspection?

- Have the Proper Equipment
- Provide Adequate Training
- Inspectors need proper training before they can conduct risk-based inspections.
- Training includes a combination of classroom training, in-field training, standardization, and continuing education. Assessing Compliance with Approved Procedures

- Assessing Special Requirements Related to Consumer Safety
- Assessing Labeling, Storage, and Use of Poisonous and Toxic Chemicals
- Evaluating Basic Sanitation and Facilities
- Achieving On-site and Long-term Compliance
- Developing an Effective Compliance and Enforcement Protocol
 - Those designed to achieve immediate on-site correction
 - Those designed to achieve long-term compliance.

- Proper growing equipment and proper growing facility layout
- Establish First-In-First-Out (FIFO) Procedures
- Develop and Implement Standard Operating Procedures (SOPs)
- Develop and Implement Risk Control Plans
- Develop and Implement Comprehensive Cannabis Safety Management Systems

Norton, Melissa K

From: Samuel Rodriguez <a-samrod@hotmail.com>
Posted At: Friday, February 15, 2013 2:01 PM
Conversation: RFP- K430 - ITexpand Proposal document enclosed
Subject: RE: RFP- K430 - ITexpand Proposal document enclosed
Importance: High

From: a-samrod@hotmail.com
To: lcbids@liq.wa.gov
CC: massolus@yahoo.com; info@itexpand.com; a-samrod@hotmail.com; todd.m.sames@visualant.net
Subject: RE: RFP- K430 - ITexpand Proposal document enclosed
Date: Fri, 15 Feb 2013 13:57:58 -0800

From: a-samrod@hotmail.com
To: lcbids@liq.wa.gov
CC: massolus@yahoo.com; a-samrod@hotmail.com
Subject: RFP- K430 - ITexpand Proposal document enclosed
Date: Fri, 15 Feb 2013 12:57:30 -0800

Hello,

Dear Mr
John Farley
Contracts Specialist

We are submitting a proposal for RFP- K430 (RFP) in order to establish a Contract(s) for Consulting Services to assist the WSLCB with the implementation of the Washington State Initiative 502 (I-502) requirements. for > Category 2: Product Quality Standards and Testing.. We'll be sending updated information as it evolves from business model for this proposal.

Thank you for letting us know what's the outcome and if you have any questions please call us at 206-422-0772

Samuel Rodriguez
Itexpand CEO

Norton, Melissa K

From: Samuel Rodriguez <a-samrod@hotmail.com>
Posted At: Friday, February 15, 2013 1:58 PM
Conversation: RFP- K430 - ITexpand Proposal document enclosed
Subject: RE: RFP- K430 - ITexpand Proposal document enclosed
Importance: High

From: a-samrod@hotmail.com
To: lcbids@liq.wa.gov
CC: masso1.us@yahoo.com; a-samrod@hotmail.com
Subject: RFP- K430 - ITexpand Proposal document enclosed
Date: Fri, 15 Feb 2013 12:57:30 -0800

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Samuel Rodriguez
Itexpand CEO

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to **lcbids@liq.wa.gov**.
- Clearly mark the subject line of the email: RFP- K430, Vendor Name (e.g. RFP-K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the **lcbids@liq.wa.gov**inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned.

Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

Proposer's Authorized Offer (see page 2)

Proposer Information (see page 3)

Subcontractor Information (see page 4)

Letter of Submittal (see page 5)

Non-Cost Proposal (see page 6)

Cost Proposal (see page 8)

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.

5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Samuel Rodriguez		Itexpand
Proposer Signature		Company Name
President		2/15/2012
Title		Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name	Itexpand
Street Address	6512 NE 181st
City, State, Zip	Kenmore
Federal Tax ID Number	PersonallInfo
UBI	
Website URL	www.itexpand.com

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name:	Samuel Rodriguez
Telephone:	206-422-0772
Email:	a-sanrod@hotmail.com

Payment Options:

YES x NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount _____% _____ days, net 30 days.

YES x NO Will you accept the State's Purchasing Card (P-Card)?

x YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	
1	Product and Industry Knowledge	
2	Product Quality Standards and Testing	x
3	Product Usage and Consumption Validation	
4	Product Regulation	

SUBCONTRACTOR INFORMATION

Check the applicable box:

xYes - Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1		Subcontractor 2	
Name:	Visualant, inc	Name:	
Services:	technology for content detection	Services:	
Address:	Visualant, Inc. 500 Union Street, Suite 420 Seattle, WA 98101 United States	Address:	
Telephone	+1 (206) 903-1351	Telephone:	
Email:	todd.m.sames@visualant.net	Email:	
Fed ID:		Fed ID:	

UBI:		UBI:	
Work to be Performed:	Authentication, Diagnostics, Verification, analysis for contamination,	Work to be Performed:	
OMWBE certified: ___ Yes ___ x ___ No		OMWBE certified: ___ Yes ___ No	
Subcontractor 3		Subcontractor 4	
Name:		Name:	
Services:		Services:	
Address:		Address:	
Telephone:		Telephone:	
Email:		Email:	
Fed ID:		Fed ID:	
UBI:		UBI:	
Work to be Performed:		Work to be Performed:	
OMWBE certified: ___ Yes ___ No		OMWBE certified: ___ Yes ___ No	

LETTER OF SUBMITTAL

The Proposer's Letter of Submittal must be signed by the individual within the organization authorized to bind the bidder to the offer. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Proposer and any proposed subcontractors:

- Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.

Firm Name	Itexpand
Street Address	6512 NE 181st
City, State, Zip	Kenmore
Federal Tax ID Number	PersonallInfo
UBI	
Website URL	www.itexpand.com
Representative Name:	Samuel Rodriguez
Telephone:	206-422-0772
Email:	a-samrod@hotmail.com

- Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)

ITexpand:

Representative Name:	Samuel Rodriguez CEO
----------------------	----------------------

Telephone: 206-422-0772

Email: a-samrod@hotmail.com

Representative Name: *Masso d' salmassi VP product Development*

(425) 485.8442

masso1us@yahoo.com

Visualant:

Ron Erickson

CEO, President, & Founder

Marco Hegyi

Chairman of the Board

- Location of the facility from which the Proposer would operate. (Yet currently looking for new location)

6512 NE 181st Kenmore WA 98028

- Statement of which of the following Categories Proposer is responding to:

Category 2: Product Quality Standards and Testing

- Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Proposer's organization. If following a review of this information, it is determined by the WSLCB that a conflict of interest exists, the Proposer may be disqualified from further consideration for the award of a contract.

Response: No employee or former state employees employed or on the firm's governing board as of the date of the proposal

NON-COST PROPOSAL

Please refrain from using company name or other information that will identify your company while preparing your response for the Non-Cost Submittal. The Washington State Liquor Control Board (WSLCB) reserves the right to modify proposals in order to eliminate company names or any other information that may identify a specific company brand.

CATEGORY 2 –PRODUCT QUALITY STANDARDS AND TESTING

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or expertise in Product Quality Standards and Testing, including but not limited to the following:
 - a. Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations

Response:

THC/CBD content verification via detection of Specific Chromatic Identifiers via Analysis to satisfy WA State law proposition requirements **I-502 Implementation**

This is a proposal to generate a business case structure model which additionally will address the technology needed for verification, Authentication, Diagnostics, analysis for %, Ratio and contamination ingredients. The process for Product **Quality Standards, quantification and testing is to create databases of Specific Chromatic Identifiers via Analysis from the known strains to formulate THC/CBD libraries, classification and categorization for the target substance contents, impurity detection solutions relevant to Legalization and Industrialization laws of Marijuana via establishing initially networked labeled producing workstations for packaging at production sites around WA State.**

We are looking to attract qualified Washington state local technology firms i.e. www.visualant.net , Biophotonics prestigious Prism Award Finalist in Green Category that provide applicable analytical and verification technologies via their advance Spectral Pattern Matching (SPM) methods and its applications. The solution at hand is to create a Business Case Model to attack the section 2 associated to the Product **Quality Standards and Testing of Marijuana Legalization and Industrialization laws as required by RFP , to create an evolved and tested exportable model applicable to similar upcoming industries nationwide and beyond.**

b. Assisting the WSLCB with establishing quality standards for testing Marijuana

We propose PC host software application, Scanhead API, and C sample code for each specific sector/device license. This will be built to rap around to a particular device for the Spectral Pattern Matching for THC/CBD confirming Product safety and contaminants to be read providing the components. Establishing quality standards for testing Marijuana as information is collected from various production/manufacture sites and kept in a central repository database as an open library or reference used assisting the WSLCB keeping track of potential or specifics remotely causes afflicting production from afar.

Because of the capacity to capture Electric polarization of particles in solids, liquids, and gases causes light to be scattered in a unique spectral pattern. As a result, everything in the world has a unique machine-readable chromatic identifier - this is 'Nature's Color Identifier'.

As result the technology use can be compared to known spectral patterns, in order to identify the substances.

The technology advanced by Visualant Inc.* a subcontractor and its advantages; Light Emitting Diodes (LEDs) or lasers as emitters, and photodiodes as detectors. The emitters are fired onto or through a sample being measured. The scattered light reflected by the sample is measured by the detector. Emitters are selected to output light at the wavelengths most suited to a particular application and can include ultraviolet and infra-red wavelengths. The captured data can be plotted as a spectral pattern showing the intensity of the reflected light at each wavelength. The pattern of this chart can be compared to a database of patterns from known substances to identify the substance.

2. Experience. In two (2) pages or less, please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.

It expand:

We present you with a pre-set maintenance and infrastructure cost for Technical Information department. We work in forecast with greater simplicity and bring on your costs for expenses associated to Information Technology solutions. We search for maintenance and administration

of servers, computers, office (PCs), firewalls and networking equipment / devices. By implementing systems and processes of supervision, administration and maintenance that will help you remain your information and IT infrastructure secure, well-built and even cost for expenses and a much less charge for what can do our consultants can do for your thriving business

Why trust our services?

- Default costs based on service plans
- No more unanticipated expenses
- Maintenance of your Technologic Information with a reduction of costly new employee on your budget
- A real budget for Information Technology in place for system and for technologies needed to be applied in your projected growth
- There is no long-term commitment
- Skilled workforce at hand
- Security, stability and harmony in your departmental technologies by integration of your IT needs
- We submit to you various planning practices and procedures of Technology and by doing so we maintains in check your IT Department in good physical shape

Swift change of Technology Information available if required to accommodate new business growth

Administration and Management

We're involved in putting processes of Information Technology to your advantage To Improve the reliability, stability and scalability as well security for the systems in your business. We also assist you with tactically use of computer technologies to grow your business satisfactory

Our company supports with secure approach this way and maintains all of yours works for systems under the bare minimum downtime and seek to reduce your total IT cost reactionary expense that are associated to its developing necessary systems management services done by the technical expert or Consultant

We will present you with various groups bundles of services for the maintenance and hours scheduled each month In which you can cover unforeseen needs that could be left out of current infrastructure management Because of growth and also including with new agreements and pre-established prices. For customers who are qualified there are offers discounted rates on all our business services available packages. We trust this provides the flexibility for our customers preferred.

Our professionals have experience In providing the following services

Basic Help

Any work done on computer or workstation, printer settings, workstations devices, networking basics, rank 1 also includes technical support that are not covered by the Administration or monitoring solution.

Advanced Assistance

An expert will work and do maintenance on networks using high level of professional architects and engineers. We include resolution to troubles with the servers and networks, as well as setting up, design and configurations of devices. In addition includes high-level technological support not covered in a maintenance management of IT Solution.

We can assist you with Project management, business analytics for your business and IT planning as well.

The company presents you with qualified professional with their strive Which Talent for Strategic planning of the use of technologies available in your business and to grow your business, IT and maintenance manage the relations representing by its IT vendors who are Providing your IT in an Accordance with your core business and use of Information technology correctly your business moving forward.

A number of qualified resources and Software Developers Websites designers, engineers, consultants are ready to develop applications and IT solutions your business needs. A rounded marketing advertising tools are available as well for your venture to increase e-commerce awareness in your sites.

Visualant*:

At Visualant we have developed a way to capture the unique spectral signature of everyday substances. We call this a **ChromaID**, which you can think of as 'Nature's Color Identifier'. ChromaID scanners paint structured light onto a substance and measure the scattered light that is reflected back - our 'ChromaID Technical White Paper' describes how this works. The technology makes use of tiny Light Emitting Diode (LED) and Photodiode semiconductor devices. In recent years the cost and performance of these components has dramatically changed and this makes it possible to build a small inexpensive hand-held ChromaID scanner or fit this technology inside other everyday devices.

Visualant has invested more than five years of R&D into the development of the ChromaID technology. To celebrate the next phase in development we published our story in the article 'Nature's Color Identifier - The ChromaID Story'. In 2013, Visualant plans to release a *ChromaID Development Kit* so potential licensees can try out the ChromaID technology.

There are many potential applications for ChromaID technology, both in hand-held scanners and through integration into other devices. For example, Visualant's technology could be used to authenticate passports and drivers' licenses, detect illegal drugs, check for contaminants in water and fuel, measure the sugar content of fruit, and we hope one day to provide an array of medical devices - including measuring blood characteristics without having to puncture skin.

3. Staff Qualifications and Capabilities. Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

ITexpand:

Firm Name	Itexpand
Street Address	6512 NE 181st
City, State, Zip	Kenmore
Federal Tax ID Number	PersonalInfo
UBI	
Website URL	www.itexpand.com
Representative Name:	Samuel Rodriguez
Telephone:	206-422-0772
Email:	a-samrod@hotmail.com

Proven track in Enterprise Operations, Desktop Support, Customer Service, Systems Engineer/Analyst, Enterprise Windows platforms Administration; expertise in Residential Healthcare, HIPAA Standards and IT Security Enviroments.

- Education: B.S in Pre-Medicine, University of Merida, Venezuela (1993); Certifications and/or

training for HIPAA, MCSE, MCDBA and A+, MCP, Software Testing (STEP), Project Management. Windows 8, Windows Server 2012, Design of SQL 2012 Business Intelligence Solutions, Core Solutions Lync Server 2013

- Experience: Backups, remote administration, desktop support, terminal services, user administration, active directory, DNS, security policies, VPN, IIS, Remedy, software licensing, HIPAA, Medicare, Medicaid, Healthcare management and estimating, Sales Analysis, Collections software, Customer Service, and Systems Administration, System Center Configuration Manager (SCCM) 2012
- Databases: SQL Server 2000/2005/2008 and Access 2010.
- Operating Systems and Enterprise Editions of: Windows 9x, 2000, XP, 2003, Vista, 2008/core server Enterprise editions, IT Security and some Linux.
- Bilingual fluent in English and Spanish

masso d` salmassi

(425) 485.8442

Owner, **m+sdesign group**

m+sdesign group

Education Tennessee State University

Visualant:

Ron Erickson
CEO, President, & Founder

RONALD ERICKSON has been a director and officer of the Company since April 24, 2003. He currently serves as the Company's Chief Executive Officer and President. He was appointed to the positions of CEO and President on November 10, 2009. Earlier, he was appointed President and Chief Executive Officer of the Company on September 29, 2003, and resigned from this position on August 31, 2004 at which time he was appointed Chairman of the Board. A seasoned executive with more than 30 years of experience in the high technology, telecommunications, micro-computer, and digital media industries, Mr. Erickson was the founder of Visualant. In addition to his Visualant responsibilities he also serves as Chairman of Tristit Global,, Inc., a mobile application development and distribution company and eCharge Corporation an Internet based transaction processing company. He is formerly Chairman, CEO and Co-Founder of Blue Frog Media, a mobile media and entertainment company; Chairman, CEO and Co-founder of GlobalTel Resources, a provider of telecommunications services; Chairman, Interim President and CEO of Egghead Software, Inc. the large software reseller where he was an original investor; Chairman and CEO of NBI, Inc.; and Co-founder of MicroRim, Inc. the database software developer. Earlier, Mr. Erickson practiced law in Seattle and worked in public policy in Washington, DC and New York, NY. Additionally, Mr. Erickson has been an angel investor and board member of a number of public and private technology companies. In addition to his business activities Mr. Erickson serves on the Board of Trustees of Central Washington University where he received his BA degree. He also holds a MA from the University of Wyoming and a JD from the

University of California, Davis. He is licensed to practice law in the State of Washington.

Mr. Erickson was appointed as a Director based on his position as a founder of the Company and his significant executive experience in the high technology industry

Todd Martin Sames

VP Business Development

TODD MARTIN SAMES brings over 25 years of industry and business development experience to the expanding Visualant team. From 2010 to 2012, Mr. Sames was responsible for the creation of a new Video Conferencing Business Unit for INX Pacific Northwest. The project resulted in a successful new line of video conferencing, telecommunication, security and digital signage solutions from Cisco / TANDBERG.

From 2007 to 2010, Mr. Sames held a Regional Management position at BT Conferencing overseeing their video conferencing division in the Western US.

From 2001 to 2006 Mr. Sames worked with Premise Systems as VP Sales where he established a direct sales organization for software product placement in the retail / installer distribution channel and developing partnerships with GE Smart, Leviton, Lutron, Harmon Kardon and other strategic alliances. Premise Systems was acquired by Lantronix Corporation in 2004.

From 1999 to 2001 Mr. Sames worked at ECharge Corporation with Ronald Erickson, our Chief Executive Officer. Originally hired as Sales Director, Mr. Sames was promoted to the position of Group President, Global Sales where he oversaw a staff of 16 with offices in Seattle, London and Japan.

From 1994 to 1998 Mr. Sames was hired at Concur Technologies (formerly Portable Software) to build their corporate sales organization, and was responsible for securing some of the first large corporate clients (Nike, New York Times).

From 1986 to 1994 Mr. Sames worked at Egghead Software. Mr. Sames was promoted to Midwest Regional Manager responsible for Sales in the Illinois, Michigan and Iowa markets. After two years in Chicago, Mr. Sames was promoted again and returned to Seattle to act as Director of Corporate Services, developing programs for electronic ordering of software for corporate clients (Egghead Express) and a software asset management program (SofTrac) for the Corporate Sales Group's Fortune 1000 clients.

Mr. Sames holds BA degree in Business Administration from the University of Puget Sound

- 4. Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminates, and Product strain.

Working under various technology license, Tester subcontractors operating devices will be implementing Scans of It has thirty-two Emitters ranging in frequency from 350 nm to 1450 nm. It is connected by USB to a host PC, which runs a proprietary Spectral Pattern Matching software application. The scanner also has Bluetooth, and while running on battery, it can connect to a PC wirelessly. Device fires it's thirty-two emitters through a sequence of 3,200

flashes of light and measures the reflected light from every flash. The entire scan is completed in less than one second to capture a device's profile of the sample.

The measure example will be a part of a batch test profile taken from the production line and linked to networked Work Stations readers at the production level building a central repository, Analysis Centers, and External Devices will provide verification of electro analysis thru the sale of re-chargeable membership package modules tailored by licensed category. The application API is a meter associated to license – Preset package analytic reader – base on License or sector market niche requirements to uphold license testing laws for production and/or as applicable by law while building central databases for comparison and analysis.

The final report may yield a % of components base on Item or batch while provide digitizes measurements of the elements reporting thru scorecards/dashboards the results of the findings under a membership profile associated to its business category or license

The end result will reflect the printing of ingredients labels depicting Membership/profile bar-coded containing customer ID and/or Identifier for Privacy security laws such as HIPAA

Membership and Subscription = Prefer packages, dosage, routes, products, services

Base on Device of sector – license type = (mobile field's readers or desktop devices) others machines applicable to Farms and Processing factories. Fixed mounted medical devices or retail commercial annexes

a) "There is the potential to integrate and miniaturize the emitter and detector components in custom silicon packages, which could be made very small and integrated into other devices. This could for example allow a Smartphone type device to include Spectral Pattern Matching capability and use it to scan mold or chemical contaminates, and Product strain. And/or for contaminants as well added a biosecurity element to security applications."* (HIPAA)

Database Where Houser of THC/CBD for: Build jointly with growers. Reference database Library of mold or chemical contaminates and Product strain.

Licensors, licenses, sectors retail, business categories, products, locations, strains kinds, ratios, forms-CRM , Dosage, route, amount/ratio

Looking to tackle verification and diagnosis and measurements of the % found in items sold for THC/CBD

Implementation and Market*

Marijuana or dried parsley? The technology might become integrated into a law enforcement officer's flashlight, pen, or smartphone. One flash sends an unidentified substance's chromatic signature to a national database of controlled substances (cloud). Verification of illegality or

purity might only be the first step. A growing Technology database of THC/CBD could begin to yield information about the drug's place of origin, manufacturing process, and network of distribution.

Industrial:

Technology adaptability, from a wide range of the color spectrum to a sharp focus on a specific wavelength spectrum, makes it an optimal instrument for both identifying industrial materials and maintaining quality control. The technology profile of aviation fuel, for instance, could identify the presence of contaminants such as water, debris, or microbes. Production quality control gets a boost, too: Technology scanner could check every unit on a beverage bottling line, on a press run, or an industrial weaving loom.

Is one of these strains diluted? Is the beaker contaminated?

What's the sugar content of the apple? Are these grapes ready to harvest?

Medical:

Hipaa compliant security profiler mobile Application that presents % and dosage approximations. Medical Guidelines for ratio and method concentration found on prefer route base on Item potency and form of application

Marketing:

Website Mix International Languages – build Local resources.. Social Networking, Meet ups, radio, TV, Education(share seminars resources vendors) Marketing materials (cards, brochures, testers) community small business distribution – Social responsibility and Sustainability set parameters for Global Market . Business profitability base on % item potency ratio

Video: Virtualized physical world meetings Education, ways to grow and implement better sales/services, Discussion – Critical thinking about issues impacting sector), Showcase resources/affiliates

Events (Farm markets) Blogs, Questions, Engaging materials, testers, fact sheet/proofs, specials, promotions, ROI and benefits of products strengths

Keyword phrases, - Sector specific, Share/market capitalization, Products, devices, services, distributions channel, business categorization,

Diversified store products, locations and Audiences this to Separate approach to Medical from Recreational for presentation, analysis and commercialization.

Partners, Affiliates and Local Resources

Testing standards for Product testing of THC/CBD levels and ratios for Product offered

Labeling standards needed to meet the requirements as defined by law

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ <u>175</u> p/hour

Also

\$6000 Per Workstation or machine/cost device and a charge of .99 cents per reading of material tested based on licensing agreements (Set of pre purchase packages pertaining to testing center site.)

Development of An API application that connects technology raw reading results to online membership, profile categorization (CRM modules) , labeling and reporting an approximate cost of : \$70k – \$100k costumed tailored software tackling the various licenses informational requirements from business sector associated to usage of substances (Medical - HIPAA and Recreational)

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ <u>8</u> p/day

Positions:

Licensed Tester Technician

Technical Support Specialist

Scientific Analyst Advisor

Business Consultant Representative (Product and Service evangelist)

Business and Sales Executive

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Norton, Melissa K

From: James Anthony <mcclawyer@gmail.com>
Posted At: Friday, February 15, 2013 10:04 AM
Conversation: RFP- K430, JATAC (James Anthony Technical Assistance Consulting)
Subject: RFP- K430, JATAC (James Anthony Technical Assistance Consulting)

Good Morning:

Attached please find all documents required by the submittal document for this RFP. Please consider them a unified response to the required sections.

I would greatly appreciate a "reply all" email from one of your emails (lcbids@liq.wa.gov or K430@liq.wa.gov), or a phone call or text message to me at [510-207-6243](tel:510-207-6243), confirming receipt, at your earliest convenience.

Thank you for your professionalism and public service.

Yours very truly,

James Anthony

--

James Anthony
James Anthony Technical Assistance Consulting

3542 Fruitvale Ave., 224
Oakland, CA 94602
[510/842-3553](tel:5108423553) off
[510/207-6243](tel:5102076243) cell
[510/228-0411](tel:5102280411) fax



4148 N. Arcadia Dr.
Phoenix, AZ 85018

February 8, 2013

To Whom It May Concern:

This letter is to serve as confirmation that I have read the K430 contract for Initiative 502 Consulting Services for the Washington State Liquor Control Board. The standard terms and conditions have been reviewed and I agree to all requirements presented.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kris Krane'. The signature is fluid and cursive, with a long horizontal stroke at the end.

Kris Krane
Managing Partner
4Front Advisors



February 14, 2013

Re: RFP K430, Initiative Consulting Services

To Whom It May Concern:

I am a named subcontractor to James Anthony Technical Assistance Consulting in their proposal to the above above-referenced RFP. I have read the K430c Model Contract, I have reviewed the standard terms and conditions, and I agree to all the requirements presented.

Sincerely,

A handwritten signature in black ink that reads "Donald P. Land". The signature is written in a cursive style with a large, prominent "D" and "L".

Donald P. Land
Chief Scientific Consultant
Halent Laboratories
Davis, CA

Matthew D. Hawes
1037 Brewer Lake Road
Orrington, ME 04474

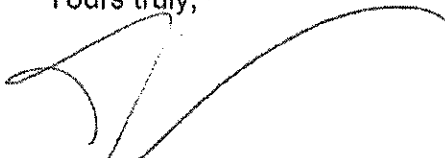
2/14/2013

Re: RFP K430, Initiative Consulting Services

To Whom It May Concern:

I am a named subcontractor to James Anthony Technical Assistance Consulting in their proposal to the above above-referenced RFP. I have read the K430c Model Contract, I have reviewed the standard terms and conditions, and I agree to all the requirements presented.

Yours truly,

A handwritten signature in black ink, appearing to be 'Matthew D. Hawes', written over a horizontal line.

Matthew D. Hawes
Consultant



February 14, 2013

Re: RFP K430, Initiative Consulting Services

To Whom It May Concern:

I am a named subcontractor to James Anthony Technical Assistance Consulting in their proposal to the above above-referenced RFP. I have read the K430c Model Contract, I have reviewed the standard terms and conditions, and I agree to all the requirements presented.

Sincerely,

A handwritten signature in black ink, appearing to read "Kymron deCesare", with a long horizontal line extending to the right.

Rev. Dr. Kymron deCesare
Scientific Consultant
Halent Laboratories
Davis, CA

Barbara B. Killey, J.D.
7 Miss Lane
San Rafael, CA 94901
415-254-8234/killeyb@yahoo.com

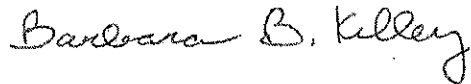
February 14, 2013

Re: RFP K430, Initiative Consulting Services

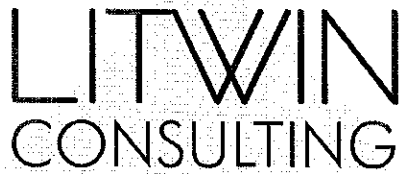
To Whom It May Concern:

I am a named subcontractor to James Anthony Technical Assistance Consulting in their proposal to the above above-referenced RFP. I have read the K430c Model Contract, I have reviewed the standard terms and conditions, and I agree to all the requirements presented.

Yours truly,

A handwritten signature in cursive script that reads "Barbara B. Killey".

Barbara B. Killey
Consultant



2-14-13

Re: RFP K430, Initiative Consulting Services

To Whom It May Concern:

I am a named subcontractor to James Anthony Technical Assistance Consulting in their proposal to the above above-referenced RFP. I have read the K430c Model Contract, and I have reviewed the standard terms and conditions, and I agree to all the requirements presented.

Yours truly,

s/Craig Litwin

Craig Litwin
Principal

J. Erich Pearson
Consulting
P.O. Box 14816
San Francisco, CA 94114
(415) 314-4995

February 14, 2013

RE: RFP K430, Initiative Consulting Services

To Whom it May Concern:

I am a named subcontractor to James Anthony Technical Assistance Consulting in their proposal to the above referenced RFP. I have read the K430c Model Contract, I have reviewed the standard terms and conditions, and I agree to all the requirements presented.

Yours truly,

s/J. Erich Pearson

J. Erich Pearson

Joshua B. Wiersma, Ph.D.
36 Island Pond Rd
Dracut, MA 01826

February 14, 2013

Re: RFP K430, Initiative Consulting Services

To Whom It May Concern:

I am a named subcontractor to James Anthony Technical Assistance Consulting in their proposal to the above above-referenced RFP. I have read the K430c Model Contract, I have reviewed the standard terms and conditions, and I agree to all the requirements presented.

Yours truly,

s/Joshua Wiersma

Joshua Wiersma
Dr. Joshua Wiersma, Independent Consultant

Kristin Nevedal
PO Box 393
Redway CA 95560
707-498-9877

February 14, 2013

RE: RFP K430, Initiative Consulting Services

To Whom it May Concern:

I am a named subcontractor to James Anthony Technical Assistance Consulting in their proposal to the above referenced RFP. I have read the K430c Model Contract, I have reviewed the standard terms and conditions, and I agree to all the requirements presented.

Yours truly,

s/Kristin Nevedal

Kristin Nevedal

Matthew Cohen
Consulting
759 S. State St., #72
Ukiah, CA 95482
(707) 972-9195

February 14, 2013

RE: RFP K430, Initiative Consulting Services

To Whom it May Concern:

I am a named subcontractor to James Anthony Technical Assistance Consulting in their proposal to the above referenced RFP. I have read the K430c Model Contract, I have reviewed the standard terms and conditions, and I agree to all the requirements presented.

Yours truly,

s/ Matthew Cohen

Matthew Cohen

Robert Jacob
708 Gravenstein Hwy N., #324
Sebastopol, CA 95472
707-537-5800
rjacob@sonic.net

February 14, 2013

Re: RFP K430, Initiative Consulting Services

To Whom It May Concern:

I am a named subcontractor to James Anthony Technical Assistance Consulting in their proposal to the above above-referenced RFP. I have read the K430c Model Contract, I have reviewed the standard terms and conditions, and I agree to all the requirements presented.

Yours truly,

Robert Jacob

Robert Jacob
Regulatory Compliance and Operations Consultant

Scott J. Van Rixel
Consulting
6815 Biscayne Blvd., Ste 103
Miami, FL 33138
(575) 613-2909

February 14, 2013

RE: RFP K430, Initiative Consulting Services

To Whom it May Concern:

I am a named subcontractor to James Anthony Technical Assistance Consulting in their proposal to the above referenced RFP. I have read the K430c Model Contract, I have reviewed the standard terms and conditions, and I agree to all the requirements presented.

Yours truly,

s/ Scott J. Van Rixel

Scott J. Van Rixel

VICENTE SEDERBERG LLC

BRIAN VICENTE, ESQ.
CHRISTIAN E. SEDERBERG, ESQ.
JOSHUA KAPPEL, ESQ.
PHILIP SNOW, ESQ.
SHALEEN TITLE, ESQ. (Licensed in Massachusetts only)

OFFICES IN DENVER AND BOSTON

DENVER OFFICE
1177 GRANT STREET, SUITE 301
DENVER, CO 80203
(T) 303-860-4501 | (F) 303-860-4505

Feb. 15, 2013

To Whom It May Concern:

Vicente Sederberg, LLC, has reviewed the enclosed document RFP K430 and agrees to all standard terms, conditions and requirements.

Please feel free to contact us for any clarification.

Sincerely,

s/Brian Vicente

Brian Vicente

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to **lcbids@liq.wa.gov**.
- Clearly mark the subject line of the email: RFP- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the **lcbids@liq.wa.gov** inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

Proposer's Authorized Offer (see page 2)	<input checked="" type="checkbox"/>
Proposer Information (see page 3)	<input checked="" type="checkbox"/>
Subcontractor Information (see page 4)	<input checked="" type="checkbox"/>
Letter of Submittal (see page 5)	<input checked="" type="checkbox"/>
Non-Cost Proposal (see page 6)	<input checked="" type="checkbox"/>
Cost Proposal (see page 8)	<input checked="" type="checkbox"/>

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

s/ James Anthony

Proposer Signature

Director

Title

James Anthony Technical Assistance Consulting

Company Name

2/15/13

Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name	<u>James Anthony Technical Assistance Consulting</u>
Street Address	<u>3542 Fruitvale Ave., 224</u>
City, State, Zip	<u>Oakland, CA 94602</u>
Federal Tax ID Number	<u>PersonallInfo</u>
UBI	<u>Pending</u>
Website URL	<u></u>

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name:	<u>James Anthony</u>
Telephone:	<u>(510) 207-6243</u>
Email:	<u>MCDLawyer@Gmail.com</u>

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount % days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input checked="" type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: J. Erich Pearson
 Services: Consulting
 Address: P.O. Box 14816
San Francisco, CA 94114
 Telephone: (415) 314-4995
 Email: erichp@sparcsf.org
 Fed ID: PersonallInfo
 UBI: Pending
 Work to be Performed: Consulting
 OMWBE certified: ___ Yes _X_ No

Subcontractor 2

Name: Scott J. Van Rixel
 Services: Consulting
 Address: 6815 Biscayne Blvd., Ste 103
Miami, FL 33138
 Telephone: (575) 613-2909
 Email: scott@bhangchocolate.com
 Fed ID: PersonallInfo
 UBI: Pending
 Work to be Performed: Consulting
 OMWBE certified: ___ Yes _X_ No

Subcontractor 3

Name: 4Front Advisors
 Services: Consulting
 Address: 4148 N. Arcadia Dr.
Phoenix, AZ 85018
 Telephone: (510) 387-2440
 Email: Kris@4Front-Advisors.com
 Fed ID: PersonallInfo
 UBI: Pending
 Work to be Performed: Consulting
 OMWBE certified: ___ Yes _X_ No

Subcontractor 4

Name: Steep Hill Cannabis Analysis Laboratory
 Services: Consulting
 Address: 473 Roland Way
Oakland, CA 94621
 Telephone: (510) 562-7400
 Email: David@SteepHillLab.com
 Fed ID: PersonallInfo
 UBI: Pending
 Work to be Performed: Consulting
 OMWBE certified: ___ Yes _X_ No

Subcontractor 5

Name: Donald P. Land, Ph.D.
 Services: Consulting
 Address: PO Box 73613, Davis CA
95617
 Telephone: 530-219-4366
 Email: DLand@Halent.com
 Fed ID: PersonallInfo
 UBI: Pending
 Work to be
 Performed: Consulting
 OMWBE certified: ___ Yes _X_ No

Subcontractor 6

Name: Rev. Dr. Kymron deCesare
 Services: Consulting
 Address: 220 Jessie Av, Sacramento,
CA 95838
 Telephone: 916-717-7567
 Email: KdeCesare@Halent.com
 Fed ID: PersonallInfo
 UBI: Pending
 Work to be
 Performed: Consulting
 OMWBE certified: ___ Yes _X_ No

Subcontractor 7

Name: Kristin Nevedal
 Services: Consulting
 Address: P.O. Box 393
Redway, CA 95560
 Telephone: (707) 498-9877
 Email: Kristin@emeraldgrowers.org
 Fed ID: PersonallInfo
 UBI: Pending
 Work to be
 Performed: Consulting
 OMWBE certified: ___ Yes _X_ No

Subcontractor 8

Name: Matthew Hawes
 Services: Consulting
 Address: 1037 Brewer Lake Rd.
Orrington, ME 04474
 Telephone: (707) 599-0610
 Email: mhawesinbox@gmail.com
 Fed ID: PersonallInfo
 UBI: Pending
 Work to be
 Performed: Consulting
 OMWBE certified: ___ Yes _X_ No

Subcontractor 9

Name: Barbara Killey
 Services: Consulting
 Address: 7 Mliss Lane
San Rafael, CA 94901
 Telephone: (415) 254-8234
 Email: killeyb@yahoo.com
 Fed ID: PersonallInfo
 UBI: Pending
 Work to be
 Performed: Consulting
 OMWBE certified: ___ Yes _X_ No

Subcontractor 10

Name: Matthew Cohen
 Services: Consulting
 Address: 759 S. State St., #72
Ukiah, CA 95482
 Telephone: (707) 972-9195
 Email: MCohen@EmeraldGrowers.
org
 Fed ID: PersonallInfo
 UBI: Pending
 Work to be
 Performed: Consulting
 OMWBE certified: ___ Yes _X_ No

Subcontractor 11

Name: Joshua Wiersma
 Services: Consulting
 Address: 36 Island Pond Rd Dracut,
MA 01826
 Telephone: 603-682-6115
 Email: Josh.wiersma@gmail.com
 Fed ID: PersonallInfo
 UBI: Pending
 Work to be
 Performed: Consulting
 OMWBE certified: ___Yes _X_No

Subcontractor 12

Name: Robert Jacob
 Services: Consulting
 Address: 708 Gravenstein Hwy N.,
#324, Sebastopol, CA 95472
 Telephone: 707-537-5800
 Email: rjacob@sonic.net
 Fed ID: PersonallInfo
 UBI: Pending
 Work to be
 Performed: Consulting
 OMWBE certified: ___Yes _X_No

Subcontractor 13

Name: Craig Litwin
 Services: Consulting
 Address: 200 Nelson Way #5,
Sebastopol, CA 95472
 Telephone: 707 849 1622
 Email: craig@litwinconsulting.com
 Fed ID: PersonallInfo
 UBI: Pending
 Work to be
 Performed: Consulting
 OMWBE certified: ___Yes _X_No

Subcontractor 14

Name: Vicente Sederberg LLC
 Services: Consulting
 Address: 1177 Grant St., Ste. 301
Denver, CO 80203
 Telephone: 303-860-4501
 Email: christian@vicentesederberg.c
om
 Fed ID: PersonallInfo
 UBI: Pending
 Work to be
 Performed: Consulting
 OMWBE certified: ___Yes _X_No

Subcontractor 15

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be
 Performed: _____
 OMWBE certified: ___Yes ___No

Subcontractor 16

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be
 Performed: _____
 OMWBE certified: ___Yes ___No

LETTER OF SUBMITTAL

The Proposer's Letter of Submittal must be signed by the individual within the organization authorized to bind the bidder to the offer. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Proposer and any proposed subcontractors:

- Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.
- Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)
- Location of the facility from which the Proposer would operate.
- Statement of which of the following Categories Proposer is responding to:
 - Category 1: Product and Industry Knowledge
 - Category 2: Product Quality Standards and Testing
 - Category 3: Product Usage and Consumption Validation
 - Category 4: Product Regulation
- Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Proposer's organization. If following a review of this information, it is determined by the WSLCB that a conflict of interest exists, the Proposer may be disqualified from further consideration for the award of a contract.

NON-COST PROPOSAL

Please refrain from using company name or other information that will identify your company while preparing your response for the Non-Cost Submittal. The Washington State Liquor Control Board (WSLCB) reserves the right to modify proposals in order to eliminate company names or any other information that may identify a specific company brand.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:
 - a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
 - b. How Marijuana is infused into food and beverages
 - c. How Marijuana should be packaged, labeled, transported, and sold at retail level
 - d. How wholesale and retail Product should be recalled and accounted for
 - e. How Marijuana should be destroyed if overproduced, contaminated, or recalled
2. **Experience.** In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.
3. **Team Structure and Internal Controls.** In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.
4. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Please answer the questions listed below, attaching additional pages as necessary:

5. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or expertise in Product Quality Standards and Testing, including but not limited to the following:
 - a. Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations
 - b. Assisting the WSLCB with establishing quality standards for testing Marijuana
6. **Experience.** In two (2) pages or less, please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.
7. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
8. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminants, and Product strain.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Please answer the questions listed below, attaching additional pages as necessary:

9. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise to estimate Product Usage and Consumption levels by geographic areas in Washington State.
10. **Experience.** In two (2) pages or less, please describe your firm's experience in statistical research, specifically related to determining demographic and/or psychographic segmentation, preferably related to the use of Cannabis.
11. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
12. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firm's proposed approach and methodology to be used for Product Usage and Consumption validation as requested in this RFP, to estimate demographic and psychographic segmentation, specifically related to the use of Cannabis.

CATEGORY 4 – PRODUCT REGULATION

Please answer the questions listed below, attaching additional pages as necessary:

13. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise in Product Regulation, including but not limited to, the following:
 - a. Experience with State, local or Federal government processes and procedures
 - b. Experience in crafting system regulations
14. **Experience.** In two (2) pages or less, please describe your firm's experience in working within the confines of a regulatory system, and experience in creating and/or modifying rule, law, ordinance, and/or guidelines.
15. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
16. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB with developing rules and a regulation strategy for the state of Washington's new Marijuana System.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ <u> 295 </u> p/hour
Category 1	\$290/hour
Category 2	\$225/hour
Category 3	\$225/hour
Category 4	\$325/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ _____ p/day

JATAC
JAMES ANTHONY TECHNICAL ASSISTANCE CONSULTING

3542 Fruitvale Avenue, 224
Oakland, CA 94602
(510) 842-3553 *off*
(510) 228-0411 *fax*
MCDLawyer@gmail.com

February 15, 2013

Re: K 430 Letter of Submittal

To Whom It May Concern:

As Director of JATAC, I submit this proposal and verify that I have the authority to make this binding offer on behalf of the entity, located, as indicated above, in Oakland California from where it will operate. JATAC is a sole proprietorship, and thus I am its sole Director. This proposal responds to all Categories, 1-4, inclusive. No state employees have any relationship with JATAC.

I want to apologize to the evaluation team for the usage of Contractor and Subcontractor firm and individual names, which I understand to be outside the usual style preference for such proposals. However, due to the size of our team, and the separable nature of the Category evaluations, to avoid confusion, I have clearly labeled each response with the appropriate name. I certainly understand if the WSLCB chooses to excise or redact them.

This application is a collaborative team effort lead by James Anthony Technical Assistance Consulting (JATAC) which is the non-legal consulting parallel to the Law Offices of James Anthony (www.mcdlawyer.com). Anthony was a City Attorney's Office nuisance prosecutor in Oakland, CA from 2003-05. During that time he prosecuted problem properties such slumlords, pollution, blight, liquor stores, and drug houses. Simultaneously, Oakland was moving to regulate its burgeoning medical cannabis dispensaries, while Anthony in his free time was becoming involved in drug policy reform. In 2004 he was a volunteer for Measure Z, the Oakland lowest law enforcement priority initiative policy for marijuana modeled after Seattle's Initiative 75.

In January 2006 Anthony left the Oakland City Attorney's office and went into private practice working exclusively in medical cannabis. Dispensaries were popping up all over the state after the passage of California's SB 420 authorized them. Some city attorneys were attempting to close them as nuisance and Anthony was ideally qualified to defend them. Other cities were moving to regulate and license them, San Francisco and Oakland amongst them. Anthony assisted applicants in obtaining such licenses (most notably Harborside Health Center in Oakland). His practice continued in that vein until the first Obama presidential term.

In the euphoria of 2009, amid speculation that widespread acceptance of medical cannabis—if not adult use legalization under California’s ill-fated Proposition 19—was on the horizon, Anthony formed CannBe, the nation’s premiere cannabis consulting firm. CannBe’s principals consisted of Anthony; Steve DeAngelo of Harborside; Don Duncan, California Director of Americans of Safe Access (and a West Hollywood dispensary operator); Erich Pearson, President of a San Francisco dispensary; and Robert Jacob, Executive Director of a dispensary in the little rural apple-growing town of 7,000 souls, Sebastopol, CA (where he is now Vice Mayor).

CannBe operated successfully for over 2 years with 17 clients and 3 million dollars in contracts and a payroll of 40 employees. CannBe was active in dozens of California’s 538 local governments (all of which it tracked) and in New Jersey, Arizona, Rhode Island, and the District of Columbia. It closed in early 2011 after the federal crackdown on medical cannabis in California dampened the market’s enthusiasm, and financing (among other things) became impossible. At that point Anthony returned to his law practice while also offering consulting services, now under the auspices of JATAC.

In the current team effort, JATAC has re-united much of the CannBe crew (sans DeAngelo and Duncan who are otherwise occupied) and supplemented it with stellar scientists from leading cannabis laboratories (Steep Hill and Halent), members of the cannabis professional network that extends from Maine to Mendocino and Humboldt Counties in California (expert growers, a PhD economist, and a regulatory expert), the Arizona off-shoot of CannBe (4Front Advisors, active there and in DC), and activist lawyer colleagues from the forefront of the cannabis movement in Colorado.

The JATAC team has the breadth and the depth to offer WASLCB the best of all the research and consulting services it requires in one integrated and coordinated entity. JATAC’s eight year’s of active work in cannabis regulation across the nation has built a network of consulting power with hundreds of person-years of professional experience across every regulated cannabis production and distribution jurisdiction in the nation.

We welcome the opportunity to work with WSLCB on this ground-breaking project and thank you for your consideration of our application. Surveying the applicants (some of whom we share subcontractors with) we feel sure that this RFP process will give you the best consultants available and that you will proceed to craft a regulatory model for the nation.

Thank you for all your good work and public service.

Yours very truly,

s/James Anthony

James Anthony
Director

NON-COST PROPOSAL

CATEGORY 1: PRODUCT AND INDUSTRY KNOWLEDGE

Notes:

- *The RFP questions are reproduced for the convenience of the Reader and are highlighted thus.*
- *Our apologies to the evaluation team for the usage of names (firm and individual) of the Prime Contractor and Subcontractors, which we understand to be outside the usual style preference for such proposals. However, due to the size of our team, and the separable nature of the Category evaluations, to avoid confusion, we have clearly labeled each response with the appropriate name. We certainly understand if the WSLCB prefers to excise or redact them.*

1. Ability, Capacity and Skills. In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:

a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed

James Anthony Technical Assistance Consulting (JATAC) has long-standing working relationships with many marijuana cultivation experts. The subcontractors in this section have nearly 45 combined years of cultivation experience, and have been selected for their expertise on specific cultivation techniques so as to faithfully represent the broad spectrum of possible methods of production.

Subcontractor Kristin Nevedal

Kristin Nevedal has spent 15 years specializing in medical marijuana cultivation. She has a breadth of knowledge about the cultivation process including:

- First hand experience cultivating, harvesting, curing and processing medical marijuana outdoors and in greenhouses, including those that use light deprivation for early flowering.
- A thorough understanding of conventional, organic, and hydroponic indoor and outdoor cultivation techniques and the various products commonly used for cultivation including growing mediums, nutrients, amendments, pesticides, fungicides, rooting solution, growth hormones, lights and ballasts (including proper disposal), filtration systems both for odor and pathogen reduction, fans, ducting, irrigation systems, and water filtration.
- Implementation of Integrated Pest Management (IPM) program to identify and eradicate disease and pest infestation.
- High volume nursery experience at the largest indoor and outdoor garden supply store in Southern Humboldt County.
- Monitoring farm compliance with CA Department of Agriculture Producer and Handler Program, Farmers Market, California Organic Program, CCOF certification,

and CA Department of Public Health regulations for large-scale conventional alfalfa and organic fruit and vegetable farms.

As chair of the American Herbal Product Association (AHPA) Cannabis Committee's Cultivation Working Group, Nevedal has assisted in the development of marijuana cultivation model regulations and best practices for agency consideration. The model regulations address issues from seed to sale (retailer, manufacturer, or wholesaler), destruction of plant matter due to contamination, overproduction or unusable portions (stalks and rootballs), and harvesting, drying and trimming protocols for handling and hygiene.

Other professional roles that further demonstrate Nevedal's abilities and skills include founder and vice president of the Humboldt Growers Association, director of MendoGrown, and founder and board chair of the Emerald Growers Association. All three of these organizations share the common mission of promoting the medicinal, environmental, social, and economic benefits of lawfully cultivated sun-grown medical marijuana from California's Emerald Triangle region by advocating for public policies that foster a healthy, sustainable medical marijuana industry.

Subcontractor Matthew Cohen

Matthew Cohen also brings significant marijuana cultivation experience to our team. His professional skills and abilities include:

- 14 years of cultivating, drying, curing, and processing marijuana using various techniques including indoor (artificial light), hydroponic, organic, outdoor, and greenhouse.
- Founded and operated a vertically integrated, seed to sale cooperative (Northstone Organics Cooperative) that cultivated, processed, packaged, warehoused, transported and delivered medical marijuana directly to patients in the state of California via website.
- Oversaw the production of products such as cigarettes, extracts, and edibles from the over 50 varieties of medical marijuana grown at Northstone.
- Managed regulatory compliance to ensure facility met requirements for diversion prevention, and environmental and community impact.
- Responsible for supply chain management for the Harborside Health Center, the largest dispensary in the nation. Responsibilities include oversight of all product vendors and contracted farmers, supply chain system maintenance, and oversight of the purchasing, processing, inventory and e-commerce departments.
- Served on the board of several trade associations including MendoGrown and the Emerald Growers Association, both of which serve to enhance understanding of the industry as a whole and to facilitate collaboration by different industry sectors.

Subcontractor Erich Pearson

As the third member of our cultivation consultant team, Erich Pearson has over 15 years of experience with indoor and greenhouse marijuana cultivation. He graduated from Perdue University in 1998 with a BS in Building Construction Management, and his expertise lies in growroom design and engineering. In the past 15 years, he has built over 20 indoor artificial light cultivation facilities, some as big as 15,000 square feet. He is the founding president of SPARC, the San Francisco Patient Activist Resource Center, a city-licensed marijuana

dispensary, which sees 400 patients a day and operates a cultivation site permitted by the city and deemed fully code-compliant.

His extensive experience includes:

- Lighting and electrical systems
- Irrigation and fertilization methods
- Security and fire prevention systems
- Hydroponic systems, including coco coir, rockwool, flood-and-drain, and deep-water culture.

b. How Marijuana is infused into food and beverages

JATAC, due to our extensive experience in the medical marijuana field, has worked with many producers of marijuana-infused products. The two we have selected here as subcontractors represent the epitome of professionalism in both traditional herbal medicine and the most cutting-edge medical marijuana-infused product manufacturing.

Subcontractor Scott J. Van Rixel

Scott J. Van Rixel has been producing chocolate and gelato as a certified master chocolatier for mainstream products since 2002. His company has been in the top ranked boutique chocolatiers over the past decade. He decided to apply his expertise in producing safe and high quality chocolate to the marijuana industry in 2010, after seeing a huge void in safety, quality and consistency in edible marijuana products.

He established Bhang Chocolate as the premier edible marijuana product in 2010. They were the first company to receive full products completed liability insurance for a product containing medical marijuana. It was only through their rigorous testing and production policy and procedures that they were able to get this coverage. Their testing procedures include pre and post-production potency testing, and also, full panel micro biological and food borne pathogen testing. Their state of the art production and testing facility is on par with the largest commercial mainstream food producers. This commitment to quality, safety and consistency has allowed them to rapidly grow into the largest medical marijuana edible producer on the planet. Their products are produced by independent brand partners in over 5 states and continue to be viewed as the bench mark for high quality medical edibles.

The company uses a number of FDA approved extraction and infusion methods. Their experience extends from the simplest to the most high tech extraction methods including mechanical and chemical methods culminating in sub and supercritical extraction. These different methods are used based on material types supplied, components that are to be extracted and the volumes needed. In addition to cannabinoid extraction, specific terpenes are extracted to perfect flavor, nose, and the recently discovered “entourage effect” of medical efficacy. These extracts are then tested, cleaned and retested before infusion into the edible products themselves. This testing program ensures that individuals are able to count on a consistent mg of cannabinoid be delivered.

Subcontractor Kristin Nevedal

As a practitioner of herbal medicine and nutrition for over 15 years, Kristin Nevedal is experienced in the production of custom blended medicinal herbal teas, tinctures, and salves. Additionally, she has over five years experience as a teacher of herbal medicine and nutrition. Her curriculum includes beginning and advanced herbal preparations and custom herbal blending including tinctures (both alcohol and glycerin), salves, teas, oils, syrups, and concentrated dehydrated “tea” preparations.

c. How Marijuana should be packaged, labeled, transported, and sold at retail level

JATAC’s relationship with 4Front Advisors dates back to CannBe, California’s premiere medical marijuana consulting firm that operated from 2009 to 2011, from which both organizations inherited a wealth of knowledge. 4Front Advisors’ packaging, transporting and point-of-sale standards are the result of years of exhaustive research, and we are confident that they are unmatched industry-wide.

Subcontractor 4Front Advisors

4Front Advisors has extensive experience in developing compliant packaging solutions for marijuana producers, processors, and retailers. Using best practices developed over years of working exclusively in the medical marijuana industry, they can recommend specific packaging requirements that serve to enforce the rules of Washington’s marijuana program while also promoting industry-wide best practices.

With regard to driving packaging solutions, they have helped to develop and/or ensured client compliance in the following ways:

- Developing packaging and processing room requirements to ensure maximum protection of the product, both in terms of safety and quality including:
 - Appropriate use of machinery (e.g., mechanical trimming machine)
 - Necessary space allotments for product curing;
 - Use of lighting products (e.g., use of green spectrum lights to prevent degradation of various cannabinoids over time);
 - The implementation of environmental controls to regulate humidity and temperature; and
 - Product safety, including clean room, ISO 9000, and GMP quality standards.
- Defining packaging standards to ensure all raw flowers are stored and/or packaged in natural, standardized nitrogen sealed, tamper-proof packaging with oxygen and humidity indicators to prevent oxygen from degrading the quality of the medicine and to indicate whether the package has been compromised.
- Developing policies and procedures for handling and measuring product that includes quality control measures and product weight verification to ensure product safety and employee honesty.
- Developing storage protocols to safeguard product from theft or destruction through the use of climate-controlled, steel reinforced vaults equipped with security devices (e.g.

biometric locks, keypad access codes, security clearances, digital inventory logs, and CCTV monitoring) to control access to the restricted areas.

- Evaluating packaging options for marijuana-infused products to determine the best solution for providing the most airtight, moisture-proof packaging necessary to ensure product safety.
- Developing packaging protocols for marijuana-infused products to ensure that all marijuana products are packaged in a manner that is unattractive and inaccessible to children by way of child-resistant packaging.
- Sourcing a POS system that tracks products from “seed to sale,” allowing sellable units to be tracked all the way back to a plant or batch of plants, and developing comprehensive procedures around inventory tracking and management.

Labeling:

Use of detailed product labels is key to ensuring consumer awareness, state compliance, and product tracking. 4Front has played a key role in ensuring implementation of labeling requirements, including:

- Use of computer software that will automatically generate product labels that contain all information required by the governing authority.
- Production of labels that clearly identify the production center ID, the amount, strain and lot number, amount of marijuana infused into the product (if applicable), date of harvest or manufacture, the chemical additives used in cultivation and production (including nonorganic pesticides, herbicides, and fertilizers), analytical laboratory test results to indicate THC, CBD and other cannabinoid concentration of the product, and medically and scientifically accurate information about the health and safety risks posed by marijuana use.
- Development of procedures for labeling marijuana-infused products with expiration dates and dosage information to notify consumers of product potency/strength and for the use of permanently imprinted labeling to prevent removal of required labels.

Transporting:

Transportation of marijuana products must be conducted in a manner consistent with state requirements and also best-practice safety protocols established by the secure transport industry. 4Front has worked to develop practices for the safe transport of various quantities and types of marijuana products including:

- Developing procedures for the use of a secured, electronic database that creates and stores trip plans, which are reports generated by a particular department (most often, Inventory) that accompany all trips and include specific information regarding the transport of marijuana, including:
 - The name of the agent in charge of transporting the marijuana.
 - The date and start time of the trip.
 - A description of the marijuana, marijuana plants, or marijuana paraphernalia that is being transported.
 - The anticipated route of transportation and any changes to the actual route.
 - The model and license number of the vehicle being used for transport.

- The name of the agent responsible for receiving the delivery.
- Developing policies related to transport vehicles, including using vehicles equipped with secure storage areas that prevent product visibility and GPS tracking systems to monitor product location at all times.
- Developing procedures for coordinating deliveries between operations to ensure accuracy of delivered physical product and receipt of required paperwork.

Sales:

Point-of-Sale System - 4Front Advisors has extensive experience analyzing, evaluating, and customizing point of sale systems developed specifically for the medical marijuana industry. They utilize a customized version of an extensive medical marijuana POS system that has the ability to track marijuana purchases by either pre-packaged units or actual weights, date and time, and the dispensing agent and/or retail store's identification number. This ensures records and reporting accuracy. The customized POS system is fully integrated with the inventory control systems at both dispensaries and cultivation facilities.

Robust inventory reports within the system show current inventory that can be filtered by day and/or time periods. Each product has a unique transaction history that shows every sale, addition and removal from inventory, as well as a date/time stamp and the user ID of the dispensary agent who executed the event. Customizable entries designate reasons for inventory adjustments. Sales and inventory reports can be customized and generated based on a wide variety of data fields.

Sales Team Training: 4Front has led the charge in developing best practices for dispensing medical marijuana. These best practices ensure all sales are accurately and comprehensively tracked in the POS system. They have developed training programs for dispensaries in Arizona, California, the District of Columbia, and Rhode Island to ensure sales associates have a thorough understanding of program requirements as well as extensive knowledge of medical and scientific evaluations of the product. An educated sales team ensures that consumers are well informed about available types of product and methods of consumption and feel comfortable consulting with staff members to determine the most appropriate products for their desired effects.

Subcontractor Scott J. Van Rixel

In addition to their quality production and testing procedures, Van Rixel's Bhang Chocolate has established an extensive tracking and anti-diversion program. This program uses traditional production coding to ensure rapid response in case of a recall, as well as a proprietary RF (Radio Frequency) ink stamping that allows individual bars to be scanned without opening the case using an RF reader (wand). This allows entire cases of product to be scanned at each delivery location and a strong chain of custody record to be established. Variations include using RF stickers rather than RF ink printing. Bulk lots can be differentiated by date, source, destination and other data. These procedures allow for tracking, recall and full chain of custody.

Their packaging raised the bar dramatically when it was first introduced. Their packaging meets and exceeds all requirements by the FDA for commercial retail food production. They were the first to supply full nutrition fact panels and milligram cannabinoid content using the same layout and specs required for mainstream nutraceutical herbal products.

d. How wholesale and retail Product should be recalled and accounted for

Subcontractor 4Front Advisors

Wholesale:

Through its sourcing and customization of inventory software for both wholesale and retail operations, 4Front Advisors has significant experience with systems that have proven to be most effective in tracking the manufacture and sale of product with strict compliance to established regulations. They work closely with a leading development firm who has designed a system that is guaranteed to track every gram.

On a wholesale level, their recommended software system captures harvested and cured products and assigns a unique batch number and package ID before transporting product to a processing or retail operation. The same method is used for concentrates and for the creation of marijuana-infused products. The plant material is transformed into concentrate material and tracked as a separate inventory item, then into the final product for any marijuana-infused product. This too is accounted for in the software, providing the ability to track the origins of the concentrate formula(s) for any concentrate or marijuana-infused product. In addition, all laboratory test results can be stored in the software and attached to each plant. Likewise, all product records contain expiration dates, so Inventory and Packaging staff are able to filter those products based on expiration dates for raw flowers and edibles.

When marijuana is transferred to a processing or retail operation, the inventory system will track the following information internally:

- Amount, strain and batch number of marijuana provided.
- Name and registration identification number (if applicable) of the processor/retail store.
- Name and registration identification number (if applicable) of the agent who received the marijuana on behalf of the other operation.
- Date marijuana was provided.

Retail:

4Front's experience in inventory tracking extends to retail operations as well. Dispensaries in Arizona, Rhode Island, and the District of Columbia have utilized their inventory policies and procedures that include information regarding the acquisition of marijuana from registered producers, tracking inventory, and report management.

Inventory Software: Our inventory procedures require use of an electronic database to maintain intake records of all marijuana received from cultivation centers that include:

- Description of the marijuana acquired, including the amount, strain and batch number;
- The name and registration ID number (if applicable) of the cultivation center providing the marijuana;

- Name and unique employee registration ID number of the agent receiving the marijuana on behalf of the processor/retail store;
- Product type (i.e., edibles, topical, concentrates);
- Date of acquisition;
- Purchase price;
- Analytical laboratory test results; and
- Sativa/indica ratios.

In addition, the database also tracks, among other things:

- Each day's beginning inventory;
- Acquisitions;
- Sales; and
- Destruction of unusable marijuana.

Purchase Orders: The 4Front inventory policies and procedures include detailed processes for ordering product from producers/processors and determining which items should be made available for purchase at the sales counter each day. Purchase orders are transmitted to the appropriate producer/processor via the inventory management software. Purchase orders include the product vendor batch ID, ingredients, chemical additives, weight and other required fields. The batch ID can follow the marijuana until purchase by the customer and will always tie back to the seed/plant source of the product.

Marijuana-Infused Product Procurement: The inventory management system and software stores information for all product received from a processor, including:

- A description of the marijuana-infused products received, including total weight of each product.
- Total estimated amount and batch number of marijuana infused in the edible food products.
- The number of milligrams of active THC and CBD in the product (information regarding the dosage is also be included).
- The name and registration number (if applicable) of the processor providing the edible food products to the receiving retail store, and the name and unique ID number of the agent receiving the marijuana-infused products on behalf of the retail store.
- The date the marijuana-infused products were provided to the retail store.
- An expiration date.

Tracking and Reporting: The robust inventory reports within the inventory management system show the current inventory levels at the retail store. Each product has a unique transaction history that shows every sale and addition/removal from inventory, as well as a date/time stamp and the user ID of the agent who executed the transaction. Customizable entries designate reasons for inventory adjustments. Only users with management access levels assigned to them are able to view inventory reports. Sales and inventory reports can be generated and customized based on a wide variety of data fields.

Subcontractor Matthew Cohen

Matthew Cohen has experience with software that allows for traceability programs from Stock-Keeping Unit (SKU) code down to each individual plant and all inputs including fertilizers, nutrients, pest and disease management, and tools.

Subcontractor Kristin Nevedal

Kristin Nevedal's work with the CA Department of Agriculture and CA Public Health Department provides an additional layer of experience. She is intimately familiar with product tracking systems used by governmental agencies and has expanded on these methods (e.g. use of permit numbers, tracking product disbursement) for marijuana systems.

e. How Marijuana should be destroyed if overproduced, contaminated, or recalled

Subcontractor 4Front Advisors

As marijuana production/processing is agricultural, there are always waste products – soil and other mediums – that must be handled as contaminated material. For example, dead leaves, stalks, and stems need to be removed during the growth stages of the plants. Leaves that are not dried prior to harvest are removed and stored to make concentrates and infused oils and butters.

Requirements for disposal and destruction of marijuana vary throughout the country. 4Front has developed a variety of disposal options that address the varying requirements and also incorporate best practices for safe, secure disposal of product, including:

- Tracking disposal of marijuana that is not usable in the inventory system with the following information:
 - Description of, and reason for, the marijuana being disposed of;
 - The date, time, and method of disposal; and
 - The name and registration identification number (if applicable) of the agent responsible for the disposal.
- Designating special, airtight garbage containers within facilities for the collection of byproducts that must be destroyed or are no longer needed. Any plant material that is unused or unusable is placed in these containers unless it is suspected of containing mold, fungus, or pests, in which case it is immediately taken outside the cultivation area and placed in a special locked storage area to await disposal.
- Determining the type of disease or infiltration, then recommending which treatments should be applied to the plants. The by-products in question are then doubled-bagged and sealed in medical hazardous waste material bags for safety.
- Transporting unused and/or surplus marijuana and its by-products to the local police department or a licensed medical waste company for destruction using a process approved by both the marijuana operation and the disposing party. This process includes the use of trip plans and safety protocols already established for all product transport. Trip plans for destruction transport will include: product weight and description, batch/lot numbers for all products, delivery/receiving agent information and signatures, and method of destruction.

Subcontractor Matthew Cohen

As an operator of companies that provide medical marijuana, Matthew Cohen has experience with commonly used practices for overproduced or recalled product, including recycling into other products as appropriate.

2. Experience. In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.

Prime Contractor James Anthony Technical Assistance Consulting (JATAC)

James Anthony and JATAC have over seven years of experience in the field of marijuana law and regulation. We have worked with medical marijuana patients, cultivators, retail sales, and regulatory agencies, and we choose clients who maintain professional standards. We have built lasting relationships with those we consider to be the best in the industry.

Subcontractor 4Front Advisors

4Front Advisors was founded in February 2011 with the goal of creating best-in-class operating models for the retail distribution of medical marijuana. Capitalized by Moral Compass Venture Fund, they have spent close to \$1.5 million developing operating policies and procedures that rival the most robust in the corporate retail world. Members of the team have extensive experience developing operating models and policies for international retail brands, with past clients in part that include Einstein Brothers Bagels®, Old Navy®, Robeks®, Panera Bread®, and Dean & DeLuca®. They are currently working with a half-dozen dispensary operators in Arizona to get them up and running in full compliance with state regulations.

4Front's operating model relies on developing clearly delineated departments and clear roles for staff within the retail operation. Along with these operating policies, they have developed comprehensive training programs for both management level and associate level staff. All employees must go through rigorous skills instruction and practice and pass a final performance test as part of their training. This is coupled with a state-of-the-art chain-of-custody management system to ensure no product is ever diverted to the black market. Team members have been intimately involved in the day-to-day operations of two of the nation's premier medical marijuana dispensaries, Harborside Health Center in Oakland, CA and SPARC in San Francisco, CA. The operational knowledge of their staff is key to ensuring that clients are provided with the best resources available.

The expertise of the team extends well beyond involvement in the medical marijuana industry. Team members also boast years of experience in corporate finance, developing and executing operations and training strategies, designing and opening businesses in a variety of industries—including retail, manufacturing and service—as well as project and client relations management, and business development in both local and global markets. The accomplishments of their staff members have been chronicled in major news outlets across the country.

Subcontractor Kristin Nevedal

Kristin Nevedal began her farming career in 2001 when she bought a homestead in Humboldt County, CA and started growing a myriad of organic traditional medicinal herbs, western herbs, fruits, vegetables, culinary herbs, and medical marijuana for personal use. She

carried over her home farming experience and started consulting for organic production of medical marijuana, including techniques for indoor, outdoor, greenhouse and light deprivation greenhouse or hoop structures, as well as water collection, storage, infrastructure, irrigation and reduction.

Nevedal served a two-year term starting in 2010 as co-founder and Vice President of the Humboldt Growers Association (HGA). HGA worked closely with local government officials such as the Sheriff, the District Attorney, County Counsel, the Board of Supervisors and others to help educate the community and advocate for public policies that support an environmentally sustainable medical marijuana industry. HGA worked with Planning Commissioners, County Counsel, Humboldt County Sheriff Downey, District Attorney Gallegos, and the Board of Supervisors to draft an ordinance regulating the cultivation, dispensing, and lab testing of medical marijuana within the unincorporated areas of Humboldt County. The HGA also produced a white paper discussing water and nutrient usage, square footage based regulatory protocols and local resource needs. Several state agencies and government officials currently use this paper as a reference for outdoor cultivation issues.

In February 2012, the HGA combined with MendoGrown to form the Emerald Growers Association, of which Nevedal is the Chair and Executive Director. She also sits on the California Regional Water Quality Control Board's Agricultural Discharge Advisory Panel, where she represents medical marijuana farmer interests for Humboldt, Del Norte and Trinity counties, and on the American Herbal Products Association's (AHPA) Cannabis Committee, where she is a chair of the cultivation working group and a member of the dispensary and manufacturing working groups.

Subcontractor Matthew Cohen

Matthew Cohen has over 14 years experience operating medical marijuana cultivation facilities. As founder of Northstone Organics Cooperative, he oversaw the implementation of a variety of cultivation techniques including indoor, hydroponic, organic, outdoor and greenhouse. Additionally, he was responsible for managing all packaging, processing, and transporting operations. In this role, Matthew also managed regulatory compliance to ensure the facility meet requirements for diversion prevention, and environmental and community impact.

In his current position at Harborside Health Center, Matthew oversees supply chain management for the largest dispensary in the nation. His responsibilities include oversight of all product vendors and contracted farmers, supply chain system maintenance, and oversight of the purchasing, processing, inventory and ecommerce departments.

Subcontractor Erich Pearson

Erich Pearson has over 15 years of experience with indoor and greenhouse marijuana cultivation, and three years with running a successful medical marijuana dispensary. He graduated from Perdue University in 1998 with a BS in Building Construction Management, and his expertise lies in grow-room design and engineering. In the past 20 years, he has built over 20 cultivation facilities, some as big as 15,000 square feet. He has extensive experience with lighting and electrical systems, irrigation, fertigation, security systems, fire prevention systems, processing (including hand and automated processing) and hydroponic systems,

including coco coir, rockwool, flood-and-drain and deep water culture. He is the founding president of the Board of SPARC, a dispensary in San Francisco, which operates a cultivation site that is completely code-compliant and permitted by the City. SPARC grosses \$8.5 million a year and sees approximately 400 patients a day, which makes it one of the biggest dispensaries in San Francisco. Pearson also served as Vice President of Cultivation at CannBe, one of the early pioneering medical marijuana consulting firms which, over the period of two years, achieved over \$3 million worth of contracts for over 17 clients.

3. Team Structure and Internal Controls. In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contact and relationships of this staff to other programs or functions of the firm.

Prime Contractor James Anthony Technical Assistance Consulting (JATAC)

Team Structure

The overall team is comprised of 22 professionals organized into specialist teams, lead by experienced managers and supported by a staff of administrators, researchers, and editors. Leading the overall team as Project Manager is JATAC Director James Anthony, an attorney and technical assistance consultant who has successfully managed his own law firm and consulting firms, including as Vice President of Government Relations at CannBe. Team specialties include production, processing, retail, standards and testing, market analysis, and product regulation.

Anthony will be closely complemented by subcontractor 4Front Advisors Managing Partner Kris Krane who will oversee the Category 1 teams: production (aka "cultivation," managed by Kristin Nevedal), processing (managed by Scott J. Van Rixell), and retail (directly in the hands of 4Front). Standards & testing will be lead by Don Land, Ph.D., and market analysis will be lead by Josh Wiersma, Ph.D., both of whom will report directly to Anthony. Anthony and Krane will co-lead product regulation, with Anthony taking primary responsibility.

Anthony will ensure that all the disciplines are in place to see that communication flows quickly and effectively to all members of this project. He will serve as the principal point of contact for all communication from WSLCB and outward to all teams. With executive administrative support, he will assume the responsibilities of tracking all the moving parts and assigning dates as well as responsibility for each of the efforts. Communication directly between the working parties will be copied to him and his executive administrative support with the objective of continuity for the project.

Communication redundancy and reminders will be automated by Asana (or equivalent), a web-based project management application used to assign and track all deliverables, related dependencies and conditions necessary to fulfill tasks on time. Asana allows transparent team collaboration and integrates seamlessly with email communication, document management, and scheduling.

Anthony will be monitoring for any risks to the timeline. The objective will be that all reasonably focused specific WSLCB questions will be fulfilled within 3-5 days of receipt. Longer projects, such as the initial demographic market analysis that will quantify the

ultimate regulatory goal (how much marijuana in what forms made available to how many consumers and where), will be scheduled in consultation with WSLCB.

Anthony will promptly assign WSLCB requests to the appropriate team leader who will engage his or her team to draw upon professional experience and best practices within the industry throughout the varied jurisdictions and disciplines represented, synthesizing a broad pool of relevant information into a response that specifically addresses each aspect of the WSLCB request. Staff researchers and writers will support leaders as needed. Responses will be vetted by executive level administrators, proofed, formatted, and delivered to Anthony prior to submittal to WSLCB on a strictly timely basis.

Weekly reports will be produced highlighting what was accomplished, what is expected the following week, and if there are any tasks that are showing a risk of not being completed on time and any subsequent mitigation plans for the risk.

At minimum, weekly conference calls will be held between WSLCB and JATAC for review of all progress. *Ad hoc* calls will be conducted on an as-needed basis.

Direct engagement may be helpful between WA staff and the appropriate manager(s) to expedite responses, clarify requests, and educate WA staff. James Anthony will establish communication through introduction of the appropriate manager and his/her support team and clarify roles. Direct engagement, however, will not negate Anthony's ongoing oversight and responsibility as the agreed principal point of contact.

Internal Controls

Utilizing a secure, cloud-based project management application such as Asana, Anthony will assign WSLCB requests to the appropriate manager. Information collected, relevant documents, and all communication around the requests will occur via secure email accounts created for the purpose of this project, linked to the project management application. Managers of the request have ongoing visibility into the progress of the response, will manage specific task assignment and follow-through, and maintain the project management data to reflect the request, the work process, the response, all related communication, and a timeline. Anthony will also utilize this application to maintain oversight and ensure timely follow-through on all assignments.

Using this real-time, location-independent application, Mr. Anthony will receive immediate notification that an assignee has received, understands, and has begun working on the assigned request. Should an assignee fail to acknowledge the assignment within 4 hours, or be unable to complete the request for any reason, the assignment will be red-flagged and reassigned to another qualified manager and, reinforced by additional staff and resources, will lead the timely completion of the assignment.

In the event that a team member or subcontractor is no longer working on the project, his or her project email account and access to the project management software will be promptly removed. Firm procedures are based on established procedures comparable to those used to handle sensitive attorney-client matters.

4. Staff Qualifications and Capabilities. Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Prime Contractor James Anthony Technical Assistance Consulting (JATAC)

James Anthony, Director: James Anthony is an attorney licensed in California and Hawaii and also holds a California Real Estate Broker license. Anthony was a City Attorney's Office nuisance prosecutor in Oakland, CA from 2003-05. During that time he prosecuted problem properties such as slumlords, pollution, blight, liquor stores, and drug houses. Simultaneously, Oakland was moving to regulate its burgeoning medical marijuana dispensaries, while Anthony in his free time was becoming involved in drug policy reform. In 2004 he was a volunteer for Measure Z, the Oakland lowest law enforcement priority initiative policy for marijuana modeled after Seattle's Initiative 75. Anthony still sits on the City Commission overseeing the implementation of Measure Z, which he chaired in 2008.

In January 2006 Anthony left the Oakland City Attorney's office and went into private practice working exclusively in medical marijuana. Dispensaries were opening all over the state after the passage of California's SB 420. Some city attorneys were attempting to close them as nuisance and Anthony was ideally qualified to defend them. Other cities, San Francisco and Oakland amongst them, were moving to regulate and license. Anthony assisted applicants in obtaining such licenses (most notably Harborside Health Center in Oakland). Anthony's statewide California practice extended to Los Angeles, Riverside County, Kern County, Contra Costa County, Stanislaus County, Sacramento, Santa Clara County, Stockton, Richmond, San Jose, San Francisco and Oakland. In 2008 he directed the campaign for Berkeley's Measure JJ, the first medical marijuana zoning ordinance passed by initiative. He also authored the 2009 Oakland business tax on marijuana-related businesses, the first such tax in the nation. His practice continued in that vein until the first Obama presidential term.

In the euphoria of 2009, amid speculation that widespread acceptance of medical marijuana—if not adult use legalization under California's ill-fated Proposition 19—was on the horizon, Anthony formed CannBe, the nation's premiere marijuana consulting firm. CannBe's principals consisted of Anthony; Steve DeAngelo of Harborside; Don Duncan, California Director of Americans of Safe Access (and a West Hollywood dispensary operator); Erich Pearson, President of a San Francisco dispensary; and Robert Jacob, Executive Director of dispensary on the small, rural, apple-growing town of 7,000, Sebastopol, CA (where he is now Vice Mayor).

CannBe operated successfully for over two years with 17 clients, three million dollars in contracts, and a payroll of 40 employees. CannBe was active in dozens of California's 538 local governments (all of which it tracked) and in New Jersey, Arizona, Rhode Island, and the District of Columbia. It closed in early 2011 after the federal crackdown on medical marijuana in California dampened the market's enthusiasm, and financing (among other

things) became impossible. At that point Anthony returned to his law practice while also offering consulting services, now under the auspices of JATAC.

Mischa Steiner, Associate Director: Mischa Steiner is a graduate of Brown University and a longtime drug policy reformer and community organizer. He has extensive experience in the field of medical marijuana in both California and Rhode Island, and brings to the table technical expertise in cultivation that informs his regulatory policy analysis. In addition to his work with JATAC, he has also worked with CannBe, an early medical marijuana consulting firm, 4Front Advisors, several medical marijuana dispensaries, and served as the Vice Chair of the Board for Students for Sensible Drug Policy.

Subcontractor 4Front Advisors

Kris Krane, Managing Partner: Kris Krane serves as a Principal and Managing Partner at 4Front Advisors, a medical marijuana dispensary consulting firm that is dedicated to ensuring the highest standards of operations in the industry. Prior to forming 4Front, Krane served as Director of Client Services for CannBe, where he helped develop many of the best practices that have become the backbone of 4Front Advisors' services. He has dedicated his career to reforming the nation's failed and misguided drug policies, having served as associate director of the National Organization for the Reform of Marijuana Laws from 2000-2005 and executive director of Students for Sensible Drug Policy from 2006-2009. During this time the organization experienced rapid chapter growth, and led a successful campaign to convince members of Congress to scale back the Higher Education Act Aid Elimination Penalty, the law that automatically denies federal financial aid to students with drug convictions. Krane currently sits on the national board of directors of Students for Sensible Drug Policy and Common Sense for Drug Policy, as well as the statewide board of the Arizona Wellness Chamber of Commerce. He also served as Associate Editor of See Change Strategy's first of its kind medical marijuana market report in 2011, which analyzed the value of the retail medical marijuana market.

Aaron Burke, Operations Expert: Aaron Burke focuses on creating efficient operating models that effectively connect strategy to organizational design and technology. Burke began his career as a financial analyst at Dean Witter, and later managed a \$150 million portfolio for a Fortune 500 company. He then became a business consultant and has supported clients in designing and opening businesses in many different industries, including retail, manufacturing, service, and hospitality. He has worked with public and private developers, and with local redevelopment agencies to build new businesses, create jobs, and increase the vitality of commercial corridors in inner-city neighborhoods. After seeing the devastating effects that cancer and conventional therapies had on a close family member, Aaron accepted a position as the Executive Director of the San Francisco Patient And Resource Center that offers high quality medical marijuana and a wide range of free and low-cost health services to the surrounding community. He worked closely with the local government and hosted legislators from around the country interested in developing guidelines for responsible practices. Burke now works with 4Front to create a new level of excellence for responsible medical marijuana dispensary operations.

Melanie McGraw, Corporate Training and Compliance Expert: Melanie McGraw is an instructional designer and training consultant with 17 years of experience designing,

developing, executing, and managing operations and training strategies and products. She earned a BFA in English from Brigham Young University and a MFA in Film Production from the University of Southern California's School of Cinematic Arts. McGraw has partnered with organizations ranging from small start-up companies to multi-million dollar corporations. As the highest-performing general manager in both bottom-line and behavioral results at Brackman Bros. in Salt Lake City, Utah, she quickly moved into a position of director of training and shortly thereafter was asked to define and develop the training curriculum for what would soon become Einstein Bros. Bagels. McGraw was a key contributor to the company's success, which grew to 500 stores in only two years. After three years with Einstein Bros., she was recruited by Old Navy (division of Gap, Inc.) as the lead instructional designer for the training and development team. Driving the redesign of Old Navy's management training program, she developed a reputation for producing successful, innovative, performance-based programs in a collaborative environment. After her success at Old Navy, McGraw launched her own instructional design consultancy, with a client roster that included Dean & DeLuca®, Robeks®, Catalina Restaurant Group, Inc., Panera Bread®, Panda Express®, The Walt Disney Company®, and Wendy's®. Her work within the medical marijuana industry began in 2008 when she was hired by Harborside Health Center in Oakland, CA to observe, analyze, and document dispensary operations, and then design and develop the dispensary's training. McGraw eventually began working with CannBe, where she continued to extract and develop dispensary best practices in order to further systematize operations. She transitioned from CannBe to 4Front where she continuously designs, develops and maintains core dispensary operations and training materials. She also ensures that all operational policies and procedures meet each state's specific legislative rules and regulations.

Subcontractor Kristin Nevedal

Kristin Nevedal will use her extensive experience in farming to make recommendations for the cultivation of marijuana in the Washington market. She is familiar with organic production of medical marijuana techniques for indoor, outdoor, greenhouse and light deprivation greenhouse or hoop structures, as well as water collection, storage, infrastructure, irrigation and reduction techniques. Her prior experience working with local government officials and agencies to develop guidelines and demonstrate compliance will further support our team's ability to draft regulations that are implementable for both the regulating agencies and industries being regulated.

NON-COST PROPOSAL

CATEGORY 2: PRODUCT QUALITY STANDARDS & TESTING

Notes:

- *The RFP questions are reproduced for the convenience of the Reader and are highlighted thus.*
- *Our apologies to the evaluation team for the usage of names (firm and individual) of the Prime Contractor and Subcontractors, which we understand to be outside the usual style preference for such proposals. However, due to the size of our team, and the separable nature of the Category evaluations, to avoid confusion, we have clearly labeled each response with the appropriate name. We certainly understand if the WSLCB prefers to excise or redact them.*

5. Ability, Capacity and Skills. In two (2) pages or less, please describe your firm's ability, capacity, skills and/or expertise in Product Quality Standards and Testing, including but not limited to the following:

- a. Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations

Subcontractor Halent Laboratories

Halent Laboratories has direct experience with establishing and operating a quality testing facility for marijuana samples of all kinds, including plant materials, concentrates, edibles, tinctures, beverages, oils, and capsules. For over two years, this facility has tested thousands of samples for dozens of pesticides, mycotoxins, molds, over a dozen cannabinoids and numerous terpenoids. In addition, principal officers of the company have been involved in ongoing collaborations with federal, state (specifically, the state of California), and local crime labs, including analytical methods for determination of controlled substances in forensic samples.

Halent is familiar and experienced in the use of ASTM (formerly American Society for Testing and Materials, now ASTM International) and EPA standard methods for analysis of various types of samples, including, but not limited to cannabinoids, terpenoids, pesticides, mycotoxins, molds, and bacteria. They also have experience with laboratory certification programs that establish and monitor quality assurance and technician training and certification. The subcontractor has also consulted with numerous other entities in the process of establishing marijuana-testing facilities in Vancouver, British Columbia, Canada, Massachusetts, Washington D.C., Colorado, Arizona, and Nevada.

Subcontractor Steep Hill Cannabis Analysis Laboratory

Steep Hill Laboratories currently offers the expertise and infrastructure required for effective labeling, packaging and product tracking systems providing accountability from seed to sale. A wide array of instrumentation and tools enable them to efficiently carry out our testing,

including GCFID, GCMS, HPLC, NIR, inert gas package sealers, secure product labels and printers, and software and servers to track, process, and secure data.

b. Assisting the WSLCB with establishing quality standards for testing Marijuana

Subcontractor Halent Laboratories

This firm has assisted other entities, including the New Jersey Department of Health and Senior Services, in setting standards and methodology for marijuana testing. They are also a member of the Association of California Cannabis Laboratories (ACCL), an industry group consisting of several California marijuana testing laboratories. The ACCL sets standards and protocols for member testing laboratories and those seeking membership. The subcontractor currently serves as the chair of the Subcommittee on Standards. Additionally, they have aided the New Jersey Department of Health and Senior Services in their efforts to establish methods and standards for marijuana testing for the State of New Jersey's medicinal marijuana program (Contact: Dr. Sherman Hom). Since February, 2012 and continuing at present, Halent has been an active participant in the American Herbal Product Association's efforts to "develop recommendations to regulators on best practice protocols for the cultivation, testing, packaging and provision of marijuana as an herbal medicine and supplement," serving on the testing subcommittee. They have also been involved in assisting other entities interested in setting up marijuana testing laboratories in Vancouver, British Columbia, Canada, Massachusetts, Washington D.C., Colorado, Arizona, and Nevada and have made presentations regarding testing methodology to the Oakland City Council Public Safety Committee during their hearings to consider applicants for local licensing. This experience will be leveraged, including educational materials already developed, for the education and training of WSLCB and licensee staff.

Subcontractor Steep Hill Cannabis Analysis Laboratory

Steep Hill Laboratories currently offers the expertise and infrastructure required for effective labeling, packaging and product tracking systems providing accountability from seed to sale. A wide array of instrumentation and tools enable them to efficiently carry out our testing, including GCFID, GCMS, HPLC, NIR, inert gas package sealers, secure product labels and printers, and software and servers to track, process, and secure data.

6. Experience. In two (2) pages or less, please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.

Subcontractor Halent Laboratories

With state-of-the-art testing equipment and some of the nation's finest scientific minds in place, Halent Laboratories is a medical marijuana testing facility with corporate offices in Sacramento, California and dispensary and cultivation clients throughout the county. Halent is independently owned and not affiliated with any dispensaries or growers. Halent is in business to provide medical marijuana users with the information they need to make informed choices by testing their medicine for potency and the presence of any harmful

pesticides or mycotoxins such as molds and bacteria.

Two University of California Davis professors are the driving force behind the laboratory. Professors Donald P. Land, Ph.D. and Rev. Dr. Kymrom deCesare came together over their mutual passion to establish a quality independent marijuana testing facility to ensure the safe and effective use of medical marijuana. Using breakthrough technology, their facilities have the ability to identify 15 cannabinoid profiles in addition to detecting 31 pesticides commonly used on marijuana. Their labs use a variety of testing equipment including electronic microscope, high performance, liquid chromatograph with UV absorption, and a mass spectrometer.

Subcontractor Steep Hill Cannabis Analysis Laboratory

With its founding in 2007, Steep Hill Lab (SHL) became the nation's first medical marijuana testing lab outside of the federal government's own testing program at NIDA. Having analyzed over 30,000 samples to date, SHL is the largest marijuana testing facility in the U.S. SHL has been at the forefront of marijuana-related consumer safety since its founding in 2007. Subsequently, SHL developed the nation's first non-federal marijuana potency testing program, the nation's first marijuana testing program for mold, yeast, and bacteria, and testing programs for pesticides, terpenoids and minor components, and trace VOC residue in concentrates. In addition to its contributions to testing standards, SHL developed SafeCannabis, the first inert gas safe packaging and labeling protocol for medical marijuana in California, and QuantaCann, the first instant marijuana potency testing program. Finally, as a member of the ACCL (Association of California Cannabis Laboratories), SHL has worked to encourage other labs to adapt similar protections.

The testing program for mold, yeast, and bacteria complies with the standards set forth by the United States Pharmacopoeia, The World Health Organization, and the American Herbal Products Association; samples exceeding those standards are commonly flagged for removal from the distribution chain. SHL's internal sample handling and storage procedures are based on DEA protocol for Schedule I controlled substances; the procedures require a secure chain of custody for sample handling, secure methods of storage, proper sample destruction, and efforts to prevent sample diversion into the black market.

SHL's QuantaCann technology offers testers and regulators new tools to track and trace products throughout the supply chain. QuantaCann employs remote on-location testing instruments networked with our central servers, providing a real time window into the character of medical marijuana samples tested within its network of instruments. In addition to the 30,000 medical marijuana samples tested using traditional methodology, SHL has tested over 30,000 samples within the QuantaCann system. QuantaCann is the only truly "green" marijuana testing system available. The testing is non-destructive and uses no harmful chemicals.

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7. Staff Qualifications and Capabilities. Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Subcontractor Halent Laboratories

Professor Donald P. Land, Ph.D. is Chief Scientific Consultant of the subcontractor. In 2011, Land helped found a private California company for Quality, Safety, and Potency testing of medicinal marijuana. That entity has operated continuously ever since, with several thousand marijuana samples of all forms tested to date. Land was responsible for the development of all protocols, instrumentation, standards, and procedures for the testing laboratory. Land also performs these procedures on samples, in addition to training others to do so. Land is also currently Full Professor at the University of California, Davis, and is a member of the Department of Chemistry, the Forensic Science Graduate Group, and the Designated Emphasis in Biotechnology. In that capacity, Land trains undergraduate and graduate students, many of whom work for crime labs, in the theory and practice of analytical and physical chemistry as applied to forensic and biological samples. Graduate students from Professor Land's Group are employed by the DEA, FBI, ATF, Oregon State Police, California Department of Justice, Sacramento County District Attorney Crime Laboratory, and numerous other crime laboratories across the U.S. Land developed and teaches undergraduate and graduate level courses in the application of the methods used to analyze controlled substances and other trace evidence. These same methods are those used to analyze marijuana for cannabinoids, terpenoids, pesticides, and other chemical and biological content. Land's experience in training and education (thousands of undergraduates and hundreds of graduate students) is extensive, and is an assurance that training and educating WSLCB staff and the staff of licensees will be effective and at the highest levels.

Rev. Dr. Kymron deCesare is Scientific Consultant for the subcontractor. His responsibilities include training of analysts and development and oversight of the chemical procedures and protocols. Rev. Dr. deCesare also has over 30 years experience as a Staff Research Associate at UC Davis Department of Chemistry. In that capacity, Rev. Dr. deCesare manages the General Chemistry Laboratory Teaching program for thousands of undergraduate students each quarter. He also participates in training of Graduate Teaching Assistants. Rev. Dr. deCesare also has over 50 years experience as a compounding herbalist, including expertise in the production of tinctures, salves and other forms for herbal remedies and supplements. This experience has proven invaluable in developing analytical methods for the analysis of a wide variety of marijuana-containing products of various forms. Additionally, Rev. Dr. deCesare's abilities as an experienced teacher allows him to train others in both the methods of analysis for such products, as well as methods for analysis thereof.

Subcontractor Steep Hill Cannabis Analysis Laboratory

David Lampach: As a co-founder of SHL, David has been instrumental in developing every aspect of its testing program. He invented and oversaw the creation of QuantaCann, delivering it from a concept to its inception. He is an expert using the analytical instruments

most appropriate for analyzing marijuana samples (GC-FID, GC-MS, HPLC, HPLC-MS, NIR Reflectance Spectroscopy). He is an expert in process analytical technology as it relates to the marijuana industry, and has been involved in the creation of software to make the marijuana distribution chain more efficient and transparent. David also created and designed the first marijuana safe packaging and labeling protocol in the U.S. for SHL. David is also an expert marijuana grower, and was tapped by the Mendocino County Sheriff's department to implement the county's 9.31 program inspecting and assisting large commercial grows in accordance with county law. In addition, he is an expert marijuana grower and has consulted dozens of growers on proper technique and problem mitigation. Current duties at SHL: President, technological development, software design, lab and testing oversight.

Paul Daley, PhD, UC Berkeley: Dr. Daley has over 30 years experience in a variety of environmental and analytical disciplines. He has published research in integrated pest management, plant photosynthesis, and environmental chemistry. He has assisted SHL in method development for cannabinoids in medical marijuana strains, troubleshooting instrumentation, and isolation of rare cannabinoids for use as analytical reference materials. He is also the Resident Chemist at the Alexander Shulgin Research Institute in Lafayette, CA, where his work focuses on the chemistry and pharmacology of psychoactive drugs. Current duties at SHL: method validation, method development, instrument troubleshooting

Savino Sguerra BS, Columbia University: Savino is currently the lab director of Steep Hill Lab. He oversees the day-to-day management of the lab and tests thousands of samples of marijuana a month for potency, mold and bacterial counts, pesticides, terpenoids, moisture content, and various other types of analysis. Current duties at SHL: lab director, analysis validation, instrument maintenance and repair.

8. Approach and Methodology. In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminants, and Product strain.

Subcontractor Halent Laboratories

Dr. Donald Land will foresee distance and in-person training of WSLCB staff and the staff of licensees in the protocols and procedures for accurate, reliable testing and quality assurance in marijuana analysis. This will include background lectures and hands-on training, either via distance electronic methods, in person at our California facility or in person and by distance methods at facilities in Washington. Brief and detailed instruction in the theory and practice of the chemical methodologies, the nature of the samples, the differences in testing protocols for differing sample types (plant material, tinctures, edibles, etc.), differences in the phytochemicals and their derivatives produced during processing by different methods, are already developed for implementation in numerous localities. For example, in addition to analysis for THC and CBD, it is important also to test for the acid forms (THCA and CBDA) which are the naturally occurring forms produced in the plants. Additionally, compounds such as THCV, CBG, their acid forms (THCVA, CBGA) and several terpenoids are also often found at percent levels or higher in many marijuana samples. Many other

compounds, both cannabinoids and terpenes, are also commonly found in significant amounts. As scientific research reveals the importance of these compounds in the effects of marijuana on humans, it will be desirable to expand testing to include these substances, as well. Land's testing facility in California has already developed methods for testing for many of these compounds and Land is uniquely positioned to aid other facilities in implementing those methods.

Subcontractor Steep Hill Cannabis Analysis Laboratory

1) Establish maximum tolerance limits for harmful contaminants.

The most likely potentially harmful contaminants (in decreasing order of likelihood) will be mold, bacteria, pesticides, heavy metals, and physical contaminants. Marijuana can become contaminated with mold and bacteria at numerous points during both production and distribution. A grow itself can be contaminated, or a particular lot may become contaminated during curing or processing. A hybrid approach of testing at the grow site, and testing individual lots provides the most effective solution in managing and preventing mold and bacterial contamination of marijuana. In a humid climate like Washington mold risk is higher than in states like California or Colorado. Therefore some oversight of individual lots is recommended. Depending on whether marijuana is treated as a food, an herbal drug, or a pharmaceutical drug, different tolerance limits for mold and bacteria may apply. The standards required of European pharmaceutical products (such as those governing BedroCan in the Netherlands) are likely too rigorous for Washington State: they achieve complete sterilization via gamma irradiation. Prominent existing standards are published by the U.S. Pharmacopoeia, World Health Organization, and the American Herbal Products Association. Pesticide residues can pose a serious threat to consumer and environmental safety, though not all residues are equally dangerous. We recommend maintaining a list of pesticides approved for marijuana, and their acceptable tolerance limits, similar to the EPA's A-Z list of pesticides approved for use in the U.S. At some grow sites there will undoubtedly come a time when natural pests will invade and threaten the life of a crop. In these circumstances, producers are sometimes faced with the choice of using of a potentially harmful pesticide or losing an entire high dollar value crop. The state cannot rely on producer integrity. The task requires implementing a system to detect and report the presence of pesticides within the marijuana supply. Testing for pesticides on a batch-by-batch basis is cost prohibitive, but is most efficiently administered at the grow site before harvesting. Heavy metals may appear in certain marijuana samples depending on the soil or nutrient composition of the grow. There may be a need to conduct periodical tests to monitor the occurrence of toxic heavy metals in the marijuana supply. Washington State currently sets soil loading limits for the following heavy metals; arsenic, cadmium, cobalt, mercury, molybdenum, lead, nickel, selenium, and zinc. Physical contaminants such as animal dander, sand, and glass may be detected by microscopic analysis of marijuana batches. Physical contaminants may include materials added to a batch to increase its weight (and therefore price). Materials such as soil, dander, and insects can be introduced during the harvesting and curing process.

2) Establish minimum standards for THC/CBD labeling in product batches.

Delta-9 Tetrahydrocannabinol (THC) and Cannabidiol (CBD) are cannabinoids that will most likely be present in 100% of the samples in the statewide distribution network. There are many other cannabinoids that occur in varying amounts in marijuana, and at a future

time it may be relevant to add them as target analytes. Any regulations surrounding these compounds should be flexible enough to allow for the possibility that other compounds in the plant may become of interest when more is understood about the marijuana plant. THC is generally considered to be the compound in marijuana that causes the “euphoric” experiences associated with the plant. THC is produced in the plant in its acidic non-psychoactive form, and through the addition of external degrading factors (i.e. heat, ultraviolet light) it becomes the neutral psychoactive form of THC. The distinction between tetrahydrocannabinolic acid (THCA) and THC is important when smoking is not the primary form of THC intake. The fire and heat that naturally accompany smoking marijuana cause the THCA in marijuana to become THC, and therefore psychoactive. When analyzing certain edible and infused products the distinction between THC and THCA is critical in order to properly characterize the product and its potential effects on the consumer. Every batch of cured marijuana should be analyzed for its THC/CBD content, and those values should be associated with that batch. On the retail level, the THC/CBD content of a marijuana product should be prominently labeled and made evident to the consumer.

3) Determine what testing methodologies are acceptable to demonstrate compliance with established tolerance limits and reporting requirements.

Testing labs currently use a wide array of testing methodology for analyzing both cannabinoids and contaminants in marijuana, each method having its own strengths and weaknesses. Gas and liquid chromatography are more prevalent in the American testing market, and are more accurate, although also slower and more expensive. Considering the relatively small lot sizes transacted in the marijuana market (which are encouraged by I-502’s one ounce purchase limit), newer technologies may be appropriate given these constraints. In any case, tightly regulating the processes used in laboratory analysis is recommended. Whichever methods are finally determined to be acceptable to the state, validation will need to be conducted initially and on an ongoing basis. Validation entails proving that the accepted methods for detecting target analytes work as stated presently and will continue to work over time.

4) Determine what level of technological integration is optimal for achieving the State's requirements for product tracking, reporting, and accountability.

There is a wide range of methodologies for product tracking. More and more, paper-based systems are giving way to electronic systems as the preferred method. Systems can range from “pure paper” to “pure electronic,” with the latter providing RFID integration and real time monitoring of system status and exact product whereabouts. Hybrid paper/electronic systems can be efficiently implemented if the cost of a pure electronic system is found to be prohibitive. The specific system for the WSLCB will depend on the exact requirements to be determined by the state.

5) Establish a protocol for problem mitigation and product recall in the event that accepted limits are exceeded anywhere within the system.

When batches of marijuana are found to be non-compliant with the limitations set forth in state regulations, they must be removed from supply. In the majority of cases, the results of lab tests will be the primary factor in determining a batch’s suitability for distribution. This will necessitate the creation of a system to alert licensed distributors of a product's non-compliance status, as well as a system to ensure that licensed distributors have complied in

removing and/or destroying the marijuana. A statewide electronic system tracking the location of all marijuana products would simplify this effort and is highly recommended.

NON-COST PROPOSAL

CATEGORY 3: PRODUCT USAGE AND CONSUMPTION VALIDATION

Notes:

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9. Ability, Capacity and Skills. In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise to estimate Product Usage and Consumption levels by geographic areas in Washington State.

Subcontractor Josh Wiersma, Ph.D.

Although the minimum qualifications state that a bachelor's degree in statistics is sufficient to carry out this work, a proper analysis requires advanced understanding of economic theory, applied economics, statistical analysis and survey design. Because this project's main objective is to estimate both marginal and total consumer demand for marijuana, differentiated by product type, it is inherently an applied economic research project. Therefore, the minimum requirement to do this job is at least a Master's degree in economics or resource economics. Wiersma has a Ph.D. in Environmental and Natural Resource Economics. His dissertation research estimated the total market value of scientific research in commercial fishing by treating research as a differentiated product with a tradable marginal value. The research was carried out via stated choice contingent valuation surveys, similar to the types of market research tools used to determine consumer preferences and demand in other industries.

Wiersma has over fifteen years experience designing, implementing and analyzing statistically valid surveys to the general population in order to gauge tastes and preferences, attitudes and opinions, and total value for different types of goods and services. His early work used surveys to estimate tourism demand in New Hampshire. His master's thesis employed an applied economic survey to look at the costs and benefits of collaborative fisheries research. While completing his PhD, he completed an economic analysis of the total value of an offshore wind farm relative to commercial fishing using applied stated preference choice survey. His dissertation also focused on applied economic research and used stated choice surveys to estimate total willingness to pay for different types of scientific research. Post graduation, he's published work looking at the economic benefits of social capital in the commercial fishing industry, which was also based on carefully constructed applied economic surveys. In regards to his technical skills, he is an expert in statistical and

econometric analysis. In regards to data analysis, he generally uses SAS, STATA, or Limdep (NLOGIT).

Wiersma has experience designing surveys to measure market demand. In this case, we would likely want to stratify the sample by state region to ensure we talk to a minimum number of respondents in each region. We would then apply design weights and finally weight by population data (census) in order to match the population of Washington state by age, gender, race, ethnicity, or any other characteristic deemed important. This would allow us to estimate usage in the population by state regions.

10. Experience. In two (2) pages or less, please describe your firm's experience in statistical research, specifically related to determining demographic and/or psychographic segmentation, preferably related to the use of Marijuana.

Subcontractor Josh Wiersma, Ph.D.

In the five years since graduation, Wiersma had the chance to participate in the ground level implementation of a market-based solution to commercial fisheries management in New England, referred to as "catch shares." He helped to organize twelve of the seventeen new fishing cooperatives participating in this catch share program, helped draft the rules and operations plans governing fishing, and helped design the market structure for tradable fishing rights. He currently manages two of the northeast fishery harvest cooperatives, and as manager has participated in a variety of research looking at social externalities and other inefficiencies inherent in commercial fisheries management.

Wiersma, in collaboration with subcontractor Matthew Hawes, has also done some consulting for an organization in Maine, Pine Tree Wellness, to look at the feasibility of establishing more medical marijuana dispensaries in Maine. He developed an analysis that looked at total patient demand by county, caregiver supply by county, projected growth trends over time, and examined the economic impact to the state from direct and indirect economic activity as well as tax revenue. Copies of these reports are not currently public, but may be available upon request.

11. Staff Qualifications and Capabilities. Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Subcontractor Josh Wiersma, Ph.D.

Wiersma has over fifteen years experience designing, implementing and analyzing statistically valid surveys to the general population in order to gauge tastes and preferences, attitudes and opinions, and total value for different types of goods and services. His early work used surveys to estimate tourism demand in New Hampshire. His master's thesis employed an applied economic survey to look at the costs and benefits of collaborative fisheries research. While completing his PhD, he completed an economic analysis of the total value of an offshore wind farm relative to commercial fishing using applied stated preference choice

survey. His dissertation also focused on applied economic research and used stated choice surveys to estimate total willingness to pay for different types of scientific research. Post graduation, he's published work looking at the economic benefits of social capital in the commercial fishing industry, which was also based on carefully constructed applied economic surveys. In regards to his technical skills, he is an expert in statistical and econometric analysis. In regards to data analysis, he generally uses SAS, STATA, or Limdep (NLOGIT).

12. Approach and Methodology. In two (2) pages or less, please provide a complete description of your firm's proposed approach and methodology to be used for Product Usage and Consumption validation as requested in this RFP, to estimate demographic and psychographic segmentation, specifically related to the use of Marijuana.

Subcontractor Josh Wiersma, Ph.D.

This is a one-of-a-kind, groundbreaking study of consumer preferences and choice for marijuana. The correct way to measure this demand is through carefully constructed stated preference choice surveys administered to a random sample of the population of Washington state residents from each county. These surveys are used to estimate demand curves for each type of marijuana and geographic region. In addition to deriving estimates of total consumer demand, we can also use these models to estimate the marginal rate of substitution between regulated and unregulated marijuana based on certain factors such as: price, THC content, quality assurance, distance to the nearest marijuana outlet, variety, and other factors thought to influence demand. In addition to this information, the survey will also be designed to gather basic socio-economic and demographic information describing the marijuana consumer group in Washington.

The total demand for different types of marijuana (legal, illegal, and medical) and for the associated attributes will be measured via stated preference choice experiment (CE) survey. CE is a utility theoretic concept used to describe changes in Hicksian welfare due to changes in the level or availability of some good or service, in this case marijuana. Random utility theory (Thurston 1927) and random utility modeling (RUM) (McFadden 1974) underlie a process where econometric methods may be used to statistically estimate measures of compensating surplus value for different choices amongst marijuana alternatives, and for a set of k attributes describing the j marijuana alternatives. Estimation of the data is generally done using a multinomial logit, conditional logit, or nested logit econometric model and maximum likelihood estimation techniques (refer to McFadden 1978, 1981).

In a typical stated CE survey, respondents are shown alternative variants of a good or policy described by a set of attributes, and are asked to rank the alternatives, to rate them, or to choose their most preferred (Hanley et al., 2001). Early applications of stated CEs were developed by and Hensher and Louviere (1983) and Louviere and Woodworth (1983) as a natural analog to already well established revealed preference (RP) choice modeling theory and methods. Stated CEs have been widely employed in marketing and transportation to analyze consumer choices of products, modes of travel, and for a variety of other items. Useful references for stated CE are Louviere (2000), Greene (2003), Train (2003), and Hensher, Rose and Greene (2005).

Through consultation with other members of our consulting groups, who have expert knowledge about the marijuana market, Wiersma will develop a stated preference CE survey to be administered to a random sample of the population in each county. After the survey is developed, he will sub-contract out to a market research firm to implement the survey via telephone interviews to a random sample (at least 250 respondents per county). Once the data is gathered, he will analyze the information, and complete the required reports.

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- Hensher, D., Rose, J., and W.H. Greene. 2005. *Applied Choice Analysis: A Primer*. Cambridge University Press. New York, NY.
- Louviere, J.J. and G.G. Woodworth. 1983. Design and Analysis of Simulated Consumer Choice or Allocation Experiments: An Approach Based on Aggregate Data, *Journal of Marketing Research*, (20): 350-367.
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- McFadden, D. 1981. Econometric Models of Probabilistic Choice. In *Structural Analysis of Discrete Data with Econometric Applications*, C. Manski and D. McFadden, editors, Cambridge: MIT Press, 198-272.

NON-COST PROPOSAL CATEGORY 4: PRODUCT REGULATION

Notes:

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13. Ability, Capacity and Skills. In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise in Product Regulation, including but not limited to, the following:

- a. Experience with State, local or Federal government processes and procedures

Prime Contractor James Anthony Technical Assistance Consulting (JATAC)

James Anthony, Director: James Anthony is an attorney licensed in California and Hawaii and also holds a California Real Estate Broker license. Anthony was a City Attorney's Office nuisance prosecutor in Oakland, CA from 2003-05. During that time he prosecuted problem properties such as slumlords, pollution, blight, liquor stores, and drug houses. As Oakland was moving to regulate its burgeoning medical marijuana dispensaries, Anthony in his free time was becoming involved in drug policy reform. In 2004 he was a volunteer for Measure Z, the Oakland lowest law enforcement priority initiative policy for marijuana modeled after Seattle's Initiative 75. Anthony still sits on the City Commission overseeing the implementation of Measure Z, which he chaired in 2008.

In January 2006 Anthony left the Oakland City Attorney's office and went into private practice working exclusively in medical marijuana. Dispensaries were opening all over the state after the passage of California's SB 420. Some city attorneys were attempting to close them as nuisance and Anthony was ideally qualified to defend them. Other cities were moving to regulate and license them, amongst them San Francisco and Oakland. Anthony assisted applicants in obtaining such licenses (most notably Harborside Health Center in Oakland). His statewide California practice extended to Los Angeles, Riverside County, Kern County, Contra Costa County, Stanislaus County, Sacramento, Santa Clara County, Stockton, Richmond, San Jose, San Francisco and Oakland. In 2008 he directed the campaign for Berkeley's Measure JJ, the first medical marijuana zoning ordinance passed by initiative. He also authored the 2009 Oakland business tax on marijuana-related businesses, the first such tax in the nation. His practice continued in that vein until the first Obama presidential term, when he founded CannBe, the nation's premiere marijuana consulting firm.

CannBe operated successfully for over 2 years with 17 clients and 3 million dollars in contracts and a payroll of 40 employees. It was active in dozens of California's 538 local governments (all of which it tracked) and in New Jersey, Arizona, Rhode Island, and the District of Columbia. CannBe successfully obtained permits for clients in California and Rhode Island before closing (its former clients were later successful in Arizona and DC under guidance from 4Front Advisors). It closed in early 2011 after the federal crackdown on medical marijuana in California dampened the market's enthusiasm, and financing (among other things) became impossible. At that point, Anthony returned to his law practice while also offering consulting services, now under the auspices of JATAC.

Anthony continues to be active in marijuana consulting including working on cultivation regulation issues with local governments in California, and on statewide regulation with the California legislature and by the initiative process. In 2011, after failing to negotiate a reasonable marijuana regulatory ordinance with the City of San Jose, Anthony led a successful referendum campaign to rescind the unworkable ordinance that the City Council passed. In 2012 he wrote local marijuana regulatory initiatives for the City of San Jose (awaiting filing and signature gathering) and for the City of Santa Ana (signatures submitted).

Subcontractor 4Front Advisors

4Front Advisors has extensive experience with navigating regulatory processes to obtain dispensary permits from city and state governments. The company's application writing team has successfully won permits in competitive application processes in Rhode Island, the District of Columbia, Stockton, CA, and Richmond, CA. Each of the winning applications required submittal of detailed operations policies and procedures developed in strict compliance with established regulations in the following areas:

- Organizational Development – Ensuring that corporate documents (articles of incorporation, bylaws, etc.) include required components such as business designation and board/officer information.
- Zoning Compliance – Guiding clients through the local zoning process to meet required zoning standards including proper zoning designation and compliance with setback requirements (i.e., distance from sensitive uses such as schools and parks).
- Staffing and Personnel – Developing thorough staffing plans that include personnel duties, authority, responsibilities, and qualifications; personnel supervision and reporting structures; training in and adherence to regulatory requirements; period performance evaluations; and disciplinary actions.
- Facility Layout – Collaborating with architects and draftsmen to create production and retail facility designs that ensure maximum efficiency, allow for execution of established best practices, and incorporate environmental and safety controls.
- Inventory Control – Developing inventory tracking policies and procedures that include inventory tracking, packaging, product acquisition, sales, destruction and disposal in order to ensure absolute accountability and prevent diversion of product.
- Recordkeeping and Reporting – Developing policies and procedures for the tracking, maintenance, and secure storage of physical and/or electronic business records such as records of assets and liabilities, monetary transactions, journals, ledgers, and supporting documents including agreements, checks, invoices, and vouchers.

- Financial Statements and Related Information – Collecting and submitting appropriate account statements to demonstrate access to sufficient start-up capital and completing financial projections to demonstrate the ongoing viability of the operation including projected expenditures and revenues.
- Business and Marketing Plans – Developing plans to establish and operate production and retail facilities that include anticipated debt financing, annual revenue sources (including estimated total number of customers, average/maximum number of customers per day, sales of marijuana and other products, membership and administrative fees, other product transactions), anticipated costs to establish the business (e.g., costs of permits, and tenant improvements), and anticipated annual costs of operation.
- Security Plans – Collaborating with security consultants with extensive experience securing high-level facilities such as the U.S. Food and Drug Administration and U.S. News and World Report to develop thorough security policies and procedures including alarm systems, access control, closed-circuit monitoring (and data storage), interior/exterior security lighting features, secure storage and transport of product, community patrol, and security personnel training.
- Cultivation Plans – Developing a cultivation plan to demonstrate an ability to provide a steady supply of marijuana to customers. The plan includes a timetable describing the estimated time from initial operation authorization to limited operations to full operation, as well as the basis for these estimates, and a detailed description of the steps that will be taken to ensure the quality of the medical marijuana, including purity and consistency of dose.
- Customer Education and Support – Compiling information regarding the availability of different strains of marijuana and their purported effects as well as the purported effectiveness of various methods, forms, and routes of marijuana administration.

Subcontractor Barbara Killey

In her five years as both an Assistant to the City Administrator and Administrative Hearing Officer at the Oakland City Administrator's Office in California, Killey gained an extensive understanding of state and local government policies and procedures. Her experience includes:

- Conducting public hearings and application screening process for special business permits, including nightclubs, massage establishments, bingo parlors, pawnshops, pool halls, and medical marijuana dispensaries.
- Developing and administering competitive application process for medical marijuana dispensaries, including exam on medical marijuana law. Awarding permits and monitor permittees for compliance with local, state, and national laws. Enforce City's policy of zero-tolerance for non-compliance and illegal activity.
- Drafting and amending regulations to ensure legal operation by Oakland's medical marijuana dispensaries.
- Reviewing financial statements and tax filings of medical marijuana dispensaries to ensure legal compliance with Oakland's medical marijuana dispensary ordinance.
- Conducting stakeholder meetings with resident and business groups to determine necessary and/or desirable amendments to Oakland ordinances regarding smoking, taxis, bingo, and medical marijuana.

- Drafting and delivering reports, recommendations, and ordinance amendments to City Council regarding operation of medical marijuana dispensaries, taxi fleets, and bingo parlors.
- Working with law enforcement to identify and close or permit unpermitted businesses.
- Administering Oakland's smoking ordinance. Draft, justify, propose to City Council, and administer amendments for outdoor smoking restrictions and smoking disclosure in multi-tenant housing.
- Collaboration with other committee members to draft and propose requirements for local tobacco retailer's license (in addition to state license). Implement enforcement measures, including settlements in lieu of suspension.

Subcontractor Robert Jacob

Robert Jacob has been selected for our team for his years of experience operating compliant medical marijuana dispensaries. His accomplishments from these operations include:

Executive Director - SPARC, San Francisco, California

- Recruited to lead a two-year old dispensary through redevelopment and improvement of all operational aspects of the non-profit organization, including retail operations, inventory control, and quality assurance.
- Presently leading the organization through growth period to over 30,000 patient members and 42 employees.
- Responsible for maintaining local and state regulatory compliance and exemplary relations with the San Francisco Department of Public Health, who permits, regulates, and inspects dispensaries in the city. SPARC remains one of only 17 permitted dispensaries in San Francisco.

Founder and Executive Director - Peace in Medicine Healing Center, Sebastopol, California

- Spearheaded the formation of Sonoma County's first holistic healing center and medical marijuana dispensary, from conception to reality. Lead Peace in Medicine through growth into a model dispensary with a base of over 19,000 patient members, providing full-time employment to 49 of its members.
- Responsible for ensuring regulatory compliance, leading operations and inventory management development and implementation, and ongoing organization management and improvement.
- Chairs the nonprofit Board of Directors and facilitates strategic planning and visioning for the organization.
- In addition to his role at the dispensary level, Jacob lead the development of a unique business model that consulted with prospective operators on opening regulatory compliant dispensary organizations with a positive community impact and strong relationships with law enforcement and local regulators. As CEO of CannBe, Robert liaised with local regulators to identify unique community attributes to ensure support and development of best dispensary operators, facility locations, and operating models and also lead the organization through dissolution, maintaining positive relationships following failure of California State Proposition 19.

Subcontractor Vicente Sederberg, LLC

Vicente Sederberg has a cumulative ten plus years' experience in regulated marijuana markets as well as other regulated environments including real estate, financial transactions and bond issuance. Two members of his firm are current members of Colorado MMED's medical marijuana advisory workgroup. Members of the firm assisted in the crafting of Colorado's original medical marijuana regulations and continue to work on recommended updates to these rules. Members of the firm also helped to craft Colorado's first set of regulations for the marijuana industry and continue to be involved in their revisions including proposals for revised production reporting and inventory controls. One of the members is a member of Colorado's Amendment 64 Task Force and also serves as Co-Chair of the Amendment 64 Task Force Consumer Safety and Social Issues Work Group. Members of the firm were primary authors of Amendment 64, which established the adult use system in Colorado.

Subcontractor Craig Litwin

Craig Litwin is a seasoned political consultant and organizer with over eighteen years of experience. The former Mayor of Sebastopol, CA, Craig sat on the Sebastopol City Council from 2000-2008, and served as Political Director of Sonoma County Conservation Action, Sonoma County's largest environmental grassroots nonprofit organization. In the private sector, he went on to help navigate Sebastopol's Medical Cannabis Cultivation Ordinance, one of the first in the nation. Litwin began working on medical marijuana issues as a local activist in 1996 and became a top signature gatherer for California's historic Proposition 215, the Compassionate Use Act. He went on to serve as CannBe's Director of Government Relations, and worked throughout the nation with different local governments to create sound medical marijuana policy. Litwin's firsthand understanding of how to approach local government and civic leaders, coupled with his talent for designing sound municipal policy and political strategy, make him an invaluable resource. He holds a BA from the New College of California.

Subcontractor Kristin Nevedal

Kristin Nevedal has worked with local government in Humboldt, Mendocino and Lake County as well as the City of Lakeport, City of Clearlake and City of Sacramento to develop cultivation regulations. She co-authored a Humboldt Growers Association white paper discussing square footage based regulatory protocols, local resource needs and water and nutrient usage is currently used by several state agencies and government officials as a reference to outdoor cultivation issues. Additionally, she represents medical marijuana farmer interests for Humboldt, Del Norte and Trinity counties on the California Regional Water Quality Control Board's Agricultural Discharge Advisory Panel, and serves on American Herbal Products Association (AHPA)'s Cannabis Committee, where she is the Chair the Cultivation Working Group.

Subcontractor Matthew Hawes

Matthew Hawes is a marijuana farmer registered per Mendocino County Ordinance 9.31. He, underwent 3rd party farm inspections, identified and labeled all plants in production, registered devices with County weights and measures, filed inventory statement documents.

Hawes has detailed knowledge of Maine Medical Marijuana Program rules and regulations. He is familiar with Maine Dept of Agriculture regulations and the Maine Dept of Revenue tax code and law regarding sale of marijuana.

Subcontractor Matthew Cohen

In 2009, Matthew Cohen approached California's Mendocino County Board of Supervisors and initiated a working group including two Supervisors, the Sheriff, the District Attorney, his own Northstone Organics medical marijuana cultivation collective, other farmers, patients, activists, non-marijuana community members, property owners, journalists, and lawyers. This work culminated in revisions to the County's ordinances that for the first time anywhere in California clearly permitted and regulated outdoor collective scale marijuana farming of up to 99 plants per parcel, producing thousands of pounds of legal, regulated marijuana. Cohen also sits on the American Herbal Products Association's Cannabis Committee's Manufacturing working group, which is devising model regulations.

b. Experience in crafting system regulations

Prime Contractor James Anthony Technical Assistance Consulting (JATAC)

In 2008, James Anthony directed the campaign for Berkeley's Measure JJ, the first medical marijuana zoning ordinance passed by initiative. He also authored the 2009 Oakland business tax on marijuana-related businesses, the first such tax in the nation. Anthony has extensive experience working with local governments to craft and refine system regulations for marijuana. He has worked closely with Oakland, San Francisco, Sacramento, and San Jose, amongst many others.

Anthony continues to be active in marijuana consulting including working on cultivation regulation issues with local governments in California, and on statewide regulation with the California legislature and by the initiative process. In 2011, after failing to negotiate a reasonable marijuana regulatory ordinance with the City of San Jose, Anthony lead a successful referendum campaign to rescind the unworkable ordinance the City Council passed. In 2012 he wrote local marijuana regulatory initiatives for the City of San Jose (awaiting filing and signature gathering) and for the City of Santa Ana (signatures submitted).

Subcontractor 4Front Advisors

4Front Advisors has worked at length with the Arizona Department of Health Services to design a robust scoring system for a competitive application process. Components of the application included:

- Criterion 1: Application Form
 - Dispensary legal name, entity information, board member/officer information, proof of capitalization documentation, supplemental information attestation

- Criterion 2: Submission of Required Information Regarding Applicant and Facility (Mandatory Requirement – No Points Assigned)
 - Corporate information and related documents, property owner authorization, and zoning compliance
- Criterion 3: Submission of Required Dispensary Operational Material (Up to XX Points)
 - Inventory control plan, recordkeeping policies, proposed security and safety measures, and patient education and support
- Criterion 4: Submission of Required Dispensary Organizational Material (Up to XX Points)
 - Business plan and non-profit experience

In addition to the application, 4Front developed a corresponding competitive binary scoring system to ensure that certificates were awarded to operators capable of and committed to maintaining compliant operations. 4Front recommended that the Department take a two-pronged approach to scoring applications: 1) a mandatory review where applications that have failed to meet basic regulatory compliance are eliminated; and 2) a quantitative review of the plans for inventory control, qualifying patient recordkeeping, security, and patient education and support where scores are provided for each response (a total of 126 points were available). Although the state ultimately chose to abandon the idea of a competitive process in favor of a statewide lottery, the template application and scoring matrix provided a thorough framework for the development of competitive application processes nationwide.

Subcontractor Barbara Killey

Barbara Killey had been involved with the regulation of medical marijuana throughout her career as an attorney. Her professional experiences include:

- City of Stockton - Consultant on Medical Marijuana Dispensary Permitting Process
 - Reviewed, made recommendations, and drafted changes and additions to the medical marijuana dispensary ordinances and administrative guidelines drafted by the Office of the City Attorney
 - Created process, point system, and forms for competitive medical marijuana dispensary applications
 - Created score sheets and provided guidance on application review and scoring to the dispensary selection panel members appointed by City Council representatives
 - Assisted Office of the City Attorney in answering questions and concerns posed by Stockton residents and dispensary applicants at City Council meetings and at meeting of selection panel to report scores and award permits
 - Generated and administered written exam for dispensary applicants on Stockton ordinances and regulations and California law regarding medical marijuana
- City of Napa - Consultant on Medical Marijuana Dispensary Permitting Process

- Reviewed, made recommendations, and drafted changes and additions to the medical marijuana dispensary application process, scoring evaluation criteria, and scorecard created by City of Napa Planning Division
- Evaluated and scored medical marijuana dispensary applications as member of a three person scoring panel

Subcontractor Robert Jacob

Currently serving as Vice Mayor of the City of Sebastopol, Robert Jacob has first-hand experience with local and state government processes. He currently sits on the legislative committee, city budget subcommittee, energy and sustainable practices committee, and the employee recognition committee of the Sebastopol City Council. He also served as Chair of the Sebastopol Planning Commission from December 2011 until appointment to the City Council.

Subcontractor Vicente Sederberg, LLC

Our firm has a cumulative ten plus years' experience in regulated marijuana markets as well as other regulated environments including real estate, financial transactions and bond issuance. Two members of his firm are current members of Colorado MMED's medical marijuana advisory workgroup. Members of the firm assisted in the crafting of Colorado's original medical marijuana regulations and continue to work on recommended updates to these rules. Member of the firm also helped to craft Colorado's first set of regulations for the marijuana industry and continue to be involved in their revisions including proposals for revised production reporting and inventory controls. One of the members of the firm is a member of Colorado's Amendment 64 Task Force and also serves as Co-Chair of the Amendment 64 Task Force Consumer Safety and Social Issues Work Group. Members of the firm were primary authors of Amendment 64, which established the adult use system in Colorado.

Subcontractor Craig Litwin

During his time serving on Sebastopol's City Council and as Vice Mayor, Craig Litwin was the successful co-author of Sebastopol's Medical Cannabis Dispensary Ordinance, which passed in 2007 and then quickly became a model that California's local governmental bodies continue to reference as they seek to successfully regulate medical marijuana.

Subcontractor Kristin Nevedal

As a founding member of the Humboldt Growers Association (HGA), Nevedal worked closely with the Humboldt County Planning Commissioners, County Counsel, Sheriff Downey, District Attorney Gallegos, the Board of Supervisors and others to draft an ordinance regulating the cultivation, dispensing, and lab testing of medical marijuana within the unincorporated areas of the County. She served on the Mendocino County Board of Supervisors Ad Hoc Committee for Dispensary Ordinance Development. Nevedal also represented cultivator's interests in the drafting of the Fall 2011 Medical Cannabis Regulate Control and Tax Act (MMRCTA), and sits on the steering committee of Californians to Regulate Medical Cannabis, who organized the writing of MMRCTA and sponsored AB2312. The drafting of MMRCTA involved numerous conference calls, stakeholder focus groups, and community meetings in order to arrive at a consensus on best practices for medical marijuana cultivation, harvesting and distribution.

Subcontractor Matthew Hawes

Matthew Hawes made detailed recommendations to Mendocino County and CA Board of Equalization suggesting separate licensing for processing and to Maine DHHS suggesting possession limits for varying stages of processing. These recommendations were promulgated on Dec. 31, 2012. He is currently working with Maine DHHS, the Maine Legislature and the Maine Department of Revenue to amend the Maine Medical Marijuana Program with the intent to prevent diversion and ensure proper tax accountability. He has researched Maine Department of Agriculture regulations in order to recommend modification of existing State policy to satisfy needs of the Medical Marijuana Program, and contributed to developing chain of custody software intended to give regulatory oversight of seed to sale inventories and proper tax accountability.

14. Experience. In two (2) pages or less, please describe your firm's experience in working within the confines of a regulatory system, and experience in creating and/or modifying rule, law, ordinance, and/or guidelines.

Prime Contractor James Anthony Technical Assistance Consulting (JATAC)

James Anthony, Director: James Anthony is an attorney licensed in California and Hawaii and also holds a California Real Estate Broker license. Anthony was a City Attorney's Office nuisance prosecutor in Oakland, CA from 2003-05. During that time he prosecuted problem properties such as slumlords, pollution, blight, liquor stores, and drug houses. While Oakland was moving to regulate its burgeoning medical marijuana dispensaries, Anthony was becoming involved in drug policy reform. In 2004 he was a volunteer for Measure Z, the Oakland lowest law enforcement priority initiative policy for marijuana modeled after Seattle's Initiative 75. Anthony still sits on the City Commission overseeing the implementation of Measure Z, which he chaired in 2008.

In January 2006 Anthony left the Oakland City Attorney's office and went into private practice working exclusively in medical marijuana. Dispensaries were opening all over the state after the passage of California's SB 420. Some city attorneys were attempting to close them as nuisance and Anthony was ideally qualified to defend them. Other cities, San Francisco and Oakland amongst them, were moving to regulate and license. Anthony assisted applicants in obtaining such licenses (most notably Harborside Health Center in Oakland). Anthony's statewide California practice extended to Los Angeles, Riverside

County, Kern County, Contra Costa County, Stanislaus County, Sacramento, Santa Clara County, Stockton, Richmond, San Jose, San Francisco and Oakland. In 2008 he directed the campaign for Berkeley's Measure JJ, the first medical marijuana zoning ordinance passed by initiative. He also authored the 2009 Oakland business tax on marijuana-related businesses, the first such tax in the nation. His practice continued in that vein until the first Obama presidential term, when he founded CannBe, the nation's premiere marijuana consulting firm.

CannBe operated successfully for over two years with 17 clients, three million dollars in contracts and a payroll of 40 employees. CannBe was active in dozens of California's 538 local governments (all of which it tracked) and in New Jersey, Arizona, Rhode Island, and the District of Columbia. CannBe successfully obtained permits for clients in California and Rhode Island before closing (its former clients were later successful in Arizona and DC under guidance from 4Front Advisors). It closed in early 2011 after the federal crackdown on medical marijuana in California dampened the market's enthusiasm, and financing (among other things) became impossible. At that point Anthony returned to his law practice while also offering consulting services, now under the auspices of JATAC.

Anthony continues to be active in marijuana consulting including working on cultivation regulation issues with local governments in California, and on statewide regulation with the California legislature and by the initiative process. In 2011, after failing to negotiate a reasonable marijuana regulatory ordinance with the City of San Jose, Anthony led a successful referendum campaign to rescind the unworkable ordinance the City Council passed. In 2012 he wrote local marijuana regulatory initiatives for the City of San Jose (awaiting filing and signature gathering) and for the City of Santa Ana (signatures submitted).

Subcontractor 4Front Advisors

The talents of the 4Front team demonstrate a breadth of industry and professional experience. 4Front team members have expertise in legal compliance, legislative policy development, retail and business operations, project management, instructional design, and retail training. 4Front associates have been thoroughly involved in pursuing medical marijuana policy reform and successfully expanding access to quality medicine around the country. In addition, the team has extensive experience interpreting local medical marijuana ordinances and complex permit requirements, ensuring the development of successful operational plans and applications for local operating permits.

Subcontractor Barbara Killey

With years of experience in the medical marijuana-consulting field, Barbara Killey brings her legal expertise to our team. She has been utilized by jurisdictions throughout the state of California to assist in the development and implementation of medical marijuana dispensary programs. She has been responsible for drafting and reviewing ordinances, developing application guidelines and program requirements, and reviewing, scoring, and use permit applications. Killey has also spent several years practicing law, serving as a staff attorney for the Oakland city attorney's office where she crafted ordinances, defended suits against the City, took depositions, conducted case management conferences and made frequent oral arguments in Superior Court.

Subcontractor Robert Jacob

Robert Jacob is an innovative leader in the medical marijuana and local community. Jacob's diverse background in business development, corporate project management, and community advocacy informs his approach to management and problem solving. In his current roles, he is responsible for managing \$25 million in annual revenues. He currently services as the executive director of two of the most successful medical marijuana dispensaries in the state of California, San Francisco-based SPARC and Petaluma-based Peace in Medicine. As executive director of these operations, Robert is responsible for oversight of all dispensary operations including strategic planning, retail operations, inventory control, regulatory compliance, holistic services, and quality assurance.

Subcontractor Vicente Sederberg, LLC

Members of our team have been a crucial part of the crafting, implementation and revisions of Colorado's extensive medical marijuana system. Most recently, one members of the firm was named to Amendment 64 Task Force, responsible for crafting legislative goals and making recommendations to Colorado's General Assembly on the passage and implementation of the adult use regulated retail marijuana system laws.

Subcontractor Craig Litwin

During his time serving on Sebastopol's City Council and as Vice Mayor, Craig Litwin was the successful co-author of Sebastopol's Medical Cannabis Dispensary Ordinance, which passed in 2007 and then quickly became a model that California's local governmental bodies continue to reference as they seek to successfully regulate medical marijuana.

Subcontractor Kristin Nevedal

Kristin Nevedal has experience working closely with local government officials including sheriff's departments, district attorneys, county counsel, and boards of supervisors to promote public policies that support an environmentally sustainable medical marijuana industry. As a founding board member of the Humboldt Growers Association, she worked exclusively Humboldt County planning commissioners, county counsel, Sheriff Downey, District Attorney Gallegos, the Board of Supervisors to draft an ordinance regulating the cultivation, dispensing, and lab testing of medical marijuana within the unincorporated areas of Humboldt County. She also assisted in the development of a standards guide that discussed water usage, nutrient usage, square footage based regulatory protocols and local resource needs. Several state agencies use this guide as a reference for outdoor cultivation issues.

Subcontractor Matthew Hawes

Matthew Hawes is a Mendocino County registered and licensed farmer. He is responsible for the oversight of third-party farm inspections, identifying and labeling all plants in production, registering devices with county weights and measures, and filing inventory

statement documents. In addition to his cultivation experience, Matthew possesses a detailed knowledge of the Maine Medical Marijuana Program rules and regulations. He is familiar with Maine Dept. of Agriculture regulations, and Dept. of Revenue tax code and law regarding sale of marijuana. He is currently working with the Maine Department of Health and Human Services, the state legislature, and Department of Revenue to amend the Maine Medical Use of Marijuana Program.

15. Staff Qualifications and Capabilities. Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Subcontractor 4Front Advisors

Alison Grimmer, Dispensary Permit Application Specialist: Alison Grimmer specializes in assisting organizations in pursuing medical marijuana policy reform and successfully expanding access to quality medicine in a range of states and communities around the country.

Grimmer previously served as an Organizational Development Associate at CannBe, an early leader in medical marijuana dispensary consulting. Her work at CannBe included interpreting local medicinal marijuana ordinances and complex permit requirements to assist clients in developing successful operational plans and applications for local operating permits in the states of California (e.g. the cities of Richmond, Stockton, Napa, and Malibu) and Rhode Island. In her current position as a permit application specialist, Grimmer has played an integral role in developing successful permit applications for clients throughout the state of Arizona and in the District of Columbia. Furthermore, Grimmer spearheaded the development of a sample competitive scoring process, including application requirements and scoring matrix, for use by the Arizona Department of Health Services.

Kris Krane, Managing Partner: Kris Krane serves as a Principal and Managing Partner at 4Front Advisors, a medical marijuana dispensary consulting firm that is dedicated to ensuring the highest standards of operations in the industry. Prior to forming 4Front, Krane served as Director of Client Services for CannBe, where he helped develop many of the best practices that have become the backbone of 4Front Advisors' services. He has dedicated his career to reforming the nation's failed and misguided drug policies, having served as associate director of the National Organization for the Reform of Marijuana Laws from 2000-2005 and executive director of Students for Sensible Drug Policy from 2006-2009. During this time the organization experienced rapid chapter growth, and led a successful campaign to convince members of Congress to scale back the HEA Aid Elimination Penalty, the law that automatically denies federal financial aid to students with drug convictions. Krane currently sits on the national board of directors of Students for Sensible Drug Policy and Common Sense for Drug Policy, as well as the statewide board of the Arizona Wellness Chamber of Commerce. He also served as Associate Editor of See Change

Strategy's first of its kind medical marijuana market report in 2011, which analyzed the value of the retail medical marijuana market.

Melanie McGraw, Corporate Training and Compliance Expert: Melanie McGraw is an instructional designer and training consultant with 17 years of experience designing, developing, executing, and managing operations and training strategies and products. She has partnered with organizations ranging from small start-up companies to multi-million dollar corporations. As the highest-performing general manager in both bottom-line and behavioral results at Brackman Bros. in Salt Lake City, Utah, she quickly moved into a position of director of training and shortly thereafter was asked to define and develop the training curriculum for what would soon become Einstein Bros. Bagels. McGraw was a key contributor to the company's success, which grew to 500 stores in only two years. After three years with Einstein Bros., she was recruited by Old Navy (division of Gap, Inc.) as the lead instructional designer for the training and development team. Driving the redesign of Old Navy's management training program, she developed a reputation for producing successful, innovative, performance-based programs in a collaborative environment. After her success at Old Navy, McGraw launched her own instructional design consultancy, with a client roster that included Dean & DeLuca®, Robeks®, Catalina Restaurant Group, Inc., Panera Bread®, Panda Express®, The Walt Disney Company®, and Wendy's®. Her work within the medical marijuana industry began in 2008 when she was hired by Harborside Health Center in Oakland, CA to observe, analyze, and document dispensary operations, and then design and develop the dispensary's training. McGraw eventually began working with CannBe, where she continued to extract and develop dispensary best practices in order to further systematize operations. She then transitioned from CannBe to 4Front where she continuously designs, develops and maintains core dispensary operations and training materials. She also ensures that all operational policies and procedures meet each state's specific legislative rules and regulations. McGraw earned a BFA in English from Brigham Young University and a MFA in Film Production from the University of Southern California's School of Cinematic Arts.

Subcontractor Barbara Killey

As one of the legal experts on our team, Killey will use her experience in medical marijuana consulting to provide guidance during the drafting of a regulatory system in Washington. The professional skills and abilities that she will contribute to our team include: ordinance drafting; creation of competitive medical marijuana dispensary applications including application process and scoring evaluation criteria; understanding of required financial statements and tax filings to be completed by medical marijuana dispensaries to ensure legal compliance with local ordinances; experience monitoring medical marijuana permittees for compliance with local, state, and federal laws; and conducting stakeholder meetings with resident and business groups to determine necessary and/or desirable elements of proposed ordinances

Subcontractor Robert Jacob

With first-hand experience operating medical marijuana dispensaries and working in local government, Robert Jacob brings a unique perspective to our group. His skills and abilities

include: expertise in dealing with governmental agencies on the local, state, and national levels including departments of health, city councils, planning and zoning commissions, a solid understanding of competitive application requirements, and familiarity with operating regulatory compliant facilities.

Subcontractor Vicente Sederberg, LLC

Vicente Sederberg, LLC serves as team lead in Product Regulation. However, their extensive work with marijuana businesses in multiple states gives them a knowledge base extending to all facets of operations. The Vicente Sederberg, LLC team is led by Christian Sederberg and provides a host of resources including five attorneys. Vicente Sederberg, LLC, is a law firm providing legal guidance to the medical marijuana community in a number of states and is one of the most respected firms in the country in this practice field.

The firm's founding partner, Brian Vicente, served as the co-director of the Amendment 64 campaign and was one of the primary authors of this historic measure, which resulted in Colorado becoming the first state in the nation – and the first geographic area in the world – to make the possession, use, and regulated distribution of marijuana legal for adults.

Brian's partner, Christian Sederberg, has provided general guidance to medical marijuana businesses, ancillary businesses and caregivers about local and state medical marijuana ordinances, regulations and laws. Christian has also provided a wide range of real estate and business transactional and regulatory assistance to the medical marijuana community, including negotiating the purchase and sale of a number medical marijuana businesses, negotiating and documenting the transfer of medical marijuana facilities, drafting leases, subleases, employment contracts (on behalf of both growers and medical marijuana business owners), partnership agreements and operating agreements.

Christian was a primary participant in the drafting of Amendment 64 and currently serves on the Amendment 64 Task Force, where his is a Co-Chair of the Amendment 64 Task Force Consumer Safety and Social Issues Work Group. Christian has also served as a member of the Colorado Department of Revenue's Medical Marijuana Regulatory Board.

Subcontractor Craig Litwin

Craig Litwin is a seasoned political consultant and organizer with over eighteen years of experience. The former Mayor of Sebastopol, CA, Craig sat on the Sebastopol City Council from 2000-2008, and served as Political Director of Sonoma County Conservation Action, Sonoma County's largest environmental grassroots nonprofit organization. During his time serving on Sebastopol's City Council and as Vice Mayor, Craig Litwin was the successful co-author of Sebastopol's Medical Cannabis Dispensary Ordinance, which passed in 2007 and then quickly became a model that California's local governmental bodies continue to reference as they seek to successfully regulate medical marijuana. In the private sector, he went on to help navigate Sebastopol's Medical Cannabis Cultivation Ordinance, one of the first in the nation. Litwin began working on medical marijuana issues as a local activist in 1996 and became a top signature gatherer for California's historic Proposition 215, the Compassionate Use Act. He went on to serve as CannBe's Director of Government

Relations, and worked throughout the nation with different local governments to create sound medical marijuana policy. Litwin's firsthand understanding of how to approach local government and civic leaders, coupled with his talent for designing sound municipal policy and political strategy, make him an invaluable resource. He holds a BA from the New College of California.

Subcontractor Kristin Nevedal

Kristin Nevedal will contribute her experience as a founding member of the Humboldt Growers Association and cultivation and processing expert to assist with the development of regulations. She brings the following skills and abilities to our group: collaborating with local governmental agencies to develop cultivation standards and requirements; experience gathering citizen feedback and involvement in ordinance drafting; ordinance drafting; and regulatory compliance. As Chair of Emerald Growers Association, Nevedal has been on the steering committees of the last several California attempts to craft statewide comprehensive medical marijuana regulations or legalization regimes. These have involved working with the full breadth of movement or industry stakeholders: growers, processors, retailers—who are often at odds with each other—as well as bridging regional divides and the ever present tension between indoor and outdoor growers. Nevedal approaches such tasks with a skill set honed from years of community organizing in various contexts including cooperative residential communities and the development of Emerald Growers Association and its predecessor organizations.

Subcontractor Matthew Hawes

Currently working on the implementation of the Maine medical marijuana program, Matthew Hawes will bring his experience developing regulatory systems to our team. His skills and abilities include: legal research of existing laws and regulations currently enforced by the Washington Department of Agriculture, WSLCB, Department of Revenue, and the Department of Health and Safety; an understanding of marijuana specific supply chain management designed to reduce unnecessary work, training and other costs; and development of policies and procedures for seed to sale inventory tracking methodology, transportation, zoning and land use requirements, security, cost of goods accounting, best practices, and licensing requirements.

16. Approach and Methodology. In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB with developing rules and a regulation strategy for the state of Washington's new Marijuana System.

Prime Contractor James Anthony Technical Assistance Consulting (JATAC)

JATAC and our subcontractors are prepared to offer the WSLCB a full summary of all currently existing and proposed marijuana regulatory schemes, identify major decision-making points, and help the WSLCB make informed decisions based on the outcomes of existing systems. From production to processing to retail, our team will identify best regulatory practices and work with the WSLCB to integrate them into Washington's existing

policies and regulations. Because policy issues and regulatory and philosophical preferences arise in this context, JATAC will work closely with WSLCB staff to address their concerns and preferences, providing options, cost/benefit analyses, and recommendation as appropriate. JATAC will assist WSLCB in framing questions and then providing answers in the manner most accessible and useable.

Many of the questions Washington will have already have been asked in other jurisdictions, and our experts can help WSLCB avoid reinventing the wheel. How will permittees be chosen? A ranked-choice system like Oakland? A lottery like Arizona? Or through stringent zoning restrictions, like San Francisco? Will there be a cap on the number of permittees, and how will it be set? How can cultivation be regulated so as to minimize environmental impacts and security concerns? These are all questions that have been asked and answered by other governments in the past decade, and our team of subcontractors has been carefully handpicked to cover a wide variety of different jurisdictions and possible solutions.

JATAC will analyze Washington State's current regulatory laws to look for parallels in the existing codes and statutes so that we may ensure that any regulations we help craft fit within the current form and structure employed by the State. We will then walk the WSLCB through a decision-tree based on our extensive experience in helping local and state governments craft medical marijuana regulations. For each decision we will provide examples of jurisdictions that have taken each path, analyze the pros and cons of each, and help the WSLCB arrive at informed decisions that will result in regulations that fulfill the will of the voters and keep production and distribution safe and professional.

JATAC's team members, especially Nevedal, Cohen, Jacob, Litwin, and Weirisma, have extensive experience designing stakeholder input programs, carrying out focus groups, and gathering, integrating and presenting information from diverse interests in the context of marijuana regulation and other public policy issues. We are well able to bring that experience with marijuana issues elsewhere to Washington and build upon our existing movement connections to facilitate WSLCB's ongoing communications with the local marijuana community and other impacted groups including the community at large. We can draft solicitations for comments. We can structure, facilitate and participate in community outreach meetings. We can design and implement online and social media strategies. We can ensure the inclusion of all constituencies critical to a successful regulatory regime: regional; business entities, trade groups and chambers of commerce; citizen groups; neighborhood groups; local governments; nonprofits. We intend to design and implement the details of this strategy and tactics in active collaboration with WSLCB to get the information and statewide buy-in necessary to roll out successful regulations. And we have the governmental, legal and philosophical tools to do so in full compliance with the letter and the spirit of the Open Government Act based on our experience with similar laws elsewhere and our activist predilection for inclusive process.

Based on the empirically documented needs and desires of all of Washington's interested parties, and based on the national breadth and historical depth of JATAC team's marijuana regulatory expertise, we will assist WSLCB in crafting the right regulations for Washington.

Norton, Melissa K

From: Jassen Bowman <jassen.bowman@gmail.com>
Posted At: Thursday, February 14, 2013 5:31 PM
Conversation: RFP- K430, Jassen L. Bowman
Subject: RFP- K430, Jassen L. Bowman

Please find attached the submittal document in response to RFP K430 for marijuana regulation consulting, addressing all four process categories. File has been provided in both Word 2010 and PDF format for your convenience.

I look forward to working with the Liquor Control Board in in the implementation of I. 502.

Sincerely,

Jassen Bowman, EA

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to lbbids@liq.wa.gov.
- Clearly mark the subject line of the email: RFP- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the lbbids@liq.wa.gov inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

- | | |
|--|-------------------------------------|
| Proposer's Authorized Offer (see page 2) | <input checked="" type="checkbox"/> |
| Proposer Information (see page 3) | <input checked="" type="checkbox"/> |
| Subcontractor Information (see page 4) | <input checked="" type="checkbox"/> |
| Letter of Submittal (see page 5) | <input checked="" type="checkbox"/> |
| Non-Cost Proposal (see page 6) | <input checked="" type="checkbox"/> |
| Cost Proposal (see page 8) | <input checked="" type="checkbox"/> |

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We ARE NOT submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.



Proposer Signature

Owner

Title

Jassen L. Bowman

Company Name

02/13/2013

Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name	Jassen L. Bowman
Street Address	2001 Main St Ste 204
City, State, Zip	Vancouver, WA 98660
Federal Tax ID Number	PersonallInfo (confidential per 42.56 RCW)
UBI	Will apply prior to contract award.
Website URL	

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name:	Jassen L. Bowman
Telephone:	(970) 930-1040
Email:	jassenbowman@gmail.com

Payment Options:

YES **NO** Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount 2 % 10 days, net 30 days.

YES **NO** Will you accept the State's Purchasing Card (P-Card)?

YES **NO** Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input checked="" type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: Yes No

Subcontractor 2

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: Yes No

Subcontractor 3

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: Yes No

Subcontractor 4

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: Yes No

LETTER OF SUBMITTAL

To: Washington State Liquor Control Board (WSLCB)
From: Jassen Bowman
Re: I 502 Implementation Consulting (RFP K430)

Dear Mr. Farley and colleagues,

The Washington State Liquor Control Board has been tasked with creating a new system for regulating the production, distribution, and safety of a Schedule I drug for recreational use. While the implementation of this task can "borrow" certain regulatory elements from other regulated items, it presents a unique set of characteristics that no state agency in America has ever had to address.

This task creates a historic, precedent setting opportunity for the state of Washington, and gives the WSLCB the chance to create a regulatory framework that can be admired and modeled by other states and potentially even the federal government.

Assisting the Board in creating this new regulatory framework requires a consultant with a fairly unique background and skill set. While the Board may anticipate that a single individual that could bring together the necessary knowledge, skills, and resources to meet the objectives of multiple process categories would be as rare as a unicorn, my proposal will strongly indicate otherwise. I believe that you will find having one person to work with on such a unique project will create a smoother process and reduce time to implementation, which is critical given the short time frame provided by Initiative 502. A single individual also provides a dedicated since decision point and data aggregation and analysis point, both of which increase the speed at which a project progresses.

Proposer and Principal Contact Information:

Jassen Bowman
2001 Main St Ste 204
Vancouver, WA 98660
(970) 930-1040
jassenbowman@gmail.com

While I currently maintain an office location in downtown Vancouver, WA, upon award of this contract I will establish an office in the Olympia, WA area for the convenience of the Liquor Control Board for facilitation of this consulting arrangement, given the time restrictions which must be met for implementation of I 502.. This will also include relocating my personal residence to Olympia, at my own expense, of course.

This proposal is being submitted to address all four categories identified by the Board required for implementation of Initiative 502, namely Product and Industry Knowledge, Product Quality Standards and Testing, Product Usage and Consumption Validation, and Product Regulation.

I do not know any current Washington state employees, and to my knowledge have never employed any current or former Washington state employees in any capacity.

Sincerely,



Jassen L. Bowman, EA

NON-COST PROPOSAL

As per the RFP instructions, identifying information of the Proposer has not been used in this non-cost proposal. The term "Proposer" will be used instead throughout this proposal.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Ability, Capacity and Skills.

Having been involved in state-licensed medical marijuana cultivation activities in Colorado for several years, the Proposer has significant knowledge and skills in this arena.

How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed

Proposer has personally grown, cultivated, harvested, cured, and processed more than 80 growth cycles of medical marijuana under a perpetual grow situation. Perpetual crops produce a steady stream of Product on a pre-determined schedule, set by the grower. Proposer is well versed in the light and nutrient requirements for cannabis plants. Various hydroponic and soilless grow methodologies are well known to the Proposer. These methods were an outgrowth of the Proposer's experience in nuclear engineering, as many of the atmospheric, plumbing, and water chemistry requirements for nuclear power are quite analogous, on a smaller scale, to the evolution of modern hydroponic systems.

How Marijuana is infused into food and beverages

Proposer has personally prepared baked goods and hard candies in commercial kitchens that are infused with cannabis. Extraction of psychoactive resins into oils, glycerine, and alcohol bases are well known to the Proposer. Applicability of commercial food preparation practices, as would be required by a county public health department, are very appropriate to this process.

How Marijuana should be packaged, labeled, transported, and sold at retail level

Proposer has hands on experience with packaging for wholesale and retail distribution of medical marijuana and marijuana infused products. Given the nature of the product, security protocols for transportation and storage are necessary, and the Proposer is experienced in the development of these protocols for growers and retail operators from a hands on perspective.

How wholesale and retail Product should be recalled and accounted for

Given the nature of the product, recall and accounting protocols for cannabis are essential for the prevention of black market diversion. Centralized, computerized packaged inventory tracking through the use of product bar codes and/or the use of RFID technology, is suggested for implementation of I. 502.

How Marijuana should be destroyed if overproduced, contaminated, or recalled

Traditionally, law enforcement agencies have destroyed marijuana seized as evidence via burning. Large seizures are typically burned in industrial incinerators. This protocol adopted from law enforcement is still the best available method for most jurisdictions. However, destruction of small quantities of material, as may often result from laboratory testing or small scale grower surplus is best accomplished through small scale vaporization chambers, in which the material is burned at incredibly high temperatures via electric current, resulting in less atmospheric release and more complete destruction of the plant material. These units should not be confused with "vaporizers" used for cannabis consumption.

Proposer will evaluate existing State facilities and contractors utilized for law enforcement evidence disposal for suitability for purposes under category. Commercial vaporization disposal units will also be evaluated and recommended.

Team Structure and Internal Controls. Internal controls and structure for this Proposer, as the Proposer is a single individual. Proposer is well versed in developing systems, checklists, and internal control procedures. These control systems are necessary for safety within the nuclear power industry, and for protection of personal information within the tax industry. Extensive data security and physical security protocols, sufficient to meet IRS and FDA standards, will be enacted by the Proposer through the duration of this contract.

Experience, Qualifications, and Capabilities. Proposer owned and personally operated a Colorado state-legal medical marijuana grow facility for two years. He was directly responsible for cloning, vegetation, cultivation, flowering, harvesting, and curing of a large plant count operation that supplied an entire retail medical marijuana center (dispensary). Plant growth methods employed included Deep Water Culture (DWC), Nutrient Film Technique (NFT), an soilless passive hydroponic media (rockwool, perlite, and vermiculite).

Proposer is also the author, under a pen name, of the current #1 best selling Amazon Kindle book on the subject of growing medical marijuana. Following the decision to close his medical marijuana grow facility due to legislative changes that took effect in Colorado on July 1, 2011, the Proposer provided consulting to other licensed growers. The legislative changes mandated that medical marijuana centers grow all of their own cannabis, and thus created a market for such consulting services. Proposer continues to assist Colorado state-licensed medical marijuana centers with cultivation, tax, and marketing advice under a separate Colorado-based firm.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Ability, Experience, Qualifications, and Skills. Proposer studied analytical radiochemistry at Colorado State University as a graduate student from 2004 to 2005, and holds an undergraduate degree in Nuclear Engineering Technology from Thomas Edison State College, Trenton, NJ. He also worked for Paragon Analytics, Inc., in Fort Collins, CO during his graduate study time. Paragon Analytics, one of the leading analytical chemistry labs in the western United States, specializes in environmental testing and radiochemistry analysis. Prior to this education and experience, he also worked in the nuclear and environmental engineering fields, which required water chemistry testing and analysis. This combination of formal education and laboratory experience provides the necessary background to evaluate laboratory procedures and make recommendations to the Board regarding effective procedures.

During his time as the proprietor of a state-licensed medical marijuana grow facility in Colorado, the Proposer was responsible for collecting statistically valid samples of cannabis plant material to be submitted for laboratory testing, and also review those test results (provided by Full Spectrum Labs, Denver, CO) to determine necessary changes to plant grow conditions to maintain quality standards.

Approach and Methodology. Proposer will recommend the utilization of established, peer reviewed physical analytical chemistry laboratory procedures to determine THC, CBD, and CBN levels and ratios, and test for the presence of biological and chemical contaminants.

Levels of THC, CBD, and CBN are expressed as percentages of volume of resin. Necessary sample sizes generally consist of 200 to 500 milligrams of plant material, from which the resin is isolated from the plant material via physical isolation procedures. Resin is then analyzed via mass spectrometry, gas chromatography, and other laboratory procedures to determine chemical levels. These same procedures are used to detect chemical contaminants.

Plant matter samples are visually inspected at high magnification to determine the presence of mold spores and other surface biological contaminants.

Proposer would evaluate standard industry protocols for the determination of these chemical levels and contaminants, and provide reference samples to commercial laboratories for comparative analysis. These results would be used to make recommendations to the board for either selection of contract labs or internal lab equipment and personnel required for testing.

The Board should be aware that cannabis product “strains” are generally arbitrarily named hybrid crossings of other hybrid crossings. Within the range of “strains” available today for growers, either illicitly or from medical marijuana

sources, there is no standardized definition for naming or anything else. The origin of many strains is questionable, and no surety can be had regarding the origin of any given strain. The analysis of physical plant characteristics alone can provide a general idea of the plant strain's dominant wild genetics.

One of the challenges that will be faced by the State in the implementation of Initiative 502 will be to provide retail customers with a consistent experience, statewide, in regards to the "strains" that they consume. This will require that the Board identify common strains that consumers will expect to have available, and ensure that this selection of strains grown by licensed growers be consistent across the State.

In other words, any particular strain grown anywhere in the State should ideally be sourced from the same mother plant and/or seed lineage. This will not only provide consistent consumer experience, provide a base sample for each strain for laboratory testing purposes, and also provide the ability for the State to explicitly track plant counts from a single source.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Ability, Experience, and Qualifications. Proposer has conducted extensive field studies in multiple arenas. Significant statistical modeling and analysis has been conducted in the field of atmospheric pollutant dispersion and nuclear contaminant travel via both water and air. This statistical analysis experience, while not specifically related to cannabis, provides an analysis background that provides the necessary skills for completing this process. In addition, the Proposer is an active tax accountant, licensed directly by the U.S. Treasury as an Enrolled Agent. This profession requires extensive interaction with numbers, of course. Lastly, Proposer was directly responsible for accounting for cannabis crops and maintaining necessary records for reporting to the State of Colorado during his time period as a medical marijuana professional.

Approach and Methodology. This category encompasses two distinct challenges: Forecasting consumption trends for the purpose of establishing necessary retail cannabis locations, and tracking actual product consumption.

Tracking of actual consumption is necessary to ensure that individual consumers are not exceeding their legal possession limits under Initiative 502, and to also detect patterns that may be indicative of black market diversion.

Both of these situations involve similar advance methodologies. In order to forecast consumer demand, while also establishing baselines for individual user consumption expectations, use patterns must be established within constrained geographical areas.

Modeling methodology would consist of personal contact with county and large city law enforcement agencies to obtain data relating to arrests and seizures for marijuana to create demand maps. Validation of these demand maps would then be made via focus groups, DEA and Dept. of Justice data, and potentially personal interviews with convicted drug dealers. From this analysis, Proposer would then create recommendations for retail facilities to meet anticipated demand, and subsequent pro forma profit and loss estimates.

It would be advisable for the Board to establish customer profiles for each geographical area served. In radiation dosimetry, the concept of a "Reference Man" is used to model average radiation exposure to individuals in a population. A similar model would be created for each retail cannabis location to identify excessive consumption that may require additional scrutiny or potential law enforcement investigation. Training should be provided to retail location personnel to educate them on this model and to identify individual exceeding the trend.

Lastly, at the wholesale grower level, experimentally derived conditional yield curves would be derived to assist inspectors/auditors in determining expected plant yield, in order to aide in preventing black market diversion of plant material.

CATEGORY 4 – PRODUCT REGULATION

Ability, Skills, Qualifications, and Experience. Proposer has extensive experience working in a regulatory environment. Proposer has worked in a technical evaluation capacity alongside FEMA in both the Radiological Emergency Preparedness program and the Disaster Housing Inspection program. Proposer also has extensive experience working within the OSHA, EPA, and Nuclear Regulatory Commission environments as a technician and engineer. Most recently, Proposer has spent the past five years as a licensed taxpayer representative, directly representing taxpayers in an administrative law capacity in front of the IRS. Proposer actively trains other Enrolled Agents, CPA's, and attorneys in working with the IRS and operating within the government's regulatory framework.

Approach and Methodology. Initiative 502 itself outlines most of the necessary requirements for the regulatory system that the Board must enact. Under a strategy of "don't reinvent the wheel", Proposer believes that many components of existing regulatory systems can be well adapted to the unique needs of the new marijuana system.

Production, inspection, and distribution regulations currently used in the fields of alcohol and tobacco regulation, firearms regulation, and FDA pharmaceutical regulation have application to the marijuana system.

Existing public health requirements for restaurants, wine and beer bottling, and food packaging are directly applicable to the production of packaged marijuana infused consumables. The Board could adapt many of the regulatory lessons learned from development of Colorado's unique system of marijuana infused product licensing, which the Proposer has experience working with.

Product inventory tracking and loss prevention systems similar to those mandated in the tracking of radiological material could be well adapted to the new marijuana system. Such systems in the radiological material universe are elegant in their simplicity and effectiveness, yet remain robust and adaptable to new technologies, such as RFID tracking.

COST PROPOSAL

Consistent with State government efforts to conserve state and federal resources, this cost proposal for Initiative 502 Consulting Services is based on a Not-to-Exceed Daily Rate. This proposal is based on one day consisting of 8 working hours.

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) <u>Daily</u> Rate for I-502 Consulting Services as stated in this RFP	\$ <u>285</u> p/day

Norton, Melissa K

From: jay doty <jayddoty@gmail.com>
Posted At: Friday, February 15, 2013 12:02 PM
Conversation: proposal for K430

Subject: proposal for K430

Attached is a proposal for RFP K430 in Word 2000 format.

LETTER OF SUBMITTAL

2/13/2013

Jay Doty
4600 Hurst Landing
Rock Island, WA 98850
509 679-5727
jayddoty@gmail.com

This letter is to submit a bid for Category 2 of RFP K430.

All work will be performed by Jay Doty whose contact information is above.

No present or former state employees will participate in this contract.

Attached are:

Proposer's Authorized Offer
Proposer Information
Subcontractor Information
Non-Cost Proposal
Cost Proposal

Jay Doty

PROPOSER'S AUTHORIZED OFFER

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Proposer Signature

Jay Doty

Company Name

Jay Doty

PROPOSER INFORMATION**Proposer Profile:**

Firm Name Jay Doty
 Street Address 4620 Hurst Landing
 City, State, Zip Rock Island
 Federal Tax ID Number PersonallInfo
 UBI _____
 Website URL TestedBud.com

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name: Jay Doty
 Telephone: 509 679 5727
 Email: jayddoty@gmail.com

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount 2 % 10 days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input checked="" type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: _____
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: ___ Yes ___ No

Subcontractor 2

Name: _____
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: ___ Yes ___ No

Subcontractor 3

Name: _____
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: ___ Yes ___ No

Subcontractor 4

Name: _____
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: ___ Yes ___ No

NON-COST PROPOSAL

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

I am not bidding on this category.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Ability, Capacity and Skills.

Education: Proposer education includes a degree in Engineering and Applied Science from Cal Tech in Pasadena, California. In addition, proposer has a degree in Math and Physics.

Consulting: Proposer has extensive experience in Consulting. For much of his career, proposer worked as a consultant to industry. Most often the work was the development of electronic products and subsystems. This generally involved working with a customer to produce a specification and schedule. Then independently producing documentation and prototypes. Projects included:

- high speed data transmission systems,
- a low cost 30 line analog phone system,
- a wireless badge and receiver system for locating hospital personnel and equipment,
- data encryption systems,
- an extremely high resolution CRT display,
- a video conferencing system,
- microprocessor based controllers,
- an electronic guitar with a newly patented pickup, and
- switching power supplies.

Regulatory Experience: Proposer was a founder and VP of Engineering at a standards compliance company. The company dominated its market niche and was eventually purchased by Hewlett-Packard.

Cannabis: Proposer has extensive cannabis experience.

Proposer has grown cannabis both indoors and outdoors. Activities include setting up indoor grow rooms with lighting, cooling, water, drainage and ventilation, creating a cannabis nutrition plan and creation of the plant foods from scratch, and all other necessary activities such as cloning, preening, trimming and curing.

Proposer has extracted cannabinoids from cannabis. Activities include the design, construction and operation of a safe and clean extractor using a non-polar solvent.

Proposer has attempted (with only limited success) the development of a new strain of cannabis. The goal is a plant low in THC and high in CBD. The Washington State medical cannabis plant count rules make this very difficult. When developing a new strain, growing and rejecting many plants is fundamental. There has been some success and the effort continues.

Proposer has some experience in cooking with cannabis. The primary issues are taste and potency. Good taste in cannabis infused foods is a matter of not using too much cannabis and not extracting bad tasting components of the plant. Potency is a function of how much cannabis is used and how well it is decarboxylated. Optimal decarboxylation of cannabis is the vital step in cooking. Proposer understands decarboxylation and has instructed cannabis cooks in proper methods.

Proposer has some experience with cannabis disease and pests. A grower of cannabis may need to acquire a new strain. With a clone of a new strain there is a good chance of disease. The current environment has created a situation where a pest acquired with the new strain is likely to be resistant to multiple common treatments. Proposer has successfully dealt with these issues and has not sent disease outward.

Experience.

Testing Lab: Proposer set up and operates a medical cannabis testing lab in eastern Washington state. The goal of the testing lab is to enable users of medical cannabis to know their medicine. Dried cannabis flower, extractions and concentrates are tested. Cannabis infused edibles are not tested, but the concentrates that go into the edibles are tested.

References: Standard references which are available for the common cannabinoids (THC, CBD, CBN) are used to calibrate the potency tests. More than a dozen additional cannabinoids are often detected. Estimates for these cannabinoids are reported.

Decarboxylation: Cannabis flowers generally contain a non active acid form of their cannabinoids. Generally the acid form is converted to an active form by heat during smoking or in a vaporizer. In the case of edibles, this conversion must be accomplished in other ways. Proposer's testing lab uses gas chromatography which is inferior to some other methods for testing edibles because it converts the acid form to the active form during the test. To compensate, the lab has developed optimized techniques to convert acid forms to active forms.

Safety: Testing Washington state medical cannabis for safety (pesticides, fungi, and bacteria) presents difficult logistic problems. Most Washington state medical cannabis is grown from clones. This means that a test of flowers from one plant is likely to be useful in predicting the potency of a flower from a genetically identical clone that is grown months later. For safety, this is not true. Safety testing is best accomplished by taking a random sample from every harvest and testing that sample. Practical ways of accomplishing this create a violation of the medical cannabis rules. Because of this and also a lack of demand, very little safety testing is done on Washington medical cannabis. The Proposer's testing lab planned to initiate safety testing when rules change and a market exists.

Terpenes: Terpenes in cannabis flowers greatly influence users selection of cannabis and also their experience when using it. Proposer has experimented in testing terpenes but is not currently offering a terpene tests.

Strain Identification: Proposer's testing lab has occasionally been called upon to do strain identification. Comparison of the pattern of cannabinoids and terpenes generally produces a clear indication of whether or not two flowers come from plants with identical genetics. This is not the case for non identical plants of the same strain.

User Access: Proposer believes that users of cannabis should have independent access to test results. Test results are displayed on the public part of Proposers web site.

Staff Qualifications and Capabilities.

Proposer will perform the work associated with this contract independent of Proposers testing lab.

Approach and Methodology.

Goal: The primary goal of testing should be to make Washington cannabis safe and reliable. The public must believe that cannabis from licensed Washington state retail stores has better quality, reliability and safety than street or medical cannabis. If testing makes cannabis from licensed Washington state retail stores much more expensive than other cannabis, we will fail.

Challenge: The process starts with a look at the Netherlands where cannabis has been available for ten years from both tolerated coffee shops and the Office of Medicinal Cannabis (OMC). One grower produces all OMC cannabis, about 100 kilograms annually for the Netherlands and a little for export. They produce three strains, one high in CBD and two high in THC. Although the OMC has succeeded in producing cannabis that is more reliable and lower in bacteria and fungi, the public perceives it as **more expensive, without any clear difference**. In Washington and other states, medical cannabis is lowering prices, raising quality, and increasing choice. Services such as testing are expanding and improving. It will be difficult for 502 cannabis to compete with street and medical cannabis.

Future: A secondary goal of the testing regiment for Washington should be to allow Washington to be a leader. The federal government may be on the path to decriminalization. An effort must be made to coordinate Washington standards to the standards of other states also going through this process. After federal decriminalization, Washington state growers, processors, retailers and associated businesses can be either leading or locked out of the rest of the country.

Potency: Washington already has cannabis testing organizations that do a good job of potency testing. They use a variety of approaches and appear to produce good results. What is needed is minimum accuracy standards. It should not be possible to shop for an enhanced test result.

Safety: Testing cannabis for safety (pesticides, fungi, and bacteria) is generally absent in Washington. Cannabis safety testing should be similar to that of other agricultural commodities. There should be two levels, standard and organic. The standard safety test would involve taking a random sample of a production lot (at the processor level) and testing. The testing would involve an organics test and a pesticides test. The Liquor Control Board would maintain a list of chemicals and maximum levels. For instance, the pesticides effective in treating an infestation of thrips would be on the list. Both the standard and organic products would meet the minimum safety tests. The organic level would also be similar to that of other agricultural commodities except that it could also involve organic nutrients for the plants. Testing of cannabis concentrates should be done after concentration. Testing of edibles should be done by testing the concentrate that goes into the edible.

Strain: In the cannabis industry, a strain name means very little. For instance White Widow is a common strain but the members of the White Widow strain include a very diverse set of genetics. In Washington, all plants in a strain produced by a grower should have identical genetics and that grower should not be able to substitute new similar genetics.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

I am not bidding on this category.

CATEGORY 4 – PRODUCT REGULATION

I am not bidding on this category.

COST PROPOSAL

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ <u>175</u> p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ ___ p/day

Category 1: Product and Industry Knowledge

1. Ability, Capacity and Skills.

Julia Carrera and her associates have been in operation for more than three and half years. Combining this history and our teams' expertise, we bring 125 cumulative years of experience in all aspects of marijuana cultivation and production. This knowledge base, combined with our unique educational credentials, positions us well over the mark in abilities, capacity, skills and industry knowledge.

Our in-depth expertise in the Cannabis/hemp industry enables us to identify the unique characteristics applicable to Washington State as it begins to craft a new regulatory system for marijuana including, but not limited to:

1. Weather-driven indoor cultivation standards, including fire-risk reduction.
2. Outdoor cultivation standards requiring different guidelines addressing water-runoff contamination.
3. Food, beverages and body care requirements that meet FDA and USDA minimum standards (with the potential for also meeting USDA Organic standards).
4. The application of successful processing systems based on our many years of industry experience.
5. Contamination and sub-standards criterion, with recall web notification and public noticing.

We can provide a thorough, results-oriented regulatory framework which, in concert with the Washington State Liquor Control Board's (WLSCB) intrinsic capabilities, would position the state to lead nationally.

Our Firm's professionals include individuals who started their careers in "the fields," in both traditional agriculture and marijuana cultivation. We intimately understand how commodities are grown, cultivated, harvested, cured and processed. We have participated first hand in the evolution of these processes in myriad ways, as our team includes many founders of the emerging marijuana industry. We are conversant with the best standards and practices because we created them here in the United States and

in other locations throughout the world. Our Firm based on its in-depth experience nationally and abroad, has continuously advocated for a simplified and proper regulatory and taxation structure. Thus, we have emerged as highly qualified experts in the regulatory marijuana industry.

2. Experience

A business is only as effective as its people, and we are proud to be forerunners in the emerging marijuana industry, specializing in governmental regulation, public safety and private accountability.

Our K430 Project Leader, Julia Carrera, is considered among the most knowledgeable individuals in the country because of her extensive, broad-based experience in processing of license applications and inspection conduction under governmental regulation. Her expertise includes a unique knowledge of all aspects of Cannabis cultivation, harvesting, curing, processing and infusing.

Ms. Carrera is also a pioneer in identifying and creating structures to ameliorate the environmental impacts of marijuana production. She has inspected 138 different licensed farms with their associated outputs and products, and a comparable number of processing centers, including packaging, labeling and transportation. She has performed this level of inspection over multiple years and up to four times during a growing season.

Our project leader firmly believes that public safety must be at the core of any governmental regulation system. Working closely with elected officials and staff, partnering with law enforcement and new industry participants, is key to the success of any new framework in this industry. Ms. Carrera's track record in gaining and holding trust with these stakeholders has garnered her considerable respect from all who work with her.

Our Firm's experience positions us to provide expert guidance in the following key areas:

1. Designing producer and processing standards to protect the worker, the producer, the consumer and the environment.
2. Designing thorough recall and waste-removal protocols.

3. Advising producers, processors and retailers on compliance
4. Gathering stakeholder input and revising initial regulatory standards, rules and regulations, and
5. Providing the framework and reporting standards for all product accountability

Our lead team member, Anndrea Hermann, brings international experience to all Cannabis and hemp production commodities. With more than 15 years' experience in the Canadian and international hemp Cannabis industry, Ms. Herman has mastered all regulatory affairs for Canada Health and the Canadian marijuana regulatory system. Her experience, likely unparalleled by other firms, encompasses Cannabis fiber and seed agronomy, standards, certifications and licensing of the Canadian program; and body care and food infusion in the international industry.

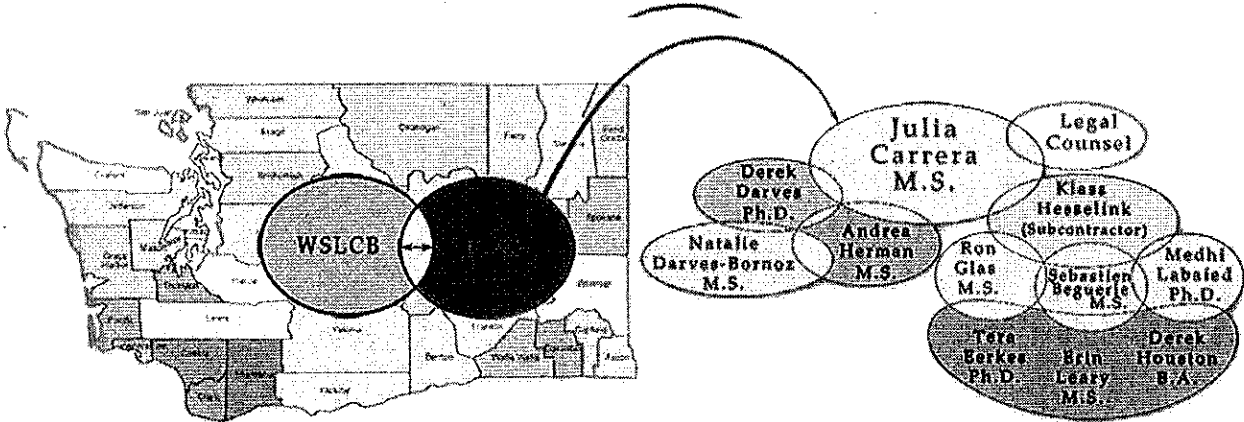
Based on our reputation, our Firm is highly sought as a first resource by producers, processors, retailers and governmental institutions. Our extensive product and industry knowledge and results-oriented, can-do philosophy makes this Firm the ideal candidate for the successful implementation of I502. Hence our expertise would enable us to support, consult with and partner the Washington State Liquor Control Board.

3. Team Structure and Internal Controls

Our project team has been developed to address the business, functional, organizational and technical requirements needed to meet the conditions of this RFP and Non-Cost Proposal. The outset of any project requires proper project definition and delivery methodology. Our internal project definition for response to the K430 RFP includes a statement of the desired outcomes; reviews the inherent risks; and addresses the myriad challenges on the path toward the desired result.

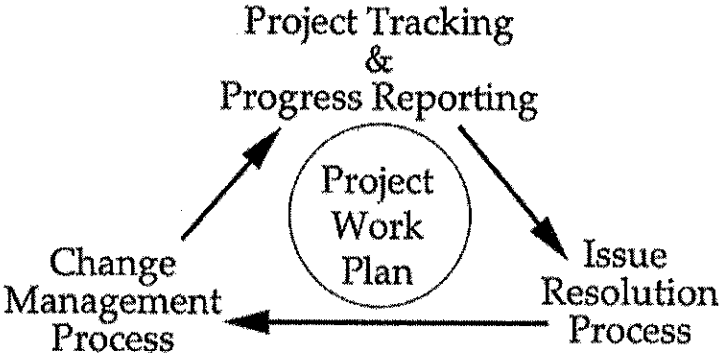
A project work plan has been generated and will be utilized as a vital tool to ensure the project team members know the tasks they need to do and when they need to perform those tasks. This work plan reflects the total requirements of the project, the steps needed to meet those requirements and the development of a successful model regulatory program for the Washington State Liquor Control Board.

Lines of authority and communication are designated in the following organizational chart:



Project Work Plan Chart:

Internal Controls



4. Staff Qualifications and Capabilities

* All team members' curriculum vitae and references are available upon request.

Sébastien Béguerie, M.Sc.

Expert in Cannabis/hemp Research in over seven European Countries. Team expert in national government standards, rules and regulatory structures for the Cannabis/hemp industry. Primary aspects include oversight of all quality standards and testing as it relates to I502 and K430. Advisor to North American research projects with a specialty in genetics and body care infusion.

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Master Internship 2010: Bedrocan B.V (medicinal Cannabis producer licensed by the Dutch minister of health and sport), under the supervision of Tjalling Erkelens. Veendam, The Netherlands Improvement of asexual reproduction of medicinal Cannabis varieties.

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Internship in a horticultural research center 2006: Syndicat du centre régional d'application et de démonstration horticole (SCRADH), Hyères. France. Biological control in Gerbera production in greenhouse

BTS en Productions Horticoles (equivalent of HND) 2006: MFR Lambesc, Aix-en-Provence, France.

Baccalauréat Scientifique 2004: Lycée Daumier, Marseille, France.

Honors, Awards and Accomplishments

1. Founder of Société CANEBE s.a.r.l. Marseille, France.

2. Specialist in hemp production for the cosmetic industry.
3. Founder of Alpha-CAT (Cannabinoid Analysis Test). Marseille, FRANCE. Specializing in Thin Layer Chromatography analysis for Cannabinoid detection and quantification.
4. Co-Founder and coordinator, UFCM (Union Francophone pour les Cannabinoïdes en Médecine). Representing the International Association of Cannabinoid Medicine (IACM) in France.

Julia Carrera, M.Ac.

Primary task is managing and directing all aspects of I502 and K430. Contact and liaison to State of Washington Liquor Control Board and departments under their jurisdiction. Expert in production, processing and retailing best standards, guidelines and regulations. With legal counsel, detailed interpretation of laws, regulations and guidelines for project team to follow. Administer project work plan for I502 and K430.. Coordinate stakeholders for input on necessary outputs. Provide expertise in the areas of production, processing, regulation and public safety in all four categories of K430. Work directly with team leaders to fine tune approach taken for the final result of all assignments and projects.

Master of Acupuncture 2005: Academy for Five Element Acupuncture

Bachelors of Art 1986: St. Mary's College of California

Honors, Awards and Accomplishments

Nationally recognized as only individual in the United States with exponential regulatory and licensing experience in the newly emerging marijuana industry.

Derek Darves, Ph.D.

Primary task is heading up all sociological research. Designs and/or implements research methodology systems to attain the highest quality statistical data and associated reporting possible. Analyze, reporting and management of all data gathered, including database management. Provides management of sociological research team members.

M. Divinity 2009: General Theological Seminary

Ph.D., Sociology 2006: University of Oregon. Dissertation: Corporate Trade Policy Activism: Network and Organizational Determinants.

M.S., Sociology 2003: University of Oregon

B.A., Sociology 2001: Reed College

Published Literature

1. Dreiling, Michael and Derek Darves. 2011. "Corporate Unity in American Trade Policy: A Network Analysis of Corporate-Dyad Political Action." *American Journal of Sociology* 116:1514-1564.
2. Church Pension Group Office of Research. 2012. "Whither Thou Goest: Assessing the Current State of Seminaries and Seminarians in the Episcopal Church."
3. Darves, Derek and Michael Dreiling. 2006. "Corporate Political Action and Global Trade Regimes: Fortune 500 Firms in the U.S. Trade Policy Formation Process." *Research in Political Sociology* 15.
4. Darves, Derek. "Divided Church is Dividing the Nation," *The Witness*, Oct 2004.
5. Darves, Derek and Michael Dreiling. 2002. "Corporate Political Networks and Trade Policy Formation." *Humanity and Society* 26: 5-27.

Honors, Awards and Accomplishments

1. "Network Graphs and Incorporated Comparisons: The Business Roundtable, the Nixon Administration, and the Rise of Neoliberal Globalization." (with Michael Dreiling). *Pacific Sociological Association Annual Meeting, 2013*
2. Panel Discussant. "2007 Globalization and Catholicity Conference / IFI-TEC Concordat Council." *Desmond Tutu Center, New York.*
3. "Agents of Globalization: Corporate Political Networks and Trade Policy Formation." (with Michael Dreiling). *American Sociological Association Annual Meeting, Montreal, Canada, 2006.*
4. "Corporate Political Networks" (with Michael Dreiling). *Sunbelt 25th Annual International Social Network Conference. Redondo Beach, CA 2005*
5. "Corporations and Global Trade Regimes: The Advisory Committee on Trade Policy and Negotiations to the President." *Pacific Sociological Association Annual Meeting, Vancouver, 2002.*
6. "Corporate Political Action and Global Trade Regimes: Fortune 500 Firms in the U.S. Trade Policy Formation Process." *American Sociological Association Annual Meeting, Anaheim, 2001.*

Natalie Darves-Bornoz, B.A

Primary tasks are supporting Julia Carrera in all aspects of Julia Carrera & Associates and the K430 Project. Research implementation of product usage and consumption and validation techniques. Give input to all aspects of production, processing and retailing standards, guidelines and protocol.

Honors B.A. Sociology 2003, University of Oregon

Honors, Awards and Accomplishments

Certified Master Gardener 2013: University of California Regents Extension Education Program

Ron Glass, M.Sc.

Master diagnostician of quality and standard testing both nationally and internationally. Primary tasks include lead in research and development in all hemp cannabis related projects. Provide extensive expertise to other scientist team members as needed and will oversee all laboratory structures, standards and processes.

Masters of Science 2002: University of Utrecht (IVLOS training), Biology and First grade power General Science

Masters of Science 1998: Wageningen University & Research Centre (WUR), Molecular Biology and Microbiology

Bachelor of Science 1982: Leeuwarden Agricultural College, Western agriculture Plant Breeding and Biochemistry

Published Literature

1. *A Qualitative and Quantitative HPTLC densitometry Method for the analysis of Cannabinoids in Cannabis sativa*. L. Fishedick, Ronald Glass, Arno Hazekamp and Rob Verpoorte In: *Phytochemical analysis*. 2009, 20, 421-426.

Published Abstracts

1. *Published (WUR) "Cannabinoids; New Phyto-Based Lead Molecules for the Treatment of Insomnia, Obesity and Depression."* 2012.

Honors, Awards and Accomplishments

1.) *Founder / Director of Alpha Nova Holding BV. Alpha nova Diagnostics BV. Developing diagnostic test kits:*

** Cannabinoid Analytical Tool (CAT Alpha ®) improved version or, formerly Cannalyse ® and Cannalytics ®*

** BetaPAT (Pesticide Analysis Tool (bioassay based) ®)*

- 2.) *Revis College: Lecturer Biology substructure (IVBO / MAVO / Atheneum superstructure)*
Rotterdam Lyceum: Biology superstructure VWO ANW superstructure HAVO / VWO
Merediaan College: Biology superstructure VWO ANW superstructure HAVO / VWO HTS
Deventer: molecular. Hogeschool Leiden: Molecular Biology, Immunology (Kuby), Immunoassay.
- 3.) *Maripharm BV. Rotterdam / Lab: Schiedam West phytochemical laboratory examining quality control for Cannabis simplex for all pharmacists in the Netherlands.*

Anndrea Hermann, M.Sc.

Primary tasks include providing expert evaluation of all project oriented guidelines, standards, regulations and processes regarding hemp Cannabis. Management of project staff in agriculture aspects of government contracts. Works in conjunction with project leader to create and implement practical project work plans.

Masters of Science 2008: University of Manitoba, Canada, Hemp Fibre Agronomy

Pre Masters of Science 2004: University of Manitoba, Canada

Bachelors of General Studies 2002: Missouri Southern State University, Hemp Ecolonomics

Published Literature

1. *Canadian Hemp Industry Regulatory Review 2010: Selected Special Crops on the Canadian Great Plains in Recent Trends in Soil Science and Agronomy Research in the Northern Great Plains of North America.*

Honors, Awards and Accomplishments

1. *Certified Professional Agrologist-Manitoba 2004-Present, Institute of Agrologist*
2. *Health Canada Authorized THC, Seed, Derivative, and Crop Sampling with Transporting 2005-Present.*
3. *Member Canadian Environmental Working Groups-Natural Health Product Directorate & Special Crops Roundtable 2008-Present*
4. *Champion of the New Rural Economy, Manitoba Government 2011*
5. *Crop Diversification Foundation – Breeding Research Assistant*
6. *Canadian Minor Use Pesticide Hemp Representative 2008-Present*
7. *Canadian Provincial Nominee Award Unique Skilled Worker 2004*

8. *Biotech Lab – Hemp Testing Laboratory – Authorize Person In Charge*
9. *Hemp Trade Alliance – Scientific Advisor and peer elected Board and Special Committee Member*
10. *Manitoba Organic Alliance – Peer elected Board Member and Special Crops/Processors*
11. *Hemp Association Australia – Advisor to the Board*
12. *United Nations Hemp Development Program Advisor*

Klaas Hesselink

CEO of subcontractor and team leader in product quality standards and testing for I502. Liaison with Julia Carrera and all science based staff.

Derek Houston, B.A.

Primary tasks include managing all aspects of day to day laboratory operations. Manage and implement system protocol for hemp cannabis analysis, including THC/Cannabinoid panels, molds and chemical contaminants to ensure public and product safety. Liaison for and oversight of overseas projects including European Parliament presentation with the Union Francophone for Cannabinoid Medicine; Hemp testing project for Hemporium and the South African Government; Product placement and quality assurance for prominent cannabis seed companies. Created UN based quality testing standards for application in daily laboratory operations.

Bachelor of Arts 2010 : Seattle University Major: International Relations Sociology and State Development

Mehdi Labaied, Ph.D.

Primary tasks include project, staff and laboratory management in all collaborative aspects. Lead in evaluating for potency, molds and chemical contaminants. Safety first coordinator.

Doctor of Philosophy 2003: National Museum of Natural History, Paris, France

Master of Science 1993: University of Tunis, Tunis, Tunisia

Bachelor of Science 1996: Biology, University of Tunis, Tunis, Tunisia

Published Literature

1. Holla H., Labaied M., Pham N., Jenkins I.D., Stuart K. & Quin R.J. (2011) *Synthesis of antitrypanosomal 1,2-dioxan derivatives based on a natural product scaffold. Bioorganic & Medicinal Chemistry Letters* 21(16):4793-4797.
2. Labaied M., Jayabalasingham B., Bano B., Cha S-J., Sandovai J., Guan G. & Coppens I. (2011). *Plasmodium salvages cholesterol internalize by LDL and synthesized de novo in the liver. Cell. Microbiol.* 12(4):569-86
3. Jacobs-Lorena V.Y., Mikolajczak S.A., Labaied M., Vaughn A.M. & Kappe S.H.I. (2010). *A dispensable Plasmodium locus for stable transgene expression. Mol Biochem Parasitol.* 171(1):40-44.
4. Labaied M., Harupa A., Dumpit R., Coppens I., Mikolajczak S.A. & Kappe S.H.I. (2007). *Plasmodium yoelii sporozoites with simultaneous deletion of P52 and P36 are completely attenuated and confer sterile immunity against infection. Infect Immun.* (75(8):3758-3768.
5. Labaied M., Camargo, N. & Kappe S.H.I. (2007). *Depletion of the Plasmodium berghei thrombospondin-related sporozoite protein reveals a role in host cell entry by sporozoites. Mol Biochem Parasitol.* 153(2):158-66.
6. Rasoanaivo P., Ramanitrahasimbola D., Rafatro H., Rakotondramanana D., Robijaona B., Rakotozafy A., Ratsimamanga-Uroerg S., Labaied M., Grellier Ph., Allorge L., Mambu L. & Frappier F. (2004). *Screening plant extract of Madagascar for search of antiplasmodial compounds. Phytotherapy Research* 18(9):742-747.

Honors, Awards and Accomplishments

Patent (Co-Inventor): Live Genetically Attenuated Malaria Vaccine. Patent No. US2011/0033502A1

R. Erin Leary M.Sc.

Primary tasks involve expertise in food, beverages, body care and botanical regulation. Utilizing five years of FDA and food grade herbs and botanicals standards and practices, assist in drafting regulations and guidelines to define good and best practice in all aspects of industry processing, with particular emphasis on infusion and edibles.

Masters of Science 2013: Concentration: Biomedical Regulatory Affairs - University of Washington, Seattle, WA

Bachelor of Science 2008: Concentration: Herbal Sciences - Bayster, Kenmore, WA

Published Literature

1. Leary, Erin (forthcoming 2013). *Macroscopic Characterization of Botanical Medicine. The American Herbal Pharmacopoeia.*
2. Leary, Erin (2007). *Seductress of the Bogs: Dionaea muscipula. Journal of the Northeast Herbal Association.*

Honors, Awards and Accomplishments

1. Leary, Erin & Eric McKinney (2012). *From Seed to Safe Use: Defining the Modern Apothecary. Webinar conducted for The American Herbalists Guild. 1/25/12.*
2. Leary, Erin & Eric McKinney (2012). *Preserving the Craft: An Introduction to cGMPs for Practitioners. Lecture conducted and recorded for The American Herbalists Guild.*

Category 2: Product Quality Standards and Testing

5. *Ability, Capacity and Skills*

Our product quality standards and testing team utilizes a set of protocols using Thin Layer chromatography for testing the potency of Cannabis. These protocols allow us to see and measure six different Cannabinoids (CBD,CBN,THC,THCV,CBG and CBC) plus their acid equivalents. We develop protocols to be cost effective, enable high throughput, and are simple to understand. The University of Leiden, Netherlands validated our protocols in 2009 (Phytochem. Anal. 2009, 20, 421–426.) Gathering Stakeholder input and experience, we have fine-tuned and implemented our industry standard through our lead hemp and Cannabis scientist Sébastien Béguerie, all over the world. Thanks to a large variety of strain contributors, dispensaries, patients, seed companies, and edible makers, we bring more than 1600 documented strain profiles in our database just from the State of Washington.

Our team members come from a diverse background with one focal point, a passion for a healthy Cannabis industry. The results are implementation of a new hemp regulatory program in South Africa and Japan; crafting protocols and standards for herbal infusion companies across the nation; set up of various laboratories that are Clinical Laboratory Improvement Amendments (CLIA) certified; partnering with Dutch and French government agencies in drug and hemp policies; and participation in all aspects of the Washington medical Cannabis industry testing of potency, molds and chemical

contaminates. We are the forerunner in genetics for marijuana and hemp. Our combined wealth of experience in product quality standards and testing spans over 40 years and touches on every aspect of the I502 implementation process.

6. *Experience*

Our Firm has taken a special interest in quality standards and testing as a means for public safety. With twenty-five years of practicing alternative health care under her belt, Ms. Carrera has a unique, in depth understanding of the importance of the health and welfare of the general public.

Identifying genetics as a necessity for the future of the marijuana industry, Ms. Carrera began researching how viticulture labs identified genetics, what equipment and methodology was used and how that may transfer to the emerging marijuana/hemp industry testing equipment and methodology. Working with Cannabis botanists, Ms. Carrera singlehandedly changed the horizon of quality standards and testing to include genetics in the California medical marijuana industry.

Our team brings international experience to the Washington State consulting table. This includes consulting with the Italian Government Agriculture Research Department; the Dutch Government Consultant on Cannabis related issues; the European Parliament presentation on Cannabis; and the creation and oversight of the Hemp Testing Project for the South Africa Government. This places us in a distinctive position, bringing the highest quality team in the world to support and assist the WSLCB in designing the finest model for quality standards and testing. We believe our government consulting in quality standards and testing is unmatched, and hope Washington State will find the same.

7. *Staff Qualifications and Capabilities*

** All team members' curriculum vitae and references are available upon request.*

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9. Darves, Derek. "Divided Church is Dividing the Nation," *The Witness*, Oct 2004.
10. Darves, Derek and Michael Dreiling. 2002. "Corporate Political Networks and Trade Policy Formation." *Humanity and Society* 26: 5-27.

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8. Panel Discussant. "2007 Globalization and Catholicity Conference / IFI-TEC Concordat Council." *Desmond Tutu Center*, New York.
9. "Agents of Globalization: Corporate Political Networks and Trade Policy Formation." (with Michael Dreiling). *American Sociological Association Annual Meeting*, Montreal, Canada, 2006.
10. "Corporate Political Networks" (with Michael Dreiling). *Sunbelt 25th Annual International Social Network Conference*. Redondo Beach, CA 2005
11. "Corporations and Global Trade Regimes: The Advisory Committee on Trade Policy and Negotiations to the President." *Pacific Sociological Association Annual Meeting*, Vancouver, 2002.
12. "Corporate Political Action and Global Trade Regimes: Fortune 500 Firms in the U.S. Trade Policy Formation Process." *American Sociological Association Annual Meeting*, Anaheim, 2001.

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Honors B.A. Sociology 2003, University of Oregon

Honors, Awards and Accomplishments

Certified Master Gardener 2013: University of California Regents Extension Education Program

Tera Eerkes, Ph.D.

Primary tasks are designing and implementing multiple genetic testing product offerings in a CLIA/CAP certified and GLP/GCP compliant laboratory environment. Directly supervises all data and project design for clients, as well as directs all certified diagnostic test development and validation. Finally, provides oversight of data QC/QA, analysis and interpretation for all laboratory operations.

Doctor of Philosophy 2004: Department of Molecular Biotechnology University of Washington

Bachelor of Science 1998: Department of Computer Science and Engineering, University of Colorado

Post-doctoral fellow 2005-2007: Department of Genome Sciences, University of Washington

Published Literature

1. Kidd JM, Graves T, Newman-Eerkes, TL, Fulton R, Hayden HS, Malig M, Kallicki J, Kaul R, Wilson RK and Eichler EE. A Human Genome Structural Variation Sequencing Resource Reveals Insights into Mutational Mechanisms, 2010. *Cell*, November 24; 143(5):837-847.
2. Kidd JM, Cooper GM, Donahue WF, Hayden HS, Sampas N, Graves T, Hansen N, Teague B, Alkan C, Antonacci F, Haugen E, Zerr T, Yamada NA, Tsang P, Newman-Eerkes TL, Tüzün E, Cheng Z, Ebling HM, Tusneem N, David R, Gillett W, Phelps KA, Weaver M, Saranga D, Brand A, Tao W, Gustafson E, McKernan K, Chen L, Malig M, Smith JD, Korn JM, McCarroll SA, Altshuler DA, Peiffer DA, Dorschner M, Stamatoyannopoulos J, Schwartz D, Nickerson DA, Mullikin JC, Wilson RK, Bruhn L, Olson MV, Kaul R, Smith DR, Eichler EE. 2008. Mapping and Sequencing of Structural Variation from Eight Human Genomes. *Nature*. May 1; 453(7191),56-64.
3. Kidd JM, Newman-Eerkes TL, Tuzun E, Kaul R, Eichler EE. Population stratification of a common APOBEC gene deletion polymorphism. 2007. *PLoS Genet*. Apr 20; 3(4),e63.
4. Newman-Eerkes, T.L., Rieder M.J., Morrison, V.A., Sharp, A.J., Smith J.D., Sprague L.J., Kaul R., Carlson, C.S., Olson, M.V., Nickerson, D.A., and Eichler, E.E. High-throughput Genotyping of Intermediate-Size Structural Variation. 2006. *Hum Mol Genet* 15, 1159-1167.
5. Locke DP, Sharp AJ, McCarroll SA, McGrath SD, Newman-Eerkes T, Cheng Z, Schwartz S, Albertson DG, Pinkel D, Alshuler DM, Eichler EE . 2006. Linkage Disequilibrium and Heritability of Copy-Number Polymorphisms within Duplicated Regions of the Human Genome. *Am J Hum Genet*. Aug; 79(2), 275-290.
6. Newman-Eerkes, T.L., E. Tuzun, V.A. Morrison, K.E. Hayden, M. Ventura, S.D. McGrath, M. Rocchi, and E.E. Eichler. 2005. A Genome-Wide survey of Structural Variation between Human and Chimpanzee. *Genome Res* 15, 1344-1356.
7. Newman-Eerkes, T. and B.J. Trask. 2003. Complex Evolution of 7E Olfactory Receptor Genes in Segmental Duplications. *Genome Res* 13, 781-793.
8. Lane, R.P., J. Young, T. Newman-Eerkes, and B.J. Trask. 2003. Species Specificity in Rodent Pheromone Receptor Repertoires. *Genome Res* 14, 603-608.
9. Fan, Y., T. Newman-Eerkes, E. Linardopoulou, and B.J. Trask. 2002. Gene Content and Function of the Ancestral Chromosome Fusion Site in Human Chromosome 2q13-2q14.1 and Paralogous Regions. *Genome Res* 12, 1663-1672.
10. Carlson, C.S., T.L. Newman-Eerkes, and D.A. Nickerson. 2001. SNPing in the Human Genome. *Curr Opin Chem Biol* 5, 78-85.

Published Abstracts

1. Newman-Eerkes, T.L., Douglas R. Smith, Mark J. Rieder, Rajinder Kaul, Eray Tuzun, Maynard V. Olson, Jim Mullikin, Deborah A. Nickerson, Evan E. Eichler. 2006 *The Human Genome Structural Variation Project (HGSV)*. Cold Spring Harbor Meetings; *Biology of Genomes*.
2. Newman-Eerkes T.L., Tuzun, E. Hayden, K.E., Eichler, E.E. 2005. *A fosmid paired-end strategy to identify large-scale structural variation between the human and chimpanzee genome*. Cold Spring Harbor Meetings; *Biology of Genomes*.
3. Newman-Eerkes T.L., J.L. Young and B.J. Trask. 2004. *Complex Evolution of 7E Olfactory Receptor Genes and Surrounding Segmental Duplications*. Cold Spring Harbor Meetings; *Biology of Genomes*.
4. Newman-Eerkes, T.L., and B.J. Trask. 2001. *Analysis of large-scale duplications involving human olfactory receptors*. 9th International Conference on Intelligent Systems for Molecular Biology.

Honors, Awards and Accomplishments

Genome Technology Online "PI of the Future"; Am. Soc. Human Gen. Postdoctoral Travel Award; Am. Soc. Human Gen. Member; NIH NRSA Postdoctoral Training Fellowship; Fred Hutchinson Cancer Research Center Travel Award; Fred Hutchinson Cancer Research Center Pilot Grant Award; NIH NRSA Predoctoral Training Fellowship; University of Colorado Women in Engineering scholarship.

Ron Glass, M.Sc.

Master diagnostician of quality and standard testing both nationally and internationally. Primary tasks include lead in research and development in all hemp Cannabis related projects. Provide extensive expertise to other scientist team members as needed and will oversee all laboratory structures, standards and processes.

Masters of Science 2002: University of Utrecht (IVLOS training), Biology and First grade power General Science

Masters of Science 1998: Wageningen University & Research Centre (WUR), Molecular Biology and Microbiology

Bachelor of Science 1982: Leeuwarden Agricultural College, Western agriculture Plant Breeding and Biochemistry

Published Literature

1. *A Qualitative and Quantitative HPTLC densitometry Method for the analysis of Cannabinoids in Cannabis sativa*. L. Fishedick, Ronald Glass, Arno Hazekamp and Rob Verpoorte In: *Phytochemical analysis*. 2009, 20, 421-426.

Published Abstracts

2. *Published (WUR) "Cannabinoids; New Phyto-Based Lead Molecules for the Treatment of Insomnia, Obesity and Depression."* 2012.

Honors, Awards and Accomplishments

1.) *Founder / Director of Alpha Nova Holding BV. Alpha nova Diagnostics BV. Developing diagnostic test kits:*

** Cannabinoid Analytical Tool (CAT Alpha ®) improved version or, formerly Cannalyse ® and Cannalytics ®*

** BetaPAT (Pesticide Analysis Tool (bioassay based) ®*

2.) *Revius College: Lecturer Biology substructure (IVBO / MAVO / Atheneum superstructure)
Rotterdam Lyceum: Biology superstructure VWO ANW superstructure HAVO / VWO
Merediaan College: Biology superstructure VWO ANW superstructure HAVO / VWO HTS
Deventer: molecular. Hogeschool Leiden: Molecular Biology, Immunology (Kuby), Immunoassay.*

3.) *Maripharm BV. Rotterdam / Lab: Schiedam West phytochemical laboratory examining quality control for Cannabis simplex for all pharmacists in the Netherlands.*

Andrea Hermann, M.Sc.

Primary tasks include providing expert evaluation of all project oriented guidelines, standards, regulations and processes regarding hemp Cannabis. Management of project staff in agriculture aspects of government contracts. Works in conjunction with project leader to create and implement practical project work plans.

Masters of Science 2008: University of Manitoba, Canada, Hemp Fibre Agronomy

Pre Masters of Science 2004: University of Manitoba, Canada

Bachelors of General Studies 2002: Missouri Southern State University, Hemp Ecolonomics

Published Literature

2. *Canadian Hemp Industry Regulatory Review 2010: Selected Special Crops on the Canadian Great Plains in Recent Trends in Soil Science and Agronomy Research in the Northern Great Plains of North America.*

Honors, Awards and Accomplishments

13. *Certified Professional Agrologist-Manitoba 2004-Present, Institute of Agrologist*
14. *Health Canada Authorized THC, Seed, Derivative, and Crop Sampling with Transporting 2005-Present.*
15. *Member Canadian Environmental Working Groups-Natural Health Product Directorate & Special Crops Roundtable 2008-Present*
16. *Champion of the New Rural Economy, Manitoba Government 2011*
17. *Crop Diversification Foundation – Breeding Research Assistant*
18. *Canadian Minor Use Pesticide Hemp Representative 2008-Present*
19. *Canadian Provincial Nominee Award Unique Skilled Worker 2004*
20. *Biotech Lab – Hemp Testing Laboratory – Authorize Person In Charge*
21. *Hemp Trade Alliance – Scientific Advisor and peer elected Board and Special Committee Member*
22. *Manitoba Organic Alliance – Peer elected Board Member and Special Crops/Processors*
23. *Hemp Association Australia – Advisor to the Board*
24. *United Nations Hemp Development Program Advisor*

Klaas Hesselink

CEO of Subcontractor and team leader in product quality standards and testing for I502. Liason with Julia Carrera and all science based staff.

Derek Houston, B.A.

Primary tasks include managing all aspects of day to day laboratory operations. Manage and implement system protocol for hemp Cannabis analysis, including THC/Cannabinoid panels, molds and chemical contaminates to ensure public and product safety. Liaison for and oversight of overseas projects including European Parliament presentation with the Union Francophone for Cannabinoid Medicine; Hemp testing project for Hemporium and the South African Government; Product placement and quality assurance for prominent cannabis seed companies. Created UN based quality testing standards for application in daily laboratory operations.

Bachelor of Arts 2010 : Seattle University Major: International Relations Sociology and State Development

Mehdi Labaied, Ph.D.

Primary tasks include project, staff and laboratory management in all collaborative aspects. Lead in evaluating for potency, molds and chemical contaminants. Safety first coordinator.

Doctor of Philosophy 2003: National Museum of Natural History, Paris, France

Master of Science 1993: University of Tunis, Tunis, Tunisia

Bachelor of Science 1996: Biology, University of Tunis, Tunis, Tunisia

Published Literature

7. Holla H., Labaied M., Pham N., Jenkins I.D., Stuart K. & Quin R.J. (2011) Synthesis of antitrypanosomal 1,2-dioxan derivatives based on a natural product scaffold. *Bioorganic & Medicinal Chemistry Letters* 21(16):4793-4797.
8. Labaied M., Jayabalasingham B., Bano B., Cha S-J., Sandovai J., Guan G. & Coppens I. (2011). *Plasmodium* salvages cholesterol internalize by LDL and synthesized de novo in the liver. *Cell. Microbiol.* 12(4):569-86
9. Jacobs-Lorena V.Y., Mikolajczak S.A., Labaied M., Vaugh A.M. & Kappe S.H.I. (2010). A dispensable *Plasmodium* locus for stable transgene expression. *Mol Biochem Parasitol.* 171(1):40-44.
10. Labaied M., Harupa A., Dumpit R., Coppens I., Mikolajczak S.A. & Kappe S.H.I. (2007). *Plasmodium yoelii* sporozoites with simultaneous deletion of P52 and P36 are completely attenuated and confer sterile immunity against infection. *Infect Immun.* (75(8):3758-3768.
11. Labaied M., Camargo, N. & Kappe S.H.I. (2007). Depletion of the *Plasmodium berghei* thrombospondin-related sporozoite protein reveals a role in host cell entry by sporozoites. *Mol Biochem Parasitol.* 153(2):158=66.
12. Rasoanaivo P., Ramanitrahasimbola D., Rafatro H., Rakotondramanana D., Robijaona B., Rakotozafy A., Ratsimamanga-Urverg S., Labaied M., Grellier Ph., Allorge L., Mambu L. & Frappier F. (2004). Screening plant extract of Madagascar for search of antiplasmodial compounds. *Phytotherapy Research* 18(9):742-747.

Honors, Awards and Accomplishments

Patent (Co-Inventor): Live Genetically Attenuated Malaria Vaccine. Patent No. US2011/0033502A1

R. Erin Leary, M.Sc.

Primary tasks involve expertise in food, beverages, body care and botanical regulation. Utilizing five years of FDA and food grade herbs and botanicals standards and practices, assist in drafting regulations and guidelines to define good and best practice in all aspects of industry processing, with particular emphasis on infusion and edibles

Masters of Science 2013: Concentration: Biomedical Regulatory Affairs - University of Washington, Seattle, WA

Bachelor of Science 2008: Concentration: Herbal Sciences Bayster, WA

Published Literature

3. *Leary, Erin (forthcoming 2013). Macroscopic Characterization of Botanical Medicine. The American Herbal Pharmacopoeia.*
4. *Leary, Erin (2007). Seductress of the Bogs: Dionaea muscipula. Journal of the Northeast Herbal Association.*

Honors, Awards and Accomplishments

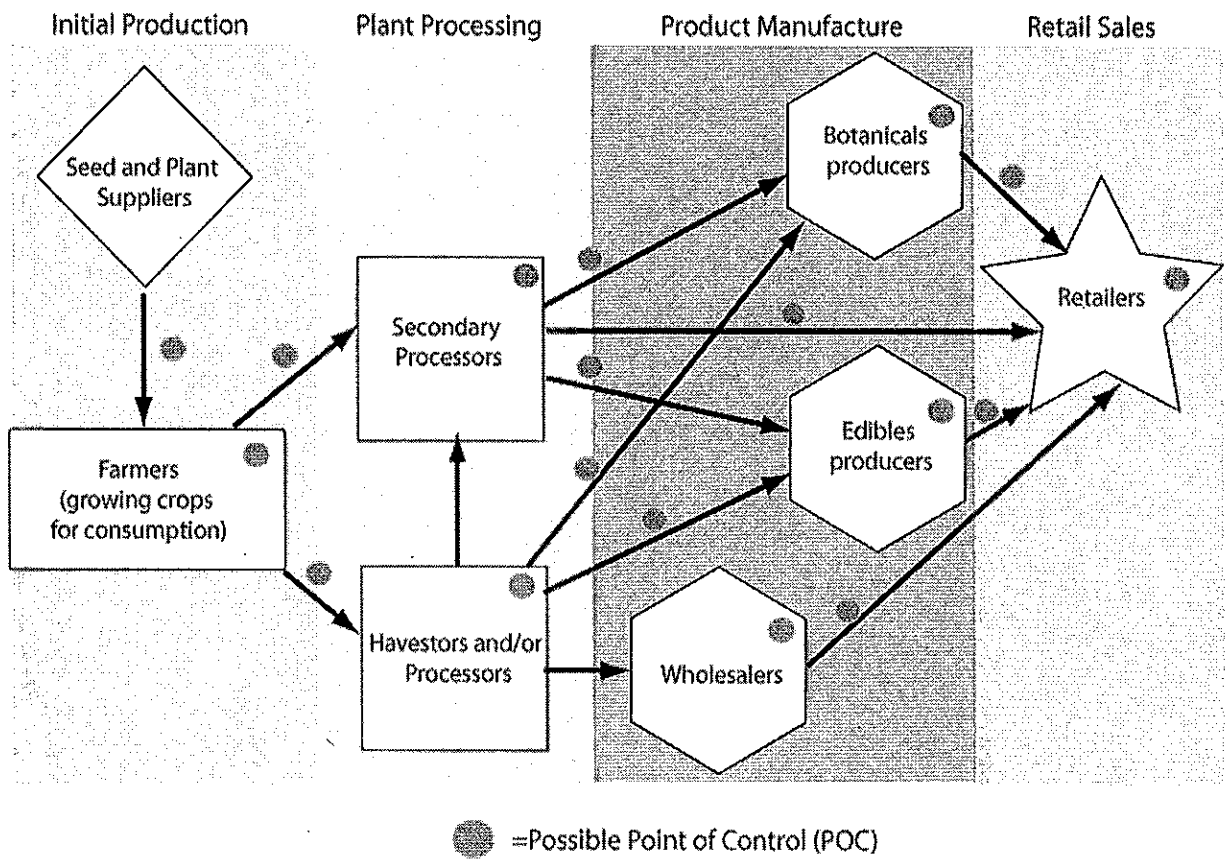
3. *Leary, Erin & Eric McKinney (2012). From Seed to Safe Use: Defining the Modern Apothecary. Webinar conducted for The American Herbalists Guild. 1/25/12.*
4. *Leary, Erin & Eric McKinney (2012). Preserving the Craft: An Introduction to cGMPs for Practitioners. Lecture conducted and recorded for The American Herbalists Guild.*

8. Approach and Methodology

In the fragile global economic and environmental economy of today, efficiency, simplicity, and common sense based methodology are necessities when creating a globally impactful project. Cutting corners is simply not an option, and reinventing the wheel is negligent. This is the basis of our methodology and approach to assisting the WSLCB in developing a successful State protocol model of product quality standards and testing. The process of developing a protocol recommendation for the WSLCB can be broken into four phases:

Phase I. Create a network map of the Cannabis industry:

Our team will first identify and engage stakeholders in a systematic evaluation of the Cannabis supply and production network, to create a network map (Figure X) of the channels by which Cannabis products are produced and brought to market. This will include, but is not limited to, seed and plant suppliers, farmers/growers, harvesters, wholesalers, processors, product manufacturers, and retailers.



For each POC, our team will construct a comprehensive list of the existing methods used to ensure product quality, safety and chain-of-custody. These methods will be evaluated on effectiveness, industry standards, historical use, regulatory validity, cost, ease of implementation, ease of documentation, regulatory oversight, accountability, and speed/turn-around time.

Each methodology will be scored on a point system (1-10) for each of the above criteria, with all the points summed yielding a final score for each method considered. These scores will allow a ranking of methodologies for each POC, and these rankings will be added to the Cannabis network map for consideration. For example, measurement of THC/CBD ratios and mold and other contaminants may be indicated at POCs for manufacturers of any Cannabis-based product or botanical. Methods for such measurements (High-Performance Liquid Chromatography, on-site Thin-Layer Chromatography, Gas Chromatography, etc.) will be evaluated for the above criteria and ranked using the system described. Likewise, chain-of-custody processes for relevant POCs (transmission from grower to wholesaler, or manufacturer to retailer) will also be evaluated and ranked.

Phase IV. Determine "best practice" recommendations and report:

Our team will then compile a "best practice" recommendation for each POC in the Cannabis system network. These recommendations will be developed into a report outlining the specific protocols for each POC in the network to be submitted to the WSLCB. Suggested oversight entity and structure for each POC will be included.

Drawing from our local and international experience, we are prepared to develop the reputable protocol to lead the State, and the world, in Product Quality standards and testing. Protocols will be developed with awareness that 502 implementation can and should create economic opportunities for small business in Washington state.

Category 3: Product Usage and Consumption Values

9. Ability, Capacity and Skills

We understand the important difference between public and private sector research. Our Firm recognizes that data collected by and for publicly financed agencies is closely scrutinized. These factors, together with the drive to collect reliable and valid data, require solid methodology and rigorous sampling standards during all phases of a project's execution. We appreciate, for this particular research endeavor, that issues of respondent confidentiality will be of paramount importance in meeting the goal of collecting valid statewide Cannabis usage estimates.

Our team of expert researchers are excited by the opportunity to provide Washington State with truly groundbreaking research. This research will inform the State's broader goal of implementing a safe, effective and environmentally responsible Cannabis distribution system. With more than 15 years of combined research experience, this group offers a unique and highly qualified team of professionals: a group who would efficiently and accurately accomplish Washington State's important research goals.

Rigorous survey research, community needs assessment and sophisticated statistical analyses of consumption are demonstrated capabilities of our Firm. Research institutes, laboratories and public academic institutions were progenitors of our team members. Our Firm offers an additional strength: extensive familiarity with and connections within the Cannabis industry. Our professional associations and history likely would mitigate respondents' fear of participation and, presumably, enable us to gather more reliable estimates of Cannabis production, distribution and consumption.

With our many years of combined empirical research experience, we provide the social-scientific and cultural expertise needed to successfully measure Cannabis usage patterns throughout Washington State. In addition to the RFP requirements, if selected, we are prepared to examine related questions about extant production and distribution networks, such as an estimation of aggregate statewide output, and environmental contingencies pertaining to Cannabis cultivation in Washington State.

10. *Experience*

Taking in large amounts of information and summarizing broad concepts is what our research team does best. Our research team leader brings over a decade of experience in the areas of survey design, online research, and statistical analysis. Dr. Darves is an expert in CATI-based research, working with government clients at the county and state

levels, along with being the data analyst and statistician for NIH-funded R01 projects in the areas of drug abuse and prevention.

Large-scale research at the level required for I502 is not new to our team. Statistical research for an 11 billion dollar national pension fund and medical trust; over fifteen large scale online survey research; and drug policy and criminology research and data analysis for local governments allows us to draw from our experiences to cut costs to the Washington State Liquor Control Board.

11. *Staff Qualifications and Capabilities*

** All team members' curriculum vitae and references are available upon request.*

Sébastien Béguerie, M.Sc.

Expert in Cannabis/hemp Research in over seven European Countries. Team expert in national government standards, rules and regulatory structures for the Cannabis/hemp industry. Primary aspects include oversight of all quality standards and testing as it relates to I502 and K430. Advisor to North American research projects with a specialty in genetics and body care infusion.

Master in Plant Sciences 2011: University of Wageningen, Gederland, The Netherlands.

Master Internship 2010: Bedrocan B.V (medicinal Cannabis producer licensed by the Dutch minister of health and sport), under the supervision of Tjalling Erkelens. Veendam, The Netherlands Improvement of asexual reproduction of medicinal Cannabis varieties.

Master Thesis 2009: Laboratory of Plant Physiology of Wageningen University, under the supervision of Prof. Harro Bouwmeester and in collaboration with Bedrocan B.V. Wageningen, The Netherlands. Production improvement of medicinal Cannabis flowers using organic enhancer.

Bachelor of Science 2008: CAH Dronten, Flevoland, The Netherlands. Specialization: Plant Breeding

License Professionnel Techniques et Technologies Végétales 2008: Ecole Supérieur d'Agriculture, Angers, France

Bachelor Thesis 2008: Sperimentale per le Coltore Industriali (ISCI), under the supervision of Doctor Gianpaolo Grassi. Rovigo, Italy. Cloning of medicinal Cannabis.

Internship in quality control laboratory for medicinal and aromatic 2007: VNK herbs, Biddinghuizen, The Netherlands. Referencing the therapeutical properties of VNK's herbs catalog.

Internship in a horticultural research center 2006: Syndicat du centre régional d'application et de démonstration horticole (SCRADH), Hyères. France. Biological control in Gerbera production in greenhouse

BTS en Productions Horticoles (equivalent of HND) 2006: MFR Lambesc, Aix-en-Provence, France.

Baccalauréat Scientifique 2004: Lycée Daumier, Marseille, France.

Honors, Awards and Accomplishments

9. Founder of Société CANEBE s.a.r.l. Marseille, France.
10. Specialist in hemp production for the cosmetic industry.
11. Founder of Alpha-CAT (Cannabinoid Analysis Test). Marseille, FRANCE. Specializing in Thin Layer Chromatography analysis for Cannabinoid detection and quantification.
12. Co-Founder and coordinator, UFCM (Union Francophone pour les Cannabinoïdes en Médecine). Representing the International Association of Cannabinoid Medicine (IACM) in France.

Julia Carrera, M.Ac.

Primary task is managing and directing all aspects of I502 and K430. Contact and liaison to State of Washington Liquor Control Board and departments under their jurisdiction. Expert in production, processing and retailing best standards, guidelines and regulations. With legal counsel, detailed interpretation of laws, regulations and guidelines for project team to follow. Administer project work plan for I502 and K430. Coordinate stakeholders for input on necessary outputs. Provide expertise in the areas of production, processing, regulation and public safety in all four categories of K430. Work directly with team leaders to fine tune approach taken for the final result of all assignments and projects.

Master of Acupuncture 2005: Academy for Five Element Acupuncture

Bachelors of Art 1986: St. Mary's College of California

Honors, Awards and Accomplishments

Nationally recognized as only individual in the United States with exponential regulatory and licensing experience in the newly emerging marijuana industry.

Derek Darves, Ph.D.

Primary task is heading up all sociological research. Designs and/or implements research methodology systems to attain the highest quality statistical data and associated reporting possible. Analyze, reporting and management of all data gathered, including database management. Provides management of sociological research team members.

M. Divinity 2009: General Theological Seminary

Ph.D., Sociology 2006: University of Oregon. Dissertation: Corporate Trade Policy Activism: Network and Organizational Determinants.

M.S., Sociology 2003: University of Oregon

B.A., Sociology 2001: Reed College

Published Literature

11. Dreiling, Michael and Derek Darves. 2011. "Corporate Unity in American Trade Policy: A Network Analysis of Corporate-Dyad Political Action." *American Journal of Sociology* 116:1514-1564.
12. Church Pension Group Office of Research. 2012. "Whither Thou Goest: Assessing the Current State of Seminaries and Seminarians in the Episcopal Church."
13. Darves, Derek and Michael Dreiling. 2006. "Corporate Political Action and Global Trade Regimes: Fortune 500 Firms in the U.S. Trade Policy Formation Process. *Research in Political Sociology* 15.
14. Darves, Derek. "Divided Church is Dividing the Nation," *The Witness*, Oct 2004.
15. Darves, Derek and Michael Dreiling. 2002. "Corporate Political Networks and Trade Policy Formation." *Humanity and Society* 26: 5-27.

Honors, Awards and Accomplishments

13. "Network Graphs and Incorporated Comparisons: The Business Roundtable, the Nixon Administration, and the Rise of Neoliberal Globalization." (with Michael Dreiling). *Pacific Sociological Association Annual Meeting*, 2013
14. Panel Discussant. "2007 Globalization and Catholicity Conference / IFI-TEC Concordat Council." *Desmond Tutu Center*, New York.
15. "Agents of Globalization: Corporate Political Networks and Trade Policy Formation." (with Michael Dreiling). *American Sociological Association Annual Meeting*, Montreal, Canada, 2006.
16. "Corporate Political Networks" (with Michael Dreiling). *Sunbelt 25th Annual International Social Network Conference*. Redondo Beach, CA 2005
17. "Corporations and Global Trade Regimes: The Advisory Committee on Trade Policy and Negotiations to the President." *Pacific Sociological Association Annual Meeting*, Vancouver, 2002.

18. "Corporate Political Action and Global Trade Regimes: Fortune 500 Firms in the U.S. Trade Policy Formation Process." *American Sociological Association Annual Meeting, Anaheim, 2001.*

Natalie Darves-Bornoz, B.A

Primary tasks are supporting Julia Carrera in all aspects of Julia Carrera & Associates and the K430 Project. Research implementation of product usage and consumption and validation techniques. Give input to all aspects of production, processing and retailing standards, guidelines and protocol.

Honors B.A. Sociology 2003, University of Oregon

Honors, Awards and Accomplishments

Certified Master Gardener 2013: University of California Regents Extension Education Program

Tera Eerkes, Ph.D.

Primary tasks are designing and implementing multiple genetic testing product offerings in a CLIA/CAP certified and GLP/GCP compliant laboratory environment. Directly supervises all data and project design for clients, as well as directs all certified diagnostic test development and validation. Finally, provides oversight of data QC/QA, analysis and interpretation for all laboratory operations.

Doctor of Philosophy 2004: Department of Molecular Biotechnology University of Washington

Bachelor of Science 1998: Department of Computer Science and Engineering, University of Colorado

Post-doctoral fellow 2005-2007: Department of Genome Sciences, University of Washington

Published Literature

11. Kidd JM, Graves T, Newman-Eerkes, TL, Fulton R, Hayden HS, Malig M, Kallicki J, Kaul R, Wilson RK and Eichler EE. A Human Genome Structural Variation Sequencing Resource Reveals Insights into Mutational Mechanisms, 2010. *Cell*, November 24; 143(5):837-847.
12. Kidd JM, Cooper GM, Donahue WF, Hayden HS, Sampas N, Graves T, Hansen N, Teague B, Alkan C, Antonacci F, Haugen E, Zerr T, Yamada NA, Tsang P, Newman-Eerkes TL, Tüzün E, Cheng Z, Ebling HM, Tusneem N, David R, Gillett W, Phelps KA, Weaver M, Saranga D, Brand A, Tao W, Gustafson E, McKernan K, Chen L, Malig M, Smith JD, Korn JM, McCarroll SA, Altshuler DA, Peiffer DA, Dorschner M, Stamatoyannopoulos J, Schwartz D, Nickerson DA, Mullikin JC, Wilson RK, Bruhn L, Olson MV, Kaul R, Smith DR, Eichler EE. 2008.

Mapping and Sequencing of Structural Variation from Eight Human Genomes. Nature. May 1; 453(7191),56-64.

13. Kidd JM, Newman-Eerkes TL, Tuzun E, Kaul R, Eichler EE. Population stratification of a common APOBEC gene deletion polymorphism. 2007. *PLoS Genet.* Apr 20; 3(4),e63.
14. Newman-Eerkes, T.L., Rieder M.J., Morrison, V.A., Sharp, A.J., Smith J.D., Sprague L.J., Kaul R., Carlson, C.S., Olson, M.V., Nickerson, D.A., and Eichler, E.E. High-throughput Genotyping of Intermediate-Size Structural Variation. 2006. *Hum Mol Genet* 15, 1159-1167.
15. Locke DP, Sharp AJ, McCarroll SA, McGrath SD, Newman-Eerkes T, Cheng Z, Schwartz S, Albertson DG, Pinkel D, Alshuler DM, Eichler EE . 2006. Linkage Disequilibrium and Heritability of Copy-Number Polymorphisms within Duplicated Regions of the Human Genome. *Am J Hum Genet.* Aug; 79(2), 275-290.
16. Newman-Eerkes, T.L., E. Tuzun, V.A. Morrison, K.E. Hayden, M. Ventura, S.D. McGrath, M. Rocchi, and E.E. Eichler. 2005. A Genome-Wide survey of Structural Variation between Human and Chimpanzee. *Genome Res* 15, 1344-1356.
17. Newman-Eerkes, T. and B.J. Trask. 2003. Complex Evolution of 7E Olfactory Receptor Genes in Segmental Duplications. *Genome Res* 13, 781-793.
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20. Carlson, C.S., T.L. Newman-Eerkes, and D.A. Nickerson. 2001. SNPing in the Human Genome. *Curr Opin Chem Biol* 5, 78-85.

Published Abstracts

5. Newman-Eerkes, T.L., Douglas R. Smith, Mark J. Rieder, Rajinder Kaul, Eray Tuzun, Maynard V. Olson, Jim Mullikin, Deborah A. Nickerson, Evan E. Eichler. 2006 *The Human Genome Structural Variation Project (HGSV). Cold Spring Harbor Meetings; Biology of Genomes.*
6. Newman-Eerkes T.L. ,Tuzun, E. Hayden, K.E., Eichler, E.E. 2005. A fosmid paired-end strategy to identify large-scale structural variation between the human and chimpanzee genome. *Cold Spring Harbor Meetings; Biology of Genomes.*
7. Newman-Eerkes T.L., J.L. Young and B.J. Trask. 2004. Complex Evolution of 7E Olfactory Receptor Genes and Surrounding Segmental Duplications. *Cold Spring Harbor Meetings; Biology of Genomes.*
8. Newman-Eerkes, T.L., and B.J. Trask. 2001. Analysis of large-scale duplications involving human olfactory receptors. *9th International Conference on Intelligent Systems for Molecular Biology.*

Honors, Awards and Accomplishments

Genome Technology Online "PI of the Future"; Am. Soc. Human Gen. Postdoctoral Travel Award; Am. Soc. Human Gen. Member; NIH NRSA Postdoctoral Training Fellowship; Fred Hutchinson Cancer Research Center Travel Award; Fred Hutchinson Cancer Research Center Pilot Grant Award; NIH NRSA Predoctoral Training Fellowship; University of Colorado Women in Engineering scholarship.

Ron Glass, M.Sc.

Master diagnostician of quality and standard testing both nationally and internationally. Primary tasks include lead in research and development in all hemp Cannabis related projects. Provide extensive expertise to other scientist team members as needed and will oversee all laboratory structures, standards and processes.

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Masters of Science 1998: Wageningen University & Research Centre (WUR), Molecular Biology and Microbiology

Bachelor of Science 1982: Leeuwarden Agricultural College, Western agriculture Plant Breeding and Biochemistry

Published Literature

1. *A Qualitative and Quantitative HPTLC densitometry Method for the analysis of Cannabinoids in Cannabis sativa. L. Fishedick, Ronald Glass, Arno Hazekamp and Rob Verpoorte In: Phytochemical analysis. 2009, 20, 421-426.*

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3. *Published (WUR) "Cannabinoids; New Phyto-Based Lead Molecules for the Treatment of Insomnia, Obesity and Depression." 2012.*

Honors, Awards and Accomplishments

1.) *Founder / Director of Alpha Nova Holding BV. Alpha nova Diagnostics BV. Developing diagnostic test kits:*

** Cannabinoid Analytical Tool (CAT Alpha ®) improved version or, formerly Cannalyse ® and Cannalytics ®*

* BetaPAT (Pesticide Analysis Tool (bioassay based) ®

- 2.) *Revius College: Lecturer Biology substructure (IVBO / MAVO / Atheneum superstructure)*
Rotterdam Lyceum: Biology superstructure VWO ANW superstructure HAVO / VWO
Merediaan College: Biology superstructure VWO ANW superstructure HAVO / VWO HTS
Deventer: molecular. Hogeschool Leiden: Molecular Biology, Immunology (Kuby), Immunoassay.
- 3.) *Maripharm BV. Rotterdam / Lab: Schiedam West phytochemical laboratory examining quality control for Cannabis simplex for all pharmacists in the Netherlands.*

Anndrea Hermann, M.Sc.

Primary tasks include providing expert evaluation of all project oriented guidelines, standards, regulations and processes regarding hemp Cannabis. Management of project staff in agriculture aspects of government contracts. Works in conjunction with project leader to create and implement practical project work plans.

Masters of Science 2008: University of Manitoba, Canada, Hemp Fibre Agronomy

Pre Masters of Science 2004: University of Manitoba, Canada

Bachelors of General Studies 2002: Missouri Southern State University, Hemp Ecolonomics

Published Literature

3. *Canadian Hemp Industry Regulatory Review 2010: Selected Special Crops on the Canadian Great Plains in Recent Trends in Soil Science and Agronomy Research in the Northern Great Plains of North America.*

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25. *Certified Professional Agrologist-Manitoba 2004-Present, Institute of Agrologist*
26. *Health Canada Authorized THC, Seed, Derivative, and Crop Sampling with Transporting 2005-Present.*
27. *Member Canadian Environmental Working Groups-Natural Health Product Directorate & Special Crops Roundtable 2008-Present*
28. *Champion of the New Rural Economy, Manitoba Government 2011*
29. *Crop Diversification Foundation – Breeding Research Assistant*
30. *Canadian Minor Use Pesticide Hemp Representative 2008-Present*
31. *Canadian Provincial Nominee Award Unique Skilled Worker 2004*

32. *Biotech Lab – Hemp Testing Laboratory – Authorize Person In Charge*
33. *Hemp Trade Alliance – Scientific Advisor and peer elected Board and Special Committee Member*
34. *Manitoba Organic Alliance – Peer elected Board Member and Special Crops/Processors*
35. *Hemp Association Australia – Advisor to the Board*
36. *United Nations Hemp Development Program Advisor*

Klaas Hesselink

CEO of Cannatest and team leader in product quality standards and testing for I502. Liason with Julia Carrera and all science based staff.

Derek Houston, B.A.

Primary tasks include managing all aspects of day to day laboratory operations. Manage and implement system protocol for hemp cannabis analysis, including THC/Cannabinoid panels, molds and chemical contaminates to ensure public and product safety. Liaison for and oversight of overseas projects including European Parliament presentation with the Union Francophone for Cannabinoid Medicine; Hemp testing project for Hemporium and the South African Government; Product placement and quality assurance for prominent cannabis seed companies. Created UN based quality testing standards for application in daily laboratory operations.

Bachelor of Arts 2010 : Seattle University Major: International Relations Sociology and State Development

Mehdi Labaied, Ph.D.

Primary tasks include project, staff and laboratory management in all collaborative aspects. Lead in evaluating for potency, molds and chemical contaminants. Safety first coordinator.

Doctor of Philosophy 2003: National Museum of Natural History, Paris, France

Master of Science 1993: University of Tunis, Tunis, Tunisia

Bachelor of Science 1996: Biology, University of Tunis, Tunis, Tunisia

Published Literature

13. Holla H., Labaied M., Pham N., Jenkins I.D., Stuart K. & Quin R.J. (2011) *Synthesis of antitrypanosomal 1,2-dioxan derivatives based on a natural product scaffold. Bioorganic & Medicinal Chemistry Letters* 21(16):4793-4797.
14. Labaied M., Jayabalasingham B., Bano B., Cha S-J., Sandoval J., Guan G. & Coppens I. (2011). *Plasmodium salvages cholesterol internalize by LDL and synthesized de novo in the liver. Cell. Microbiol.* 12(4):569-86
15. Jacobs-Lorena V.Y., Mikolajczak S.A., Labaied M., Vaugh A.M. & Kappe S.H.I. (2010). *A dispensable Plasmodium locus for stable transgene expression. Mol Biochem Parasitol.* 171(1):40-44.
16. Labaied M., Harupa A., Dumpit R., Coppens I., Mikolajczak S.A. & Kappe S.H.I. (2007). *Plasmodium yoelii sporozoites with simultaneous deletion of P52 and P36 are completely attenuated and confer sterile immunity against infection. Infect Immun.* (75(8):3758-3768.
17. Labaied M., Camargo, N. & Kappe S.H.I. (2007). *Depletion of the Plasmodium berghei thrombospondin-related sporozoite protein reveals a role in host cell entry by sporozoites. Mol Biochem Parasitol.* 153(2):158=66.
18. Rasoanaivo P., Ramanitrahambola D., Rafatro H., Rakotondramanana D., Robijaona B., Rakotozafy A., Ratsimamanga-Urverg S., Labaied M., Grellier Ph., Allorge L., Mambu L. & Frappier F. (2004). *Screening plant extract of Madagascar for search of antiplasmodial compounds. Phytotherapy Research* 18(9):742-747.

Honors, Awards and Accomplishments

Patent (Co-Inventor): Live Genetically Attenuated Malaria Vaccine. Patent No. US2011/0033502A1

R. Erin Leary, M.Sc.

Primary tasks involve expertise in food, beverages, body care and botanical regulation. Utilizing five years of FDA and food grade herbs and botanicals standards and practices, assist in drafting regulations and guidelines to define good and best practice in all aspects of industry processing, with particular emphasis on infusion and edibles

Masters of Science 2013: Concentration: Biomedical Regulatory Affairs - University of Washington, Seattle, WA

Bachelor of Science 2008: Concentration: Herbal Sciences Bayster, WA

Published Literature

5. Leary, Erin (forthcoming 2013). *Macroscopic Characterization of Botanical Medicine. The American Herbal Pharmacopoeia.*
6. Leary, Erin (2007). *Seductress of the Bogs: Dionaea muscipula. Journal of the Northeast Herbal Association.*

Honors, Awards and Accomplishments

5. Leary, Erin & Eric McKinney (2012). *From Seed to Safe Use: Defining the Modern Apothecary. Webinar conducted for The American Herbalists Guild. 1/25/12.*
6. Leary, Erin & Eric McKinney (2012). *Preserving the Craft: An Introduction to cGMPs for Practitioners. Lecture conducted and recorded for The American Herbalists Guild.*

12. *Approach and Methodology*

Empirical research of public opinion and associated behavioral patterns is a complex, quickly evolving field. The two most prevalent methodological approaches currently in use – phone and web-based survey designs – carry specific strengths and weaknesses that must be addressed in order to obtain valid parameter estimates for a large population.

For example, whereas computer aided telephone interview (CATI) research is generally regarded as the most “reliable” approach for gathering information about large populations, changing patterns of telephone usage – particularly among young adults – make it more challenging to produce valid, population-representative samples within this method. Conversely, web-based survey techniques offer vastly lower per-respondent collection costs, but generally yield a population of digital responses that are less random and often demonstrate more bias toward sectors of the population who are more readily reachable via the internet, e.g. those under age thirty.

Despite these limitations, marginal collection costs for online-mediums are so low that post-facto population weighting or, in some cases, discarding suspect responses, can be accomplished without significantly changing a projects budget. Further, there are other means, such as a public marketing campaigns, which can help mitigate sampling bias and produce more population-representative samples.

Given that marijuana consumption is higher among the very groups most difficult to reach via traditional CATI-based research methodologies, we advocate the following “mixed-method” approach:

1. Confidential, CATI-based interviews conducted statewide with oversampling of the under-40 population.
2. Confidential, web-based survey administration to email panels with cookie-based identification to minimize response duplication.
3. A confidential web survey that would be distributed through public marketing and “snow-ball” sampling techniques. These parameter estimates will be weighted by known 2010 Census population parameters and compared with the estimates gathered in steps 1 and 2, above.
4. If necessary, a CATI-based sub-sampling of specific, area-representative counties to obtain more granular usage estimates within different parts of Washington State.

We are confident that the triangular approach outlined above (phone, email and publicly marketed web distribution) present the most methodologically sound approach to meeting the State’s broader research and policy objectives. We are also prepared, if budget constraints render this multi-pronged methodology unfeasible, to utilize – wholly or in part – digital/web-based survey methods in order to minimize costs for this component of the broader project.

During the phase of statistical analysis and report generation, our team is prepared to utilize its collective knowledge of marijuana consumption and distribution patterns in order to appropriately weight sample data and produce valid, statewide and intra-state/regional parameter estimates.

As the project evolves, we are also prepared to utilize professional contacts and “snow-ball” sampling techniques to estimate the production capacity needed to meet statewide, aggregate demand.

Category 4: Product Regulation

13. *Ability, Capacity and Skills:*

Our team brings extensive experience in all three levels of government processes and procedures to the project. The team's members not only have a broad background in regulatory affairs but also extensive experience in agriculture, food and drug regulation. Because we have maneuvered the federal, state and local regulation design landscape in the field of marijuana for several years, we possess the unique ability to predict the activities we would need to take in an industry that is in its infancy.

Our extensive knowledge base in international Cannabis product regulation, and demonstrated skills in the successful design of a model regulatory and licensing program qualifies us to help the Washington State Liquor Control Board in crafting system regulations that would stand up to even the harshest scrutiny.

14. *Experience*

Our project leader has spent the last three years assisting local and state agencies in establishing the regulation of marijuana in the interest of public safety. Our team leader has taken that marijuana product-regulation experience to the international realm at a federal level for more than 10 years.

Various team members have more than 10 years' experience in the local, state and federal regulatory environment as well as global experience in establishing product regulation for Cannabis. Our experience is unsurpassed; our skills are in place and our abilities resonate in all areas of the spectrum, from seed to safe use. This enables us to assist Washington State in developing a model marijuana regulatory system.

15. *Staff Qualifications and Capabilities:*

** All team members' curriculum vitae and references are available upon request.*

Sébastien Béguerie, M.Sc.

Expert in Cannabis/hemp Research in over seven European Countries. Team expert in national government standards, rules and regulatory structures for the Cannabis/hemp industry. Primary aspects include oversight of all quality standards and testing as it relates to I502 and K430. Advisor to North American research projects with a specialty in genetics and body care infusion.

Master in Plant Sciences 2011: University of Wageningen, Gederland, The Netherlands.

Master Internship 2010: Bedrocan B.V (medicinal Cannabis producer licensed by the Dutch minister of health and sport), under the supervision of Tjalling Erkelens. Veendam, The Netherlands Improvement of asexual reproduction of medicinal Cannabis varieties.

Master Thesis 2009: Laboratory of Plant Physiology of Wageningen University, under the supervision of Prof. Harro Bouwmeester and in collaboration with Bedrocan B.V. Wageningen, The Netherlands. Production improvement of medicinal Cannabis flowers using organic enhancer.

Bachelor of Science 2008: CAH Dronten, Flevoland, The Netherlands. Specialization: Plant Breeding

License Professionnel Techniques et Technologies Végétales 2008: Ecole Supérieure d'Agriculture, Angers, France

Bachelor Thesis 2008: Sperimentale per le Coltore Industriali (ISCI), under the supervision of Doctor Gianpaolo Grassi. Rovigo, Italy. Cloning of medicinal Cannabis.

Internship in quality control laboratory for medicinal and aromatic 2007: VNK herbs, Biddinghuizen, The Netherlands. Referencing the therapeutical properties of VNK's herbs catalog.

Internship in a horticultural research center 2006: Syndicat du centre régional d'application et de démonstration horticole (SCRADH), Hyères. France. Biological control in Gerbera production in greenhouse

BTS en Productions Horticoles (equivalent of HND) 2006: MFR Lambesc, Aix-en-Provence, France.

Baccalauréat Scientifique 2004: Lycée Daumier, Marseille, France.

Honors, Awards and Accomplishments

13. Founder of Société CANEBE s.a.r.l. Marseille, France.
14. Specialist in hemp production for the cosmetic industry.
15. Founder of Alpha-CAT (Cannabinoid Analysis Test). Marseille, FRANCE. Specializing in Thin Layer Chromatography analysis for Cannabinoid detection and quantification.
16. Co-Founder and coordinator, UFCM (Union Francophone pour les Cannabinoïdes en Médecine). Representing the International Association of Cannabinoid Medicine (IACM) in France.

Julia Carrera, M.Ac.

Primary task is managing and directing all aspects of I502 and K430. Contact and liaison to State of Washington Liquor Control Board and departments under their jurisdiction. Expert in production, processing and retailing best standards, guidelines

and regulations. With legal counsel, detailed interpretation of laws, regulations and guidelines for project team to follow. Administer project work plan for I502 and K430. Coordinate stakeholders for input on necessary outputs. Provide expertise in the areas of production, processing, regulation and public safety in all four categories of K430. Work directly with team leaders to fine tune approach taken for the final result of all assignments and projects.

Master of Acupuncture 2005: Academy for Five Element Acupuncture

Bachelors of Art 1986: St. Mary's College of California

Honors, Awards and Accomplishments

Nationally recognized as only individual in the United States with exponential regulatory and licensing experience in the newly emerging marijuana industry.

Derek Darves, Ph.D.

Primary task is heading up all sociological research. Designs and/or implements research methodology systems to attain the highest quality statistical data and associated reporting possible. Analyze, reporting and management of all data gathered, including database management. Provides management of sociological research team members.

M. Divinity 2009: General Theological Seminary

Ph.D., Sociology 2006: University of Oregon. Dissertation: Corporate Trade Policy Activism: Network and Organizational Determinants.

M.S., Sociology 2003: University of Oregon

B.A., Sociology 2001: Reed College

Published Literature

16. Dreiling, Michael and Derek Darves. 2011. "Corporate Unity in American Trade Policy: A Network Analysis of Corporate-Dyad Political Action." *American Journal of Sociology* 116:1514-1564.
17. Church Pension Group Office of Research. 2012. "Whither Thou Goest: Assessing the Current State of Seminaries and Seminarians in the Episcopal Church."
18. Darves, Derek and Michael Dreiling. 2006. "Corporate Political Action and Global Trade Regimes: Fortune 500 Firms in the U.S. Trade Policy Formation Process." *Research in Political Sociology* 15.
19. Darves, Derek. "Divided Church is Dividing the Nation," *The Witness*, Oct 2004.

20. Darves, Derek and Michael Dreiling. 2002. "Corporate Political Networks and Trade Policy Formation." *Humanity and Society* 26: 5-27.

Honors, Awards and Accomplishments

19. "Network Graphs and Incorporated Comparisons: The Business Roundtable, the Nixon Administration, and the Rise of Neoliberal Globalization." (with Michael Dreiling). *Pacific Sociological Association Annual Meeting*, 2013
20. Panel Discussant. "2007 Globalization and Catholicity Conference / IFI-TEC Concordat Council." *Desmond Tutu Center*, New York.
21. "Agents of Globalization: Corporate Political Networks and Trade Policy Formation." (with Michael Dreiling). *American Sociological Association Annual Meeting*, Montreal, Canada, 2006.
22. "Corporate Political Networks" (with Michael Dreiling). *Sunbelt 25th Annual International Social Network Conference*. Redondo Beach, CA 2005
23. "Corporations and Global Trade Regimes: The Advisory Committee on Trade Policy and Negotiations to the President." *Pacific Sociological Association Annual Meeting*, Vancouver, 2002.
24. "Corporate Political Action and Global Trade Regimes: Fortune 500 Firms in the U.S. Trade Policy Formation Process." *American Sociological Association Annual Meeting*, Anaheim, 2001.

Natalie Darves-Bornoz, B.A

Primary tasks are supporting Julia Carrera in all aspects of Julia Carrera & Associates and the K430 Project. Research implementation of product usage and consumption and validation techniques. Give input to all aspects of production, processing and retailing standards, guidelines and protocol.

Honors B.A. Sociology 2003, University of Oregon

Honors, Awards and Accomplishments

Certified Master Gardener 2013: University of California Regents Extension Education Program

Ron Glass, M.Sc.

Master diagnostician of quality and standard testing both nationally and internationally. Primary tasks include lead in research and development in all hemp Cannabis related projects. Provide extensive expertise to other scientist team members as needed and will oversee all laboratory structures, standards and processes.

Masters of Science 2002: University of Utrecht (IVLOS training), Biology and First grade

power General Science

Masters of Science 1998: Wageningen University & Research Centre (WUR), Molecular Biology and Microbiology

Bachelor of Science 1982: Leeuwarden Agricultural College, Western agriculture Plant Breeding and Biochemistry

Published Literature

1. *A Qualitative and Quantitative HPTLC densitometry Method for the analysis of Cannabinoids in Cannabis sativa. L. Fishedick, Ronald Glass, Arno Hazekamp and Rob Verpoorte In: Phytochemical analysis. 2009, 20, 421-426.*

Published Abstracts

4. *Published (WUR) "Cannabinoids; New Phyto-Based Lead Molecules for the Treatment of Insomnia, Obesity and Depression." 2012.*

Honors, Awards and Accomplishments

1.) *Founder / Director of Alpha Nova Holding BV. Alpha nova Diagnostics BV. Developing diagnostic test kits:*

** Cannabinoid Analytical Tool (CAT Alpha ®) improved version or, formerly Cannalyse ® and Cannalytics ®*

** BetaPAT (Pesticide Analysis Tool (bioassay based) ®*

2.) *Revius College: Lecturer Biology substructure (IVBO / MAVO / Atheneum superstructure)
Rotterdam Lyceum: Biology superstructure VWO ANW superstructure HAVO / VWO
Merediaan College: Biology superstructure VWO ANW superstructure HAVO / VWO HTS
Deventer: molecular. Hogeschool Leiden: Molecular Biology, Immunology (Kuby), Immunoassay.*

3.) *Maripharm BV. Rotterdam / Lab: Schiedam West phytochemical laboratory examining quality control for Cannabis simplex for all pharmacists in the Netherlands.*

Anndrea Hermann, M.Sc.

Primary tasks include providing expert evaluation of all project oriented guidelines, standards, regulations and processes regarding hemp Cannabis. Management of

project staff in agriculture aspects of government contracts. Works in conjunction with project leader to create and implement practical project work plans.

Masters of Science 2008: University of Manitoba, Canada, Hemp Fibre Agronomy

Pre Masters of Science 2004: University of Manitoba, Canada

Bachelors of General Studies 2002: Missouri Southern State University, Hemp Econometrics

Published Literature

4. *Canadian Hemp Industry Regulatory Review 2010: Selected Special Crops on the Canadian Great Plains in Recent Trends in Soil Science and Agronomy Research in the Northern Great Plains of North America.*

Honors, Awards and Accomplishments

37. *Certified Professional Agrologist-Manitoba 2004-Present, Institute of Agrologist*
38. *Health Canada Authorized THC, Seed, Derivative, and Crop Sampling with Transporting 2005-Present.*
39. *Member Canadian Environmental Working Groups-Natural Health Product Directorate & Special Crops Roundtable 2008-Present*
40. *Champion of the New Rural Economy, Manitoba Government 2011*
41. *Crop Diversification Foundation – Breeding Research Assistant*
42. *Canadian Minor Use Pesticide Hemp Representative 2008-Present*
43. *Canadian Provincial Nominee Award Unique Skilled Worker 2004*
44. *Biotech Lab – Hemp Testing Laboratory – Authorize Person In Charge*
45. *Hemp Trade Alliance – Scientific Advisor and peer elected Board and Special Committee Member*
46. *Manitoba Organic Alliance – Peer elected Board Member and Special Crops/Processors*
47. *Hemp Association Australia – Advisor to the Board*
48. *United Nations Hemp Development Program Advisor*

Klaas Hesselink

CEO of Cannatest and team leader in product quality standards and testing for I502.
Liason with Julia Carrera and all science based staff.

Derek Houston, B.A.

Primary tasks include managing all aspects of day to day laboratory operations. Manage and implement system protocol for hemp cannabis analysis, including THC/Cannabinoid panels, molds and chemical contaminants to ensure public and product safety. Liaison for and oversight of overseas projects including European Parliament presentation with the Union Francophone for Cannabinoid Medicine; Hemp testing project for Hemporium and the South African Government; Product placement and quality assurance for prominent cannabis seed companies. Created UN based quality testing standards for application in daily laboratory operations.

Bachelor of Arts 2010 : Seattle University Major: International Relations Sociology and State Development

Mehdi Labaied, Ph.D.

Primary tasks include project, staff and laboratory management in all collaborative aspects. Lead in evaluating for potency, molds and chemical contaminants. Safety first coordinator.

Doctor of Philosophy 2003: National Museum of Natural History, Paris, France

Master of Science 1993: University of Tunis, Tunis, Tunisia

Bachelor of Science 1996: Biology, University of Tunis, Tunis, Tunisia

Published Literature

19. Holla H., Labaied M., Pham N., Jenkins I.D., Stuart K. & Quin R.J. (2011) Synthesis of antitrypanosomal 1,2-dioxan derivatives based on a natural product scaffold. *Bioorganic & Medicinal Chemistry Letters* 21(16):4793-4797.
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21. Jacobs-Lorena V.Y., Mikolajczak S.A., Labaied M., Vaugh A.M. & Kappe S.H.I. (2010). *A dispensable Plasmodium locus for stable transgene expression.* *Mol Biochem Parasitol.*

171(1):40-44.

22. Labaied M., Harupa A., Dumpit R., Coppens I., Mikolajczak S.A. & Kappe S.H.I. (2007). *Plasmodium yoelii* sporozoites with simultaneous deletion of P52 and P36 are completely attenuated and confer sterile immunity against infection. *Infect Immun.* (75(8):3758-3768.
23. Labaied M., Camargo, N. & Kappe S.H.I. (2007). Depletion of the *Plasmodium berghei* thrombospondin-related sporozoite protein reveals a role in host cell entry by sporozoites. *Mol Biochem Parasitol.* 153(2):158-66.
24. Rasoanaivo P., Ramanitrahasimbola D., Rafatro H., Rakotondramanana D., Robijaona B., Rakotozafy A., Ratsimamanga-Urøerg S., Labaied M., Grellier Ph., Allorge L., Mambu L. & Frappier F. (2004). Screening plant extract of Madagascar for search of antiplasmodial compounds. *Phytotherapy Research* 18(9):742-747.

Honors, Awards and Accomplishments

Patent (Co-Inventor): *Live Genetically Attenuated Malaria Vaccine*. Patent No. US2011/0033502A1

R. Erin Leary, M.Sc.

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7. Leary, Erin (forthcoming 2013). *Macroscopic Characterization of Botanical Medicine. The American Herbal Pharmacopoeia.*
8. Leary, Erin (2007). *Seductress of the Bogs: Dionaea muscipula. Journal of the Northeast Herbal Association.*

Honors, Awards and Accomplishments

7. Leary, Erin & Eric McKinney (2012). *From Seed to Safe Use: Defining the Modern Apothecary. Webinar conducted for The American Herbalists Guild. 1/25/12.*

8. *Leary, Erin & Eric McKinney (2012). Preserving the Craft: An Introduction to cGMPs for Practitioners. Lecture conducted and recorded for The American Herbalists Guild.*

16. *Approach and Methodology:*

We believe Washington State has an opportunity to set a national example in regulation of Cannabis. Our team would bring the optimal approach to design the state regulations that would be readily integrated with established federal guidelines for related industries, while avoiding Cannabis' classification as a regulated product.

Addressing the unique and exceptional circumstances with the scheduling of marijuana would involve the incorporation of regulatory strategies from portions of federal agricultural, cosmetic, dietary supplement, tobacco, medical device and pharmaceutical agencies that have potential applications within the Cannabis industry. Using a classification and labeling scheme similar to the one allowed for FDA regulated products and those under the jurisdiction of Alcohol, Tobacco and Firearms would facilitate concordance with applicable federal regulations. This cost effective approach would permit Washington State regulations to achieve some semblance of concordance with federal regulations. This most likely would prove advantageous to Washington's new Cannabis industry and regulation in the event of federal scrutiny or should federal legalization occur.

Good manufacturing practices (GMP) are a requisite when establishing a new regulatory framework. Using our Cannabis industry expertise, we would be well positioned to prepare, develop and recommend minimum requirements for quality including microbial load, identity, purity, strength and composition.

Of necessity, components of product regulation are applicable to other categories stipulated in the K430. Therefore, we propose that the following regulatory framework and associated guidelines be produced for the Cannabis industry of Washington State. We have organized these components as they relate to the various categories:

Category 1: Product and Industry Knowledge

1. Good Agricultural Practices (GAP) for marijuana cultivation:
 - A. Pre-Harvest:

- Propagation material, site selection, crop fertilization, irrigation, environmental resource protection, crop protection and maintenance and harvest.
 - B. Post-Harvest:
 - Handling, facilities and equipment, cleaning/milling, dehydration, holding, distribution, and representative samples.
- 2. Good Manufacturing Practices (GMP) for marijuana products, packaging, labeling, holding and distribution:
 - A. Facility standards
 - B. Personnel requirements
 - C. Equipment and utensil requirements
 - D. Labeling and packaging requirements
 - E. Quality-control requirements
 - F. Manufacturing-control requirements
 - G. Analytical-testing requirements
 - H. Written procedure and recordkeeping requirements

Category 2: Product Quality standards and testing

1. Quantifiable quality standards for identity, purity, strength and composition
2. Labeling and packaging requirements

Category 3: Product Regulation

1. GAP Guidance
2. GMP Guidance
3. Claim and advertising regulation
4. Pre-market notification system and requirements:
 - a. Facility registration
 - b. Product registration
 - c. Representative sample of packaging/labeling
 - d. Claim substantiation
5. Pre-market notification guidance
6. Adverse-event reporting
7. Recall regulations

Under these regulations, the manufacturing and distribution of marijuana and its related products would be regulated by standards of quality and subject to traceability requirements. Enforcement of regulatory requirements would hinge on site audits to be performed as a part of the state licensing program, as well as routine follow-up

inspections to ensure continued compliance. Additional needs will likely become apparent as the structure of regulations are developed, and we are prepared to meet those needs in a timely and cost effective manner.



Julia Carrera & Associates

February 14, 2012

LETTER OF SUBMITTAL

Washington State Liquor Control Board

Attn: Mr. John Farley, Contracts Specialist

3000 Pacific Ave. S.E./PoBox 43090

Olympia, Washington 98504-3090

Members of the Board and Mr. Farley,

We are pleased to submit to you our response proposal to K430 Initiative 502 Consulting Services Request For Proposal (RFP). This, indeed, is a historical milestone for the State of Washington and the proposing consultants.

Our firm comes to you with the necessary credentials and experience befitting the opportunity that lies before you all. With our common sense attitude, cost effective techniques, and innovative approach to your RFP, we bring a high level of energy to meet the aggressive implementation timeline.

We truly understand the unique and exceptional circumstances that await a new regulatory framework for I 502 implementation. We balance the need to control the risks of diversion and the risks to public safety and security of the public, with the need to encourage private sector participation all while reducing start-up and overall costs of doing business in a new regulated market as paramount. Simply said, we are ready to win this contract!

We look forward to a mutually beneficial partnership with the Washington State Liquor Control Board and the great state of Washington in creating a model regulatory system in this emerging industry for our nation. We believe that the State of Washington is poised to create not only a new regulatory approach, but to create a system to be proud of.

Best Regards,

Julia Carrera, M.Ac., Owner

Attachment to Letter of Submittal

Legal Individual with whom contract will be written:

Julia Carrera

PO Box 724

Ukiah, CA 95472

PO Box 10675

Bainbridge Island, WA 98110

707.489.0996

Fax: 707.462.1316

Email: julia.inspector@gmail.com

There are no other principle officers of the firm.

Julia Carrera & Associates is responding to all four categories:

Category 1: Product and Industry Knowledge

Category 2: Product Quality Standards and Testing

Category 3: Product Usage and Consumption Validation

Category 4: Product Regulation

There are no employees or subcontractors that have been or are state of Washington employees.

Norton, Melissa K

From: Kate Cholewa <kc@bresnan.net>
Posted At: Friday, February 15, 2013 7:59 AM
Conversation: RFP-K430, KMC Strategic Communications, LLC
Subject: RFP-K430, KMC Strategic Communications, LLC

RFP Response attached.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Kathleen (Kate) Cholewa

Proposer Signature

Owner

Title

KMC Strategic Communications, LLC

Company Name

Feb 14, 2013

Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name KMC Strategic Communications, LLC
 Street Address 727 Hillside
 City, State, Zip Helena, MT 59601
 Federal Tax ID Number PersonallInfo
 UBI _____
 Website URL _____

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name: Kate Cholewa
 Telephone: 406.459.4092
 Email: kmcstrategiccommunications@gmail.com or kc@bresnan.net

Payment Options:

YES x NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount _____ % _____ days, net 30 days.

YES x NO Will you accept the State's Purchasing Card (P-Card)?

x YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	x <input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

<p>Subcontractor 1</p> <p>Name: <u>Jorge Quintana, JD</u></p> <p>Services: <u>Attorney, legal</u></p> <p>Address: <u>102 S. Beattie St</u></p> <p>Telephone: <u>406.431.7718</u></p> <p>Email: <u>quintanaj@outlook.com</u></p> <p>Fed ID: <u>SS# will be provided prior to any execution of contract</u></p> <p>UBI: _____</p> <p>Work to be Performed: <u>Final drafting and legal review of administrative rules</u></p> <p>OMWBE certified: <u>___ Yes <input checked="" type="checkbox"/> No</u></p>	<p>Subcontractor 2</p> <p>Name: _____</p> <p>Services: _____</p> <p>Address: _____</p> <p>Telephone: _____</p> <p>Email: _____</p> <p>Fed ID: _____</p> <p>UBI: _____</p> <p>Work to be Performed: _____</p> <p>OMWBE certified: <u>___ Yes ___ No</u></p>
<p>Subcontractor 3</p> <p>Name: _____</p> <p>Services: _____</p> <p>Address: _____</p> <p>Telephone: _____</p> <p>Email: _____</p> <p>Fed ID: _____</p> <p>UBI: _____</p> <p>Work to be Performed: _____</p> <p>OMWBE certified: <u>___ Yes ___ No</u></p>	<p>Subcontractor 4</p> <p>Name: _____</p> <p>Services: _____</p> <p>Address: _____</p> <p>Telephone: _____</p> <p>Email: _____</p> <p>Fed ID: _____</p> <p>UBI: _____</p> <p>Work to be Performed: _____</p> <p>OMWBE certified: <u>___ Yes ___ No</u></p>

LETTER OF SUBMITTAL

To the Washington Liquor Control Board:

Enclosed is a proposal for Category 4: Product Regulation in response to RFP K430.

Just as the regulatory system to be structured for the provision of the adult use of marijuana must be designed so that those who participate will meet identified LCB goals for the system, so must the roadmap for creating those rules be structured so that those experts who participate (Categories 1, 2, and 3) meet identified LCB goals. The goal of the enclosed proposal is to serve as plan, template, and infrastructure to guide category experts in a focused, goal-driven, efficient process resulting in a thorough, vetted, professional set of administrative rules for the provision of the adult use of marijuana in Washington.

If chosen as the successful candidate for Category 4, the individual and legal entity would be as follows:

KMC Strategic Communications, LLC
Kate Cholewa
727 Hillsdale
Helena, MT 59601
406.459.4092
kmcstrategiccommunications@gmail.com
or kc@bresnan.net

Though based in Helena, Montana, if chosen as the successful candidate, the Proposer would relocate to Olympia, Washington through at least December 2013. Subcontractor Jorge Quintana would be located in Helena, Montana and come to Washington as deemed necessary for successful execution of the contract.

There are no state employees or former state employees connected to KMC Strategic Communications, LLC and no governing Board.

Attachment A reiterates the information herein. Attachment B includes a list of references for Proposer Kate Cholewa.

Thank you for your consideration.

Sincerely,

Kate Cholewa
KMC Strategic Communications, LLC

NON-COST PROPOSAL

CATEGORY 4 – PRODUCT REGULATION

13. Ability, Capacity and Skills

The Proposer, Kate Cholewa, provides the skills, background, and experience to work at the local, State, and Federal levels and possesses the capacity to establish a regulatory system crafted in accordance with standing established legal parameters (I 502), stakeholder input, and identified Washington LCB goals. Work experience in these areas shall be covered in #14.

The Ability, Capacity and Skills derived from training and experience offered in this proposal include:

- Experience in carrying out a policy initiative from the formulation of an idea to full implementation of statewide policy
 - Fluency with state government infrastructure
 - Fluency with state legislative processes
 - Twenty-two years experience working with state bureaucracies on policy development and implementation
 - Experience in crafting administrative rule proposals and state legislation
 - Experience working with organizational and governmental Boards, including those determining the provision of services based on population numbers and demographics, and Boards governing professional scopes of practice
 - Ability and experience in analyzing and drafting administrative rule change proposals, particularly in the areas of human service programming administration, job training programs, scope of practice for alternative health providers, and medical marijuana program implementation
 - Ability and experience in executing correspondence with federal officials and agencies to establish any groundwork determined necessary or appropriate
 - Ability and experience with elected officials on state and local levels in developing strategy for executing policy objectives
 - Ability to clearly articulate and provide clear materials to officials and government entities that explain undertaken processes and results
 - Experience in analyzing the needs of local government and local governmental authority
 - Experience and skill in negotiating conflicts between state and local policies
-
- Ability to accurately assess current conditions in reference to identified regulatory objectives
 - Extensive experience in designing and facilitating a process for establishing core policy/regulatory goals
 - Experience in identifying stakeholders
 - Experience and skill in designing and implementing statewide stakeholder input processes
 - Skill and experience in identifying core needs and concerns from stakeholder input
 - Experience and ability to integrate information from a variety of sources in generating functional policy/regulation

- Ability to accurately identify the optimal sequence of implementation to maximize system infrastructure stability and goals
 - Extensive experience working in stakeholder processes that involve a diversified stakeholder group, which include citizens, service/product providers, clients, government bureaucracies, interest groups, professional Boards, and elected officials and their representatives
 - Ability to utilize regulatory provisions to maximize the proper functioning of subsystems for greater results in achieving the goals of the larger system
-
- Ability and skill in crafting rules and laws as subsets of higher order rules and laws
 - Ability and skill in identifying and rectifying loopholes in rules and laws that can be exploited to subvert a system's regulatory objectives
 - Ability and experience in designing evaluation tools and feedback systems
 - Ability to build controls into a regulatory system that support regulatory objectives
 - Capacity to work with national organizations and utilize available resources

The Ability, Capacity and Skills to carry out the objectives of this proposal are the results of three areas of experience and expertise.

1. Cholewa has more than two decades of professional political experience working on policy issues at the local, state, and national level. The work has included policy and regulation drafting, analyzing, messaging, and lobbying. This experience also includes structuring and conducting stakeholder input processes and overall project strategy.
2. Cholewa has utilized applied systems theory in developing policy and regulations for 15 years. A problem with many medical marijuana systems is that the system was designed as a program when it is, in fact, a market. As an overt adult-use market, the Washington regulatory model must consider the reality of market dynamics and create an infrastructure for the market that meets identified system goals, such as functionality, safety, transparency, and containment. The goals of the system must be reflected in the subsystems in order to express comprehensively. Systems don't follow rules so much as they use rules to meet their goals. This understanding of systems is critical for a successful state model.
3. Cholewa brings to the project and process training in structural dynamics. Structural relationships within the system will give rise to consistent patterns of behavior. Coming from this framework, we can craft a system with built in controls that facilitate realizing identified system goals and decreases the need for external controls, such as law enforcement.

14. Experience

Below are a few concrete examples from twenty-two years working in public policy development that demonstrate experience creating/modifying law, rule, ordinance, or guidelines and working within the confines of a regulatory system.

Experience includes identifying small modifications to create better system functionality and also creating policy aimed at pressure points in a system in order to shift it into another model as smoothly as possible. In addition, experience includes resolving tension between competing systems by building dynamic bridges that resolve the tension by linking the systems into functioning at a higher order.

Statewide Stakeholder Input/Crafting Changes to Law/Working within Multi-level Regulations or Rules

After the passage of welfare reform in the late 90s, the national program design was being changed to a block grant model and states were provided a window to apply for waivers (substitute programming) to some of the new regulations. The state block grant funds consisted of both federal and state dollars and different rules applied to the spending of each, which created parameters for program design.

A team formed to craft a plan for revamping the state public assistance program under federal waivers. Cholewa served as the policy development person. Other team members included an academic (statistics and research), a constituency group director, and a family services professional. The 2-year project was funded by a competitive grant from the Northwest Area Foundation. The team identified stakeholders and held input sessions throughout the state collecting input from government agencies, NGOs, citizens groups, local government, and more. As policy point person, Cholewa organized collected data and structured a new model for public assistance utilizing the parameters set by state and federal law. National policy groups provided technical assistance when needed. The model was created in reference to goals established during the stakeholder input process.

Three pieces of legislation resulted from the process and were adopted by a political organization that then hired Cholewa to serve as the lobbyist and legislative strategist for the three bills. Each of the three bills represented a different level of restructuring the state program and agency.

Assessing Systems and Creating or Modifying Law to Generate Functionality

This example also involved a stakeholder input process that was more abbreviated than the above and involved the needs arising more from geographical diversity (rural vs. urban) than philosophical diversity. The state Coalition Against Domestic and Sexual Violence, as well as others and elected officials, were aware that a failure in the criminal justice system for domestic violence offenders was that there were no consequences for first and second time offenders, misdemeanor offenses. A state senator particularly bothered by this failure in the system was committed to introducing legislation to make the 2nd offense a felony in order to create consequences. Working with the Coalition from a systems perspective, Cholewa crafted with the group legislation and a funding mechanism to address the issue at the systems level to make the available system function as intended rather than pursuing a solution (higher penalties) that stressed other systems (prisons). Whereas increasing penalties cost over \$10 million, the solution offered by the Coalition cost several hundred thousand and involved providing more misdemeanor parole officers so the system could work in a manner that achieved its goals. The

difference of orientation is what is critical. One focused on the people (who weren't facing consequences), the other focused on creating a functioning system.

Working with Marijuana Policy, Business Structures, and Regulation

Cholewa spent 2009-10 talking to growers, manufacturers, lab operations, physicians, and scientists in several states about individual business models, utilization of statutory infrastructure to justify business models, plant chemistry and its measurement, and more. After surveying the state system, Cholewa organized a small group that represented science and Best Practices and served as their lobbyist in 2011 as the Alliance for Cannabis Science. The group included physicians, testing labs, and businesses demonstrating innovative practices such as energy efficient growing or client-focused storefront models. Cholewa worked with state legislators on system needs and designed a system for transitioning the state system from a faulty, "jerry-rigged" system to a functional, safe, transparent system. (Due to federal raids during the legislative process that instigated the dismantling of the state medical marijuana program, the legislation was not introduced.) Cholewa's twenty year history in state politics made her a reliable source on a controversial subject and she provided analysis of current laws and proposed law to the public, elected officials, the state Governor's Office, candidates, and individuals participating in the system. She has a basic working knowledge of cannabis science and knowledge of business practices/tools that can enable the system to optimize in relation to identified system goals. She served as policy director/communications for the Montana Cannabis Industry Association in 2011 where she crafted and implemented communication strategies; provided analysis of new statutes and the lawsuit challenging the new statutes; conducted correspondence and outreach with state and federal officials; and analyzed and successfully proposed changes to the administrative rules for the new laws implementation.

Cholewa served as a panelist on the economics of medical marijuana at the national Drug Policy Alliance conference in 2011 and on a panel in Garberville, CA in 2010 on strategies for shifting the black market economy in Humboldt, CA to a legitimate marketplace.

Working with Local Government/Ordinances

Cholewa currently serves as lobbyist for the 2nd largest city in the state. Though the experience is not with directly creating and/or modifying local ordinances, the experience does involve working with these local initiatives as they interact with state policy. Additional experience in local government level regulations includes consolidating stakeholder input for a school district school-to-work model.

Rules and Professional Boards

Cholewa has experience with rule changes within professional scope of practice statutes and administrative rules, as well as experience with statewide Boards creating job-training programming and channeling resources based on demographics.

Additional Experience

The above examples demonstrate not only action to alter systems, but required understanding regarding allowable activity within the reigning parameters. Additional experience includes understanding and following rules governing micro-business lending which entailed rules regarding lending as well as the rules regarding the investing of state funds. This work included complicated negotiations regarding the roles of state and tribal court systems. Cholewa has also participated in developing Best Practices in several areas of programming and policy.

All of the above involve the work of structuring relationships among system components in such a way to drive the system toward identified goals within given legal parameters.

15. Staff Qualifications and Capabilities

Responsibility: This RFP response proposes the category 4 candidate, Cholewa, serve as Project Manager. In this role she will provide the overarching strategy for stakeholder input and integration.

Qualifications: Cholewa has crafted strategy for achieving policy objectives for more than twenty years and has designed and implemented processes for doing so by integrating stakeholder interests and lining up their objectives to conform with any governing rules and/or regulations. (See #13 and #14.) Her experience also enables her to distinguish stakeholders' special interests from the system's needs.

Notable policy achievements include playing a lead role in the welfare reform/block grants efforts of the late '90s, having spearheaded the statewide comprehensive policy development process and legislative effort. Though only one of three pieces of legislation ultimately succeeded, it was the turning point in the politics of low-income programming in the state. In fact, the failure of the introduced policy changes resonate to this day in terms of problems and lack of transparency in the state Family Services Division.

An additional accomplishment was increasing the dollars in, and strengthening the structure of, domestic violence programming and its criminal justice component. Three pieces of legislation were crafted from this stakeholder input process. Each entailed the development of a separate funding mechanism, whether raising fees or accessing general funds. In one legislative session, the success of this effort not only increased the functionality of the system but also raised the state funding in the system from the low to mid five figures to nearly half a million in permanent funding.

A success of different order includes lobbying on behalf of medical marijuana issues in the 2011 legislative session in which those working for the issue were identified as a state "scourge" and treated like criminals during legislative proceedings. In working on the issue, one either brought legitimacy to it, or lost their legitimacy by working on the issue. The ability to continue to work in politics and get work outside the issue that entails a public profile speaks to the accomplishment of bringing legitimacy to the issue and not losing it by being identified with it.

Responsibility: Cholewa will be responsible for overall system development and comprehensive system analysis.

Qualifications: Beyond concrete system and program development in legislative, organizational, and governmental work, Cholewa has studied systems theory for 17 years, including the work of Kevin Kelly, Donella H. Meadows, Peter Schwartz, Ralph D. Stacy, and writers of the Santa Fe Institute. She applies the knowledge of system dynamics in creating and reading relationships among system components, system rules, and system goals. An understanding of feedback systems and feedback cycles enables her integrate transparency and evaluatory data production into the system itself. Systems "learn" whether one wants them to or not. It's a property of systems. Understanding that allows for a greater capacity for troubleshooting models. She is also experienced in identifying leverage points and the system traps that can undermine goals.

Cholewa has also been a student of structural dynamics for six years, studying with a student of Robert Frist, a global leader in structural thinking and structural dynamics. A component of structural dynamics critical to the task of creating a regulatory system for marijuana is to build the system from the bottom up and craft each layer of the system to serve its goals as well as serve as

a working foundation for the next level of system complexity. Constructing systems with structural dynamics in mind serves to create a system that drives the components within it toward desired outcomes/behavior.

Using the science of systems in her political work has enabled Cholewa to both create complicated policies when necessary and also identify where a system will go given a statutory infrastructure and evaluate whether the rules are driving the system toward the stated goals, ulterior goals, or mistaken goals.

Responsibility: Cholewa will be responsible for project communications.

Qualifications: Cholewa received a BA in Rhetoric from the University of Illinois in Champaign-Urbana and earned an MFA in Creative Writing and a MA in English (Teacher training and curriculum development emphasis) from the University of Montana, Missoula. Four months after graduating from the U of M, she was hired as a lobbyist where her focus was the state budgetary process in the area of health and human services. Her resulting understanding of the state budget allowed her to become self-employed four years later. The teaching emphasis in her MA provided foundational training for much of her work in training organizations, boards, and constituency groups how to organize for effectiveness. It also contributes to her ability to “step down” or translate complicated information in ways that induce understanding and promotes real participation. Her writing training, and in broader terms, communications capacity, has resulted in successfully representing clients in print, interviews, and spokesperson capacities. She is experienced in creating position papers, talking points, and press releases. Cholewa has published in *The Progressive*, earned the Fiction Fellowship in graduate school, and has been a commentator for Montana Public Radio for sixteen years.

Cholewa’s teacher training background created an orientation toward working with groups that emphasizes comprehension, participation, buy-in, and achieving win-wins, which has been Cholewa’s orientation to working in policy development and legislative processes.

Cholewa has kept two well-followed blogs (200-2000 regular hits) that has tracked state medical marijuana program developments, the state legislative process on medical marijuana issues, and the unfoldment of the federal court cases against federally indicted state medical marijuana providers. Blogs were taken offline due to her current representation of other clients.

Cholewa’s writing and rule crafting skills will be used to create a clear draft of proposed rules for the marijuana regulatory system in WA. The subcontractor in this proposal will provide legal review and additional expertise in regards to the formal drafting. Subcontractor, Quintana, has 13 years experience as an attorney. As Chief Legal Counsel for the MT Secretary of State, he has drafted rules, reviewed them, and served as Rules Reviewer for the Agency.

Responsibility: Cholewa will be responsible for evaluation components/project tracking.

Qualifications: Both the regulation system itself and the project that develops it must have internal evaluating and tracking components. Cholewa has developed several program/project evaluation components, has had two formal trainings in evaluation techniques, and recently designed the evaluator RFP for a federally funded technology project for the state Office of Public Instruction.

16. Approach and Methodology

Every state is unique and shifting marijuana's legal status, whether for medical or adult use, requires a calculated process to garner the best possible system for a given state. The answer doesn't exist pre-packaged. But there are processes with lesser and greater capacity to result in targeted outcomes. The initial infrastructure starts with the parameters of I-502. The next frame out includes the goals of Board of Liquor Control, then stakeholder interest. Then the abundant, available expertise and opinion on product, labs, and manufacturing is brought in to serve identified objectives.

LCB objectives are likely to include **functionality** and **safety** as fundamental to any system accessed by the public. **Transparency** becomes a necessary objective in order to know if the goals of functionality and safety are being met and where the glitches lie if they are not. Functionality, safety, and transparency are the foundation for **containment**, which in turn increases safety for the new state businesses from federal raids and life-altering federal arrests.

The completed administrative rules for the adult use marijuana market will be achieved through the following process.

After meeting with the LCB to determine initial needs and objectives, the experts from category 1 and 2 will review available best practices and expert opinions. Data will be gathered and sorted through the lens of the goals of the LCB and the system's fundamental goals (functionality, safety, transparency, containment (FSTC)). Loose models to provide starting points will be generated. These loose models will be taken first to the LCB. After integrating LCB input, models will be taken to stakeholder groups including those participating in businesses, the consumers, and the communities who will be home to this emerging market. Citizen concerns about the new businesses' community profiles will also be collected.

The data gathered will be compiled and integrated into the model-generating process and brought back to the LCB for further examination and input. Data gaps will be identified. Further research, interviews, etc will be undertaken. Specialists, if and when desired, will be brought to the board for presentations. Cholewa will provide analysis to the LCB as to what rules are necessary to the system and its goals; what constitutes "bells and whistles"; what enhancements might be best held off on until they see how other components are functioning; and what ideas for system services or tools constitute venter economic interests more so than fill an identified goal.

The goal at this stage is creating effective models for the separate components of the basic system – growers, manufacturers, labs, and storefronts. The internal workings of each component must express the system objectives (FSTC).

As the basic business component infrastructures come into focus, models for exchange among the components will begin to be formulated, again, in reference to FSTC. An additional input process will take place in regards to the development of rules of exchange, such as delivery; transactions between growers, manufacturers, storefront, and labs; and point of sale concerns. .

As the dynamic model emerges, consisting of the components and exchange protocols, what data needs to be harvested from the system in order to generate transparency will be identified. Models for data collection in the course of doing business will be crafted to provide necessary information to achieve the goals of safety and containment while not jeopardizing functionality. They will also be crafted to provide for the data that might be identified as useful in the ongoing process of refining the system and understanding the flows within the adult use market. The goal

is effective transparency. Gaps in the system will be visible; violations, detectable. Valuable market information will be harvested.

Reports will be generated by the project on specific concerns, ongoing efforts, and model options. Needs for market surveys will be ascertained (category 3) and appropriate surveying regarding consumption executed. Distribution projections will be factored into the overall system model for consideration of possible license quotas, managed roll out of licensing, volume management, etc.

An optional service Cholewa can provide to the LCB is the provision of ongoing communication with the public, perhaps through a blog, to make the process familiar and promote confidence in the outcome by creating confidence in the process.

The modeling-feedback-integration-analysis cycle would ensue throughout late summer and early fall. In early fall, a second round a stakeholder input would be undertaken on the solidifying model. This would be the second of the traveling stakeholder input rounds. Input would be taken through other mediums in between the statewide community meetings in spring and fall.

An additional level of system integration that will be occurring simultaneously would involve the state agencies who will be responsible for oversight. They will be consulted with regularly on the evolution of the model and their needs and concerns will be integrated into the model.

After the final round of input and model finalization by LCB, the model will be analyzed and troubleshot. Breaking the rules is one issue and the system must have the transparency that allows for its detection. But an additional concern is that rules could be utilized to circumvent system goals and move away from the objectives of FSTC. In other words, an effort to "hack the rules" and discover how they could be used to circumvent goals would be undertaken.

The near final draft of the administrative rules - including the description of the internal rules of the system components, the rules of exchange, rules of transparency production, and all other matters - will be provided for review by all stakeholders identified by the LCB. The subcontractor named in this proposal has been an attorney for 13 years, and as Chief Legal Counsel for the MT Secretary of State has drafted rules, reviewed them, and served as Rules Reviewer for the Agency. He will participate in the final drafting process.

Whereas it is the team's job to bring expertise and options to the LCB, the project would look to the LCB for its expertise in overseeing systems in Washington. The LCB's knowledge of its own local governments, demographics, systems management, and general state concerns will provide key drivers in the development of the new system, regulations, and rules.

The process herein aims at building the goals of the system into each component and dynamic within the system. It is the only process by which a resulting system will express and meet the articulated goals of those responsible for crafting and regulating it. The process is also designed to create transparency around the rulemaking process itself and generate confidence and buy-in from stakeholders and communities. The final drafted set of rules will be analyzed in service of "bullet-proofing" to assure that the written infrastructure will be properly mirrored in real world operations.

The job of the LCB in this endeavor is trailblazing work. As Project Manager, Cholewa will aim the team at providing the infrastructure and information to make this trailblazing effort a success that Washington can be proud of.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) <u>Hourly</u> Rate for I-502 Consulting Services as stated in this RFP	\$ 156.25 p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) <u>Daily</u> Rate for I-502 Consulting Services as stated in this RFP	\$ _____ p/day

Attachment A

- Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.

KMC Strategic Communications, LLC
Kate Cholewa
727 Hillside
Helena, MT 59601
406.459.4092
kmcstrategiccommunications@gmail.com
or kc@bresnan.net

- Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)

N/A

- Location of the facility from which the Proposer would operate.

Though based in Helena, Montana, if chosen as the successful candidate, the Proposer would relocate to Olympia, Washington through at least December 2013. Subcontractor Jorge Quintana would be located in Helena, Montana and come to Washington as deemed necessary for successful execution of the contract.

- Statement of which of the following Categories Proposer is responding to:
 - Category 1: Product and Industry Knowledge
 - Category 2: Product Quality Standards and Testing
 - Category 3: Product Usage and Consumption Validation
 - Category 4: Product Regulation

The Proposer is responding to Category 4: Product Regulation

- Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Proposer's organization. If following a review of this information, it is determined by the WSLCB that a conflict of interest exists, the Proposer may be disqualified from further consideration for the award of a contract.

No state employees or former state employees on the firm's governing board.

Attachment B

References

Vivian Hamill, Chief Legal Council, MT Office of Higher Education, Chief Legal Council to Governor Brian Schweitzer, 2004 – 2012
406.444.0325 or 406.431.9216

Susan Byorth Fox, Executive Director of the Legislative Services Division of the State of Montana
406.444.3066 or 406.4653342

State Senator Mary Caferro
406.461.2384

State Representative Patrick Noonan
406.565-0518

State Senator Christine Kaufmann
406.439.0256

Jim Smith, Mayor of Helena, Montana
406.949.1002

Cynthia Wolken, City Councilman, City of Missoula, Montana
406.465.3376

Sandy Oitzinger, former City Councilman, City of Helena, Montana
406.443.0236

Ed Doctor, former President of the Montana Cannabis Industry Association (MTCIA)
406.261.9535

Roy Kemp, Interim Administrator for the Quality Assurance Division of the MT Department of Health and Human Services (DPHHS), former administrator of the MT DPHHS Medical Marijuana program
406.431.5546

Norton, Melissa K

From: Grass Roots <grassrootsresearch@gmail.com>
Posted At: Friday, February 15, 2013 10:41 AM
Conversation: RFP - K430 Laid Back Acres LLC
Subject: RFP - K430 Laid Back Acres LLC

Attached to this email is a complete RFP K430 Submittal Document.

Thank you for your consideration,

Mark Russell
(805)-453-5814
GrassrootsResearch@gmail.com

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to **lcbids@liq.wa.gov**.
- Clearly mark the subject line of the email: RFP- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the **lcbids@liq.wa.gov** inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

- | | |
|--|-------------------------------------|
| Proposer's Authorized Offer (see page 2) | <input checked="" type="checkbox"/> |
| Proposer Information (see page 3) | <input checked="" type="checkbox"/> |
| Subcontractor Information (see page 4) | <input checked="" type="checkbox"/> |
| Letter of Submittal (see page 5) | <input checked="" type="checkbox"/> |
| Non-Cost Proposal (see page 6) | <input checked="" type="checkbox"/> |
| Cost Proposal (see page 8) | <input checked="" type="checkbox"/> |

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Mark Russell

 Proposer Signature
 President & CEO

 Title

Laid Back Acres LLC

 Company Name
 02/14/2013

 Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name	Laid Back Acres LLC
Street Address	176 Aero Camino
City, State, Zip	Goleta, California 93117
Federal Tax ID Number	PersonallInfo
UBI	N/A
Website URL	

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name:	Mark Russell
Telephone:	(805)-453-5814
Email:	GrassrootsResearch@gmail.com

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount _____ % _____ days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input type="checkbox"/>
1	Product and Industry Knowledge	<input checked="" type="checkbox"/>
2	Product Quality Standards and Testing	<input checked="" type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input checked="" type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: _____
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: ___ Yes ___ No

Subcontractor 2

Name: _____
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: ___ Yes ___ No

Subcontractor 3

Name: _____
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: ___ Yes ___ No

Subcontractor 4

Name: _____
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: ___ Yes ___ No

LETTER OF SUBMITTAL

The Proposer's Letter of Submittal must be signed by the individual within the organization authorized to bind the bidder to the offer. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Proposer and any proposed subcontractors:

- Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.
- Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)
- Location of the facility from which the Proposer would operate.
- Statement of which of the following Categories Proposer is responding to:
 - Category 1: Product and Industry Knowledge
 - Category 2: Product Quality Standards and Testing
 - Category 3: Product Usage and Consumption Validation
 - Category 4: Product Regulation
- Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Proposer's organization. If following a review of this information, it is determined by the WSLCB that a conflict of interest exists, the Proposer may be disqualified from further consideration for the award of a contract.

Letter of Submittal

- Laid Back Acres LLC
176 Aero Camino
Goleta, CA 93117
(805)-770-2559

- Mark Russell (President & CEO)
176 Aero Camino
Goleta, CA 93117
(805)-453-5814
GrassrootsResearch@gmail.com

- Facility Location:
164 Aero Camino
Goleta, CA 93117

The proposal being set forth by Laid Back Acres LLC, is in response to the expertise of our Consulting Services in reference to Category 1: Product and Industry Knowledge, Category 2: Product Quality Standards and Testing, and Category 4- Product Regulation. The non- cost proposal will describe our experience and ability in moving forward with a reasonable and comprehensive outlook on Initiative 502 and its implementation.

Any further questions regarding the proposal can be directed to: Mark
Russell
(805)-453-5814
GrassrootsResearch@gmail.com

NON-COST PROPOSAL

Please refrain from using company name or other information that will identify your company while preparing your response for the Non-Cost Submittal. The Washington State Liquor Control Board (WSLCB) reserves the right to modify proposals in order to eliminate company names or any other information that may identify a specific company brand.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:
 - a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
 - b. How Marijuana is infused into food and beverages
 - c. How Marijuana should be packaged, labeled, transported, and sold at retail level
 - d. How wholesale and retail Product should be recalled and accounted for
 - e. How Marijuana should be destroyed if overproduced, contaminated, or recalled
2. **Experience.** In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.
3. **Team Structure and Internal Controls.** In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.
4. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Please answer the questions listed below, attaching additional pages as necessary:

5. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or expertise in Product Quality Standards and Testing, including but not limited to the following:
 - a. Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations
 - b. Assisting the WSLCB with establishing quality standards for testing Marijuana
6. **Experience.** In two (2) pages or less, please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.
7. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
8. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminants, and Product strain.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Please answer the questions listed below, attaching additional pages as necessary:

9. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise to estimate Product Usage and Consumption levels by geographic areas in Washington State.
10. **Experience.** In two (2) pages or less, please describe your firm's experience in statistical research, specifically related to determining demographic and/or psychographic segmentation, preferably related to the use of Cannabis.
11. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
12. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firm's proposed approach and methodology to be used for Product Usage and Consumption validation as requested in this RFP, to estimate demographic and psychographic segmentation, specifically related to the use of Cannabis.

CATEGORY 4 – PRODUCT REGULATION

Please answer the questions listed below, attaching additional pages as necessary:

13. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise in Product Regulation, including but not limited to, the following:
 - a. Experience with State, local or Federal government processes and procedures
 - b. Experience in crafting system regulations
14. **Experience.** In two (2) pages or less, please describe your firm's experience in working within the confines of a regulatory system, and experience in creating and/or modifying rule, law, ordinance, and/or guidelines.
15. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
16. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB with developing rules and a regulation strategy for the state of Washington's new Marijuana System.

Non- Cost Proposal

We would like to offer our consulting services to the Washington State Liquor Control Board (WSLCB) in response to the Initiative 502 Consulting Services opportunity. Laid Back Acres LLC is a service management company offering Horticultural, Legal, Medical and Managerial and Educational services in Goleta, California. Focused on activism and education, we believe we have one of the most informed and progressive staff in the nation. Our involvement in the field of Medical Marijuana has provided us with prolific industry knowledge as well as unprecedented legal proficiency. This expertise ensures that our assistance will provide a unique and valuable contribution to the WSLCB in developing and implementing the state's new Marijuana system.

Category 1- Product and Industry Knowledge

Part of our dedication over the past decade has been to experiment with the cultivation of Cannabis. Our research and investigations have given us unprecedented knowledge and understanding of the agricultural considerations of the marijuana industry. This skill and knowledge was developed through a wide range of experiences ranging from a single light variability controlled system to various commercial 70 light systems.

Over the past decade the hydroponics industry has affected our production in two ways: crop production and cost efficiency.

The use of high quality hydroponic nutrients tends to provide the farmer with optimal yields and quality. However, the tendency to replace high quality hydroponics with commercial grade elements such as cheaper nutrients and expanded grow rooms, has allowed for a more cost efficient method of production. The harvesting, as well as drying and curing methods of the cannabis are an essential part of the process. This includes the ability to protect the integrity of the crop, without outside contaminants affecting the quality of the product.

The consistency and predictability of the crop were achieved through standard operating procedures as well as inventory control. This allowed for every element of the cultivation process to be examined and improved in order to achieve ideal conditions. This takes into consideration genetics, propagation, vegetative and flowering stages of the plant, harvest, drying, curing and packaging of the product. Differentiation between each part of the plant is necessary; the distinction between quality consumables and byproduct will be mandatory. Typical harvests will provide high quality flowers, THC/CBD infused leaves, premature flowers, underdeveloped flowers and byproduct.

Our Research and Development has shown us that overproduction and contamination are not necessarily issues that require a recall process. Depending on the issue at hand, contaminants can be eliminated through a critical CO2 extraction process, while Edibles can be a solution for most underdeveloped branches on harvested plants.

The experience held by our professional's stems from the developments of the hydroponics industry and our attempts to stay current with the latest innovations. Attempts ranging from indoor and outdoor gardening, have allowed us to experience a wide variety of hydroponic systems. However our motivation was to provide a cost effective system that would still meet our quality requirements. Measures were taken in order to achieve said goal. Experiences with different growing mediums, nutrients and genetics helped us realize that the structure and organization of the cultivation process was primordial to finding balance between quality and production.

The cultivation experience developed over the last couple years will be a advantageous factor in the implementation of quality standards for the State of Washington. Our expertise as well as formal connections with medical and scientific experts allows key communication for moving forward. The team has the ability to advise on the harmful and beneficial properties of the studied sample.

Category 2: Product Quality Standards and Testing

Over the past decade, a major part of our business operations have focused on research and development of improved production standards that increase product quality and safety. We have gained an unprecedented understanding of the product variability (quality, efficacy and potency) that different horticultural methods can produce. Strict adherence to quality control standards has allowed us to gain an increased understanding of end product quality. Such a protocol is necessary to ensure that product is free of pesticides or microbiological contamination, as well as to help determine product safety, dosage accuracy and end product standardization. Our experience with medical patients has made consumer safety and quality control of utmost importance and consequently led to development of and strict adherence to standardize outlined production procedures. As the medical field improves its' understanding of the science of marijuana and horticultural techniques continue to improve and evolve, we also emphasize the importance of continued client education and protocol updates. We also stress the importance of continued monitoring and implementation of post-marketing consumer safety systems in order to detect any adverse events. Some areas we feel are important for the WSLCB to consider are:

1) Sanitation—

- a. Ensuring marijuana's product safety (i.e.: free of contaminates, pesticides and other chemicals)
- b. Developing a verification process for organic processing claims

2) Edible marijuana—outlining food safety protocols for cannabis-infused food products (also acknowledging the increased risk edibles bring for salmonella

and E. Coli outbreaks and developing operating procedures for minimization of such risks)

- 3) Workplace safety—a currently under-recognized area of concern especially for workers involved in the production of concentrated marijuana formulations
- 4) Facility Management
- 5) Packaging, labeling—acknowledging variability of expiration dates depending on product, formulation and potency; proper packaging including product labels, tamper proof containers, etc.

Category 4 – Product Regulation

After over a decade of working under the confines of the California Medical Marijuana regulatory system, our legal experts are accustomed to government processes and procedures on the local, State or Federal level. Despite California Proposition 215 being in direct violation of the Substance Abuse Act, our determination to provide safe access for our patients gave us the opportunity to operate a Medical Marijuana Collective in the city of Goleta, CA. In addition, our successful operation was possible regardless of a city ordinance banning Medical Marijuana Dispensaries. Communication with City Officials and law enforcement proved to be essential to our acceptance by the community. In our attempt to eliminate unnecessary risks from the production and distribution of Medical Marijuana we have had countless contacts with the District Attorney of Mendocino and Santa Barbara, California State Senators, Santa Barbara County Board of Supervisors and the Board of Equalization.

After much experience with the California state proposition 215 and Senate Bill 420, we believe to have a well-rounded grasp on the Initiative passed by Washington State voters. We understand the distinction between State and Federal law and believe in the legal protection of individuals and/or companies willing to pioneer the Marijuana Industry. Our legal experience in conjunction with our Industry knowledge provides us with ideal tools to assist the implementation of Initiative 502.

In conclusion, our network of Marijuana experts and professionals has established a comprehensive understanding of the Marijuana industry, allowing us to have a full grasp of the cultivation, packaging and retail atmosphere. Our personal experience in pioneering California Medical Marijuana laws was a unique success in which confirms our ability to appreciate the legal aspect of the new regulatory systems set forth in the State of Washington. The competence of our staff should prove essential in determining the issues moving forward with Initiative 502, however solutions from our variety of professionals will continuously help forward

RFP K430 Submittal Document

progress. Our consulting services remain at your disposition, and all further contact in this regard will be handled in a swift and energetic manner.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) <u>Hourly</u> Rate for I-502 Consulting Services as stated in this RFP	\$ <u>50</u> p/hour

NOT including Expenses

Norton, Melissa K

From: Eric Finch <finch.eric@gmail.com>
Posted At: Friday, February 15, 2013 1:46 PM
Conversation: RFP- K430, Law Office of Eric Finch
Subject: RFP- K430, Law Office of Eric Finch

Please accept this proposal, from me, Eric Finch, on behalf of the Law Office of Eric Finch. Attached is the Submittal Document and Letter of Submittal.

Thank you.

Eric Finch, J.D., LL.M.

Norton, Melissa K

From: Jimmy Lee B <flyingdutchgirlflowers@yahoo.com>
Posted At: Friday, February 15, 2013 9:27 AM
Conversation: K430 INITIATIVE 502 CONSULTING SERVICES Proposal
Subject: K430 INITIATIVE 502 CONSULTING SERVICES Proposal

VonHoledigger has an attachments for you.

K430 LETTER OF SUBMITTAL FROM VONHOLEDIGGER
FOR BID OFFER AS PRODUCT-INDUSTRY-KNOWLEDGE.

thank you , James C Balkema aka Honeybear

Norton, Melissa K

From: Jimmy Lee B <flyingdutchgirlflowers@yahoo.com>
Posted At: Friday, February 15, 2013 9:27 AM
Conversation: K430 INITIATIVE 502 CONSULTING SERVICES Proposal
Subject: K430 INITIATIVE 502 CONSULTING SERVICES Proposal

VonHoledigger has an attachments for you.

K430 LETTER OF SUBMITTAL FROM VONHOLEDIGGER
FOR BID OFFER AS PRODUCT-INDUSTRY-KNOWLEDGE.

thank you , James C Balkema aka Honeybear

Norton, Melissa K

From: Jimmy Lee B <flyingdutchgirlflowers@yahoo.com>
Posted At: Friday, February 15, 2013 2:07 PM
Conversation: K430 submittal different format
Subject: K430 submittal different format

resending in different format Vonholedigger

**K430 LETTER OF SUBMITTAL FROM VONHOLEDIGGER
TO THE WSLCB FOR BID OFFER AS
PRODUCT-INDUSTRY-KNOWLEDGE**

The Proposer's Letter of Submittal must be signed by the individual within the organization authorized to bind the bidder to the offer. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Proposer and any proposed subcontractors:

- Name, VonHoledigger./ address, 2416 Alberta Drive, Knoxville TN. / principal place of business, Internet / telephone number, 865-243-5424 / e-mail address, flyingdutchgirlflowers@yahoo.com / whom contract would be written. VonHoledigger tax# 46-2011076
- Name principal officer, James Charles Balkema
- Location of the facility from which the Proposer would operate. Mobile Hot-spot / SUV / Kinkos
- Statement of which of the following Categories Proposer is responding to:
Category 1: Product and Industry Knowledge
- No state employees or former state employees employed or on the firm's governing board as of the date of the proposal.

Date: Feb 13 2013

Proposer Signature: James C Balkema

NON-COST PROPOSAL

Please refrain from using company name or other information that will identify your company while preparing your response for the Non-Cost Submittal. The Washington State Liquor Control Board (WSLCB) reserves the right to modify proposals in order to eliminate company names or any other information that may identify a specific company brand.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:
 - a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
 - b. How Marijuana is infused into food and beverages
 - c. How Marijuana should be packaged, labeled, transported, and sold at retail level
 - d. How wholesale and retail Product should be recalled and accounted for
 - e. How Marijuana should be destroyed if overproduced, contaminated, or recalled

Response: I am willing to create a document that will outline each of the above needs from my personal knowledge and verify through research of publications.

2. **Experience.** In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.

Response: I have over 35 years of growing, selling, and cooking marijuana, Indoor growing up to 900 sq ft, Outdoor growing of over 2000 plants in one season, and not only cured, processed, packaged my own, I would help other growers with their harvests. Our Holiday feasts would always include Green Popcorn and Fiber Brownies.

3. **Team Structure and Internal Controls.** In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.

Response: I am a one man team that will answer to WSLCB staff point person, You will be my only project, I am a retiree.

4. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Retired Automotive Engineer

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- 1 Proposer's Authorized Offer
- 2 Proposer Information
- 3 Subcontractor Information
- 4 Letter of Submittal
- 5 Non-Cost Proposal
- 6 Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- 1 Attach the completed submittal document to a single email message and send it to **lcbids@liq.wa.gov**.
- 2 Clearly mark the subject line of the email: RFP- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- 3 The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- 4 It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the **lcbids@liq.wa.gov** inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

Proposer's Authorized Offer (see page 2)

Proposer Information (see page 3)

Subcontractor Information (see page 4)

Letter of Submittal (see page 5)

Non-Cost Proposal (see page 6)

Cost Proposal (see page 8)

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further

understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.

6. We are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

James Charles Balkema

VonHoledigger

Proposer Signature

Company Name

Design Engineer Of Growing Quality

Feb 13 2013

Title

Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name	VonHoledigger
Street Address	2416 Alberta drive
City, State, Zip	Knoxville TN 37920
Federal Tax ID Number	PersonallInfo
UBI	NA
Website URL	NA

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name:	James
Telephone:	865-243-5424
Email:	flyingdutchgirlflowers@yahoo.com

Payment Options:

NO / Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount _____% _____ days, net 30 days.

NO / Will you accept the State's Purchasing Card (P-Card)?

NO / Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	
1	Product and Industry Knowledge	Grower Support
2	Product Quality Standards and Testing	
3	Product Usage and Consumption Validation	
4	Product Regulation	

SUBCONTRACTOR INFORMATION

Check the applicable box:

No / Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: _____
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: Yes No

Subcontractor 2

Name: _____
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: Yes No

Subcontractor 3

Name: _____
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: Yes No

Subcontractor 4

Name: _____
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: Yes No

LETTER OF SUBMITTAL

The Proposer's Letter of Submittal must be signed by the individual within the organization authorized to bind the bidder to the offer. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Proposer and any proposed subcontractors:

- Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.
- Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)
- Location of the facility from which the Proposer would operate.
- Statement of which of the following Categories Proposer is responding to:
 - Category 1: Product and Industry Knowledge
 - Category 2: Product Quality Standards and Testing
 - Category 3: Product Usage and Consumption Validation
 - Category 4: Product Regulation
- Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Proposer's organization. If following a review of this information, it is determined by the WSLCB that a conflict of interest exists, the Proposer may be disqualified from further consideration for the award of a contract.

NON-COST PROPOSAL

Please refrain from using company name or other information that will identify your company while preparing your response for the Non-Cost Submittal. The Washington State Liquor Control Board (WSLCB) reserves the right to modify proposals in order to eliminate company names or any other information that may identify a specific company brand.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:
 - a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
 - b. How Marijuana is infused into food and beverages
 - c. How Marijuana should be packaged, labeled, transported, and sold at retail level
 - d. How wholesale and retail Product should be recalled and accounted for
 - e. How Marijuana should be destroyed if overproduced, contaminated, or recalled
2. **Experience.** In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.
3. **Team Structure and Internal Controls.** In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.
4. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Please answer the questions listed below, attaching additional pages as necessary:

5. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or expertise in Product Quality Standards and Testing, including but not limited to the following:
 - f. Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations
 - g. Assisting the WSLCB with establishing quality standards for testing Marijuana
6. **Experience.** In two (2) pages or less, please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.
7. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal

responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

8. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminants, and Product strain.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Please answer the questions listed below, attaching additional pages as necessary:

9. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise to estimate Product Usage and Consumption levels by geographic areas in Washington State.
10. **Experience.** In two (2) pages or less, please describe your firm's experience in statistical research, specifically related to determining demographic and/or psychographic segmentation, preferably related to the use of Cannabis.
11. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
12. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firm's proposed approach and methodology to be used for Product Usage and Consumption validation as requested in this RFP, to estimate demographic and psychographic segmentation, specifically related to the use of Cannabis.

CATEGORY 4 – PRODUCT REGULATION

Please answer the questions listed below, attaching additional pages as necessary:

13. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise in Product Regulation, including but not limited to, the following:
 - h. Experience with State, local or Federal government processes and procedures
 - i. Experience in crafting system regulations
14. **Experience.** In two (2) pages or less, please describe your firm's experience in working within the confines of a regulatory system, and experience in creating and/or modifying rule, law, ordinance, and/or guidelines.
15. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
16. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB with developing

rules and a regulation strategy for the state of Washington's new Marijuana System.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) <u>Hourly</u> Rate for I-502 Consulting Services as stated in this RFP	\$ <u>60</u> p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) <u>Daily</u> Rate for I-502 Consulting Services as stated in this RFP	\$ _____ p/day

Norton, Melissa K

From: Julia Carrera <julia.inspector@gmail.com>
Posted At: Friday, February 15, 2013 10:43 AM
Conversation: RFP-K430, Julia Carrera & Associates
Subject: RFP-K430, Julia Carrera & Associates

All submittals are attached as files for ease of review.

Julia Carrera
Julia Carrera & Associates
POB 724 Ukiah, CA 95482
707.489.0996

Unity is the Future

Confidentiality Notice:

This electronic mail transmission is covered by the Electronics Privacy Act, 18 U.S.C. Sections 2510-2521, and is legally privileged. This e-mail communication contains CONFIDENTIAL INFORMATION WHICH IS ALSO LEGALLY PRIVILEGED and is only for the use of the intended recipient(s) identified above. If you are not the intended recipient of this communication, you are hereby notified that any usage, dissemination, distribution, downloading, copying or disclosure of this communication is strictly prohibited and may be subject to civil action and/or criminal penalties. If you have received this communication in error, please notify us immediately by e-mail or by telephone at (707)489-0996 and delete the communication and destroy all copies. Thank you for your cooperation.

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to lcbids@liq.wa.gov.
- Clearly mark the subject line of the email: RFP- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the lcbids@liq.wa.gov inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

- | | |
|--|-------------------------------------|
| Proposer's Authorized Offer (see page 2) | <input checked="" type="checkbox"/> |
| Proposer Information (see page 3) | <input checked="" type="checkbox"/> |
| Subcontractor Information (see page 4) | <input checked="" type="checkbox"/> |
| Letter of Submittal (see page 5) | <input checked="" type="checkbox"/> |
| Non-Cost Proposal (see page 6) | <input checked="" type="checkbox"/> |
| Cost Proposal (see page 8) | <input checked="" type="checkbox"/> |

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER
(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430
Issued by the Washington State Liquor Control Board


Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Julia Carrera & Associates



Proposer Signature

Company Name

Owner

02/14/13

Date

Title

PROPOSER INFORMATION

Proposer Profile:

Firm Name	<u>Julia Carrera & Associates</u>
Street Address	<u>POB 10675</u>
City, State, Zip	<u>Bainbridge Island, WA 98110</u>
Federal Tax ID Number	<u>PersonalInfo</u>
UBI	<u>603274589</u>
Website URL	<u>www.juliacarrera.com</u>

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name:	<u>Julia Carrera</u>
Telephone:	<u>707.489.0996</u>
Email:	<u>julia.inspector@gmail.com</u>

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount _____% _____days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input checked="" type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: Cannatest
 Services: Testing Lab
 Address: POB 10675 Bainbridge WA
 Telephone: 206-920-4427
 Email: klaas@canna-test.com
 Fed ID: PersonalInfo
 UBI: 603074
 Work to be Performed: 2
 Consultations on Catagorey
 OMWBE certified: Yes No

Subcontractor 2

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: Yes No

Subcontractor 3

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: Yes No

Subcontractor 4

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: Yes No

LETTER OF SUBMITTAL

The Proposer's Letter of Submittal must be signed by the individual within the organization authorized to bind the bidder to the offer. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Proposer and any proposed subcontractors:

- Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.
- Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)
- Location of the facility from which the Proposer would operate.
- Statement of which of the following Categories Proposer is responding to:
 - Category 1: Product and Industry Knowledge
 - Category 2: Product Quality Standards and Testing
 - Category 3: Product Usage and Consumption Validation
 - Category 4: Product Regulation
- Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Proposer's organization. If following a review of this information, it is determined by the WSLCB that a conflict of interest exists, the Proposer may be disqualified from further consideration for the award of a contract.
- **SEE ATTACHED WORD DOCUMENT RFP.K430.LETTER OF SUBMITTAL JC&A**
- **Located under the subject line of received email**

NON-COST PROPOSAL

Please refrain from using company name or other information that will identify your company while preparing your response for the Non-Cost Submittal. The Washington State Liquor Control Board (WSLCB) reserves the right to modify proposals in order to eliminate company names or any other information that may identify a specific company brand.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:
 - a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
 - b. How Marijuana is infused into food and beverages
 - c. How Marijuana should be packaged, labeled, transported, and sold at retail level
 - d. How wholesale and retail Product should be recalled and accounted for
 - e. How Marijuana should be destroyed if overproduced, contaminated, or recalled
2. **Experience.** In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.
3. **Team Structure and Internal Controls.** In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.
4. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Please answer the questions listed below, attaching additional pages as necessary:

5. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or expertise in Product Quality Standards and Testing, including but not limited to the following:
 - a. Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations
 - b. Assisting the WSLCB with establishing quality standards for testing Marijuana
6. **Experience.** In two (2) pages or less, please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.
7. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
8. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminants, and Product strain.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Please answer the questions listed below, attaching additional pages as necessary:

9. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise to estimate Product Usage and Consumption levels by geographic areas in Washington State.
10. **Experience.** In two (2) pages or less, please describe your firm's experience in statistical research, specifically related to determining demographic and/or psychographic segmentation, preferably related to the use of Cannabis.
11. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
12. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firm's proposed approach and methodology to be used for Product Usage and Consumption validation as requested in this RFP, to estimate demographic and psychographic segmentation, specifically related to the use of Cannabis.

CATEGORY 4 – PRODUCT REGULATION

Please answer the questions listed below, attaching additional pages as necessary:

13. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise in Product Regulation, including but not limited to, the following:
 - a. Experience with State, local or Federal government processes and procedures
 - b. Experience in crafting system regulations
14. **Experience.** In two (2) pages or less, please describe your firm's experience in working within the confines of a regulatory system, and experience in creating and/or modifying rule, law, ordinance, and/or guidelines.
15. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
16. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB with developing rules and a regulation strategy for the state of Washington's new Marijuana System.

- **SEE ATTACHED WORD DOCUMENT RFP.K430.NON-COST PROPOSAL JC&A**
- **Located under the subject line of received email**

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ <u>170</u> p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ _____ p/day

Law Office of Eric Finch
8309 180th Avenue Court East
Bonney Lake, WA 98391
(253) 205-7258
eric@finchlaw.net

Washington State Liquor Control Board
3000 Pacific Avenue SE
Olympia, WA 98504

Re: **K430 INITIATIVE 502 CONSULTING SERVICES**

To the Washington State Liquor Control Board;

Please accept this letter of submittal and proposal for consultation services relating to I-502 implementation. I'm an attorney in Washington State, and I may be exactly what the Liquor Control Board is looking for. I've made this proposal a response in all four categories, but as an attorney, my strength is certainly the fourth category, Product Regulation. As such, I would be amenable to working solely within that fourth category. The first three categories are also rife with legal concerns, and so if I were awarded for only the fourth category, I would obviously advise the LCB and other consultants under the first three categories as necessary.

I would be the ideal candidate for helping the LCB deal with the two major legal issues it currently faces – dealing with federal prohibition and setting usage standards in line with scientific data. The legal work to be done in response to I-502 was a major reason for my returning to Washington and starting my law firm. Considered in a legal vacuum, I-502 may not stand up to federal scrutiny once the liquor control board attempts to regulate marijuana. The LCB must be ready to attempt to distinguish *Gonzalez v. Reich* on order to operate. Given that roughly 56% of the vote was in favor of this law, the people of Washington State expect that marijuana legalization does become reality. The LCB should view itself not only as an actor that should push forward legalization, but should be an advocate for the best legalization policies with regard to public health. Public safety and wellness should be the first and foremost concern of the LCB during this time. A major secondary concern for the LCB will be the fiscal implications of implementing I-502.

I've attempted to be as brief as possible. Please feel free to contact me with any comments, questions, or concerns. I am willing to work in Bonney Lake at my office and/or in Olympia, depending on whether this is more like a full-time employment, or whether I can still manage to keep my law practice operating for other clients.

Sincerely,
Eric Finch

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to **lcbids@liq.wa.gov**.
- Clearly mark the subject line of the email: RFP- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the **lcbids@liq.wa.gov** inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

- | | |
|--|--------------------------|
| Proposer's Authorized Offer (see page 2) | <input type="checkbox"/> |
| Proposer Information (see page 3) | <input type="checkbox"/> |
| Subcontractor Information (see page 4) | <input type="checkbox"/> |
| Letter of Submittal (see page 5) | <input type="checkbox"/> |
| Non-Cost Proposal (see page 6) | <input type="checkbox"/> |
| Cost Proposal (see page 11) | <input type="checkbox"/> |

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Eric Finch

 Proposer Signature

 Owner

 Title

Law Office of Eric Finch

 Company Name

 2/15/13

 Date

SUBCONTRACTOR INFORMATION

Check the applicable box:

- Yes – I have no subcontractors currently selected, but I would work collaboratively with the LCB to select and utilize subcontractors as needed if selected for the bid. If my bid is accepted purely for Category Four, then no subcontractors will be needed to provide my category four consulting services.

Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

LETTER OF SUBMITTAL

The Proposer's Letter of Submittal must be signed by the individual within the organization authorized to bind the bidder to the offer. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Proposer and any proposed subcontractors:

- Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.
- Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)
- Location of the facility from which the Proposer would operate.
- Statement of which of the following Categories Proposer is responding to:
 - Category 1: Product and Industry Knowledge
 - Category 2: Product Quality Standards and Testing
 - Category 3: Product Usage and Consumption Validation
 - Category 4: Product Regulation
- Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Proposer's organization. If following a review of this information, it is determined by the WSLCB that a conflict of interest exists, the Proposer may be disqualified from further consideration for the award of a contract.

SEE ATTACHED

NON-COST PROPOSAL

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Ability, Capacity and Skills

As to growing, harvesting, and cultivating, I do not have any personal experience. I do have two clients currently engaged in such practices. While they wish to remain nameless pursuant to attorney/client privilege, both of them would be willing to cease operations so as to serve as a subcontractor with regard to this category, or I would be happy to use subcontracts from other bids.

My two clients have outdoor and indoor growing experience, including hydroponic and traditional means. Certainly, our group has the capacity not only to grow marijuana, and but to grow marijuana to need, with various uses, such as marijuana for recreational purposes that will give the user a 'high' or buzz, marijuana for nausea as is often needed in cancer patients, marijuana for location specific pain relief, and marijuana for chronic pain such as arthritis. One of the two clients has experience in dosing edible goods.

As part of this category as a contractor, I would want to work with the LCB to survey as many industry experts as possible, as well as those in the medical profession.

Insofar as the product is sold at retail level – this gets more into the question of legalities. Here, a low price will mean that the federal government may argue an effect on interstate commerce, which is undesirable as described in category 4, as this would leave the LCB at the mercy of *Gonzalez v. Reich*. Whether the LCB distributes or only licenses grower and distributors, pricing should remain close to current prohibition levels. Keeping such levels would not only help the state to avoid federal scrutiny, but would also allow for tax revenue to be used by governmental agencies within the state.

Transportation and sale would be similar to that of liquor, although expiration for different marijuana products can vary – whether in an edible form, plant form, or when used in another compound (oils, lotions, suppositories, etc.).

Wholesale recall should occur if any chemical or organic material has contaminated the plant in a way that would make it unfit for consumption. Destruction of marijuana is possible through many different means, as it is an organic compound. Incineration may be desirable.

Experience

I have two clients, whose prefer to remain nameless under attorney/client privilege – one a grower under medical justification, and another prepares baked goods under medical justification, with the two having over 10 combined years of experience. Both would be willing to cease activities for conflict of interest purposes if this bid is accepted.

Team Structure and Internal Controls

Day-to-day operation would be left to growers and marijuana product manufacturers, with LCB ownership and control over any and all products. Access to product locations would be secured and controlled.

Staff Qualifications and Capabilities

If my bid is accepted with regard to category one, I would foresee a staff of at least two, capable of growing marijuana and creating marijuana products as needed for testing and quality assurance purposes, but

not for mass consumer production. There may also be a need for hiring a third staff member in an office administrator capacity.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Ability, Capacity and Skills.

Quality standards and testing much be a priority early in the implementation process. This must be done not only to ensure consumer and public safety, but also with regard to criminal remedies under I-502. Some of this testing should be done with regard to FDA drug approval. Part of testing, the LCB should make an application to federal agencies for the ability to possess marijuana and conduct marijuana research. LCB should attempt to do necessary research under FDA, and not DEA control.

One of the first trials proposed should be impairment testing. Along with quality testing to ensure that consumers can have a predictable dose, LCB should quickly determine the levels impairment of function as correlated to dosage. One of the first determinants will be with regard to driving: the per se requirement under I-502 must be scientifically understood. There is currently little evidence of correlation between the negative performance of a driver at 0.08% BAC and the THC blood test level that was set under the new law. We will need investigation of this as quickly as possible to determine if acceptable blood levels of THC or other cannabinoids under law do correlate with impairment that should result in restricted access to vehicles and other heavy machinery, and if so, whether the statutory levels should be raised or lowered. There is also a question of whether blood levels should provide for a per se violation or if some individual outliers should be able to claim exemption.

In this field, I would seek to use another bidder or contractor if one shows the necessary experience, otherwise I would seek to determine a testing entity no later than May 1, 2013.

Experience

While I have experience in implementation of electronic medical records which were used for research purposes, I do not have the necessary medical or scientific knowledge to complete this portion without looking to other bidders or other potential subcontractors in the scientific and medical field. There are a number of vendors that provide medical trial testing, and the LCB should have a short process to determine the company or companies that provide this testing.

Staff Qualifications and Capabilities

I would expect that some quality testing could be done before the December 1, 2013 implementation deadline. However, new drug approval under FDA guidelines can often be a lengthy process. FDA drug testing considers two main factors: safety and efficacy. Here, first-in-human trials and similar early phase safety testing will not be as necessary as in a typical new prescription drug, as this substance is widely used. However, this does not mean that long-term safety and other concerns should not be addressed, even if they may not be plausible by the December deadline. Efficacy trials should start as immediately as possible, in particular for chronic pain and anti-nausea/wasting disease effects.

Approach and Methodology

There will likely be two phases for this portion. First, will come quality controls so that LCB can effectively predict dosage. Second may be wider trials as is typical in FDA drug approval. Methodology will be similar to FDA trials, except that for recreational use, no efficacy is relevant, only safety of the consumer.

There will also be a need to survey current industry producers – both in and out of state, and determine what product standards already exist in the market.

As part of this category, current research and medical studies should be evaluated by the LCB, and the LCB may want to initiate administrative hearings of relevant medical and other experts.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Ability, Capacity and Skills

If selected in this category, I will provide a report with regard to usage. I would track not only the medical, recreational, and total numbers as the request asks for, but I will also do what I can to determine methods of usage popular among consumers, as well as tracking data across population demographics. I would be prepared to work with news organizations, polling organizations, social scientists, and others in preparing a study of use.

Usage among younger persons must be carefully studied as well, along with any effects that legalization among adults has on underage usage rates.

Projected volume – we will do what we can to predict not only the volume, but how exactly it will move and where it will come from – and what sort of LCB licenses should be issued for growers in order to avoid upsetting pricing from a federal perspective.

Experience, including Staff Qualifications and Capabilities

Eric Finch received a bachelor's in political science, and has done graduate level social research. Also has experience with reporting in medical information databases and with political polling.

Approach and Methodology

Methodology would be two-part: One part would be a large-scale survey of Washington residents using the most scientific means possible. The other part would be studying and comparing currently existing statistics, reports, studies and other available information. I would do a large-scale consumer survey among Washingtonians, with emphasis on usage across geographic and demographic lines, so as to predict licensing needs and industry distribution and logistics. For this survey, I would anticipate hiring some fairly low-wage employees to conduct the survey. For the second part, in comparing our study to data that is available, I will publish a report to the LCB that will include not only estimated use, but possible variance that the LCB should be ready to navigate.

CATEGORY 4 – PRODUCT REGULATION

Ability, Capacity and Skills

In the upcoming months, there is no certainty with marijuana's legal status, and I would emphasize that the LCB must be agile while operating in uncertain legal waters. I see two major legal undertakings: first, dealing with how federal regulation will affect the LCB's implementation efforts, and second, creating a regulatory scheme for regulation assuming that implementation goes forward. I will assist the LCB in implementing I-502, with an eye toward not only meeting the Dec 1, 2013 deadline, but also with care to make sure that LCB takes a very safe approach.

As an attorney, I am very able to understand state, local, and federal government processes and procedures. I would be able to strategize the best approaches to making sure marijuana is implemented in the safest possible way with regard to public health. In summer 2011, the Obama administration released a

memo that could put state employees involved with marijuana under criminal prosecution. We must work to make sure that not only does any effort to do so fail, but that federal regulators give as much space to Washington State as possible to at least explore the implementation process. This is not a simple matter of a legal 'on/off switch' of pure legality and illegality, but a changing field, that may not ever remove all criminal charges, but could likely see, for example, an increase in supervision of this drug by agencies like the FDA rather than agencies like the DEA.

There are different legal and political camps on I-502. The crafters, Peter Holmes and Alison Holcomb drafted I-502 in a very conservative way; under federal power, I-502 could be struck down at any time and driving restrictions are not arguable in court. Attorneys such as Doug Hiatt and Jeffrey Steinborn sought to craft a slightly different initiative a few years ago that may have had more staying power, but it did not get on the ballot. While the law could be struck down, there is no certainty that it will – there seems to be some political will moving forward in favor of federal legalization. Still, the LCB must be ready to deal with *Gonzalez v. Reich*, and get the liquor control board distinguished from *Reich* in court.

As I stated in my letter of submittal, considered in a legal vacuum, I-502 may not stand up to federal scrutiny once the liquor control board attempts to regulate marijuana. However, given the incredible roughly 56% of the vote that was received in favor of this bill, the people of Washington State expect that marijuana legalization does become reality. The LCB should view itself not only as an actor that should push forward legalization, but should be an advocate for the best legalization policies with regard to public health.

Experience

I earned my undergraduate degree from University of Washington by age 20, received a full ride to one of the best law schools in the country, and received two law degrees. After law school, I did political work and worked at a top healthcare software company, but I have just started working as an attorney here in Washington State. While in law school, I did a substantial research into marijuana legalization policy, including strategies that states could use in ending federal prohibition and strategies for distinguishing and overturning *Gonzalez v. Reich*.

While in law school, I assisted with constitutional reforms in Kenya, I have experience lobbying and community organizing. My legal focus has been as much about policy as it has been about advocacy. Much of what the LCB does over the coming months has the potential to be a model for the other 50 states, and how the LCB manages the legal aspects of implementation could set important precedent.

While I-502 allows for recreational use, much of justification for ending federal prohibition, and many of the strategies for achieving it, will involve medical arguments. I have legal experience representing clients in the healthcare industry. Also briefly worked for a healthcare vendor – doing electronic medical record implementation in operating rooms of some of the best hospitals in the country. I will work to make sure that in any legal proceeding the LCB does everything possible to make the best policy arguments for marijuana implementation moving forward.

I will be able to advise the LCB on current legislative efforts in Olympia and in federal congress. LCB should be ready to provide testimony to either legislative body, and I will assist in the preparation of any testimony.

Staff Qualifications and Capabilities

As an attorney in Washington State, I'm capable of not only providing legal consulting and insight, but I can even represent the LCB as needed in legal proceedings – a very real possibility.

Approach and Methodology

As stated in the attached letter of submittal, I really see two main legal challenges facing the LCB from a regulatory perspective. First is dealing with federal regulation – that is to say, federal prohibition through classification as a schedule 1 substance. Second is creating a scheme for regulation within the state.

My goal is not only to meet the I-502 implementation deadline of December 1, 2013, but prepare for it and publish our intentions to other governmental agencies by August 30, 2013, so as to allow three months for potential legal actions. By August 30th, I would expect to have filed whatever declaratory or other actions the LCB will pursue in preparation for implementation.

With regard to the later scheme of regulation, I would seek to model the LCB's efforts not only on treatment of alcohol under the law, but also with an eye toward FDA type regulation – much more relevant than the DEA, obviously with regard to category 4, but it will effect category 2 greatly. (And FDA oversight may even be appropriate to some extent for categories 1 and 3). As Washington goes forward with legalization, not only will there be testing needed for recreational users, but to the extent that marijuana is being used for medical purposes it should fall under the purview of the FDA. This then goes back to the first issue of dealing with federal oversight, and getting marijuana moved to FDA purview from DEA purview.

In order to get to a scheme of regulation, some greater sense of certainty of how the federal government will proceed against the LCB is needed. Some possible avenues for federal legalization include the following (this list is not exhaustive):

Federal Constitutional Amendment

-very unlikely

Federal Legislative Action

-while bills have been proposed, this seems unlikely

Federal Administrative Action

-changes in the policies of fed. agencies will need to be closely monitored by the LCB

FDA channels

-approval of synthetic THC drugs has occurred, but the smoked plant has not gone far

Federal Executive Action

-uncertainty with new administration in 2016

Federal Judicial Action

-overturning *Gonzalez v. Reich*

-distinguishing *Gonzalez v. Reich*

Of these, the thing most in the power of the LCB is trying to get some way around *Gonzalez v. Reich* through legal action. I would be prepared to challenge whether the ruling in that case still stands (there has been enough overturn in the justices of the supreme court that it may be possible) or whether it could be found not to apply to the LCB's efforts.

Taxation will probably be the main concern under the new regulatory scheme. Some would argue that there is a potential windfall for the state. LCB can argue that the financial benefits to the state of marijuana are twofold: 1) lower enforcement costs such as prosecution and prison time, and 2) potential tax revenue. The difficulty with tax revenue will be individual growers. This is a simple plant, and is fairly easy to grow. Washington State may be able to receive very high tax amounts by taxing marijuana, but risks black market channels maintaining themselves. If the LCB is not involved selling marijuana directly, it should institute a charge on the sale of marijuana for use, and a licensing fee for plants.

Finally, one last concern for the LCB will be past marijuana convictions. While there is legislation to eliminate these past offenses pending, the LCB should be ready to adopt rules for sale and license restrictions for those with past convictions.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 **or** Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate **or** Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ <u>45</u> p/hour (If primarily billing at hourly rate)

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ <u>300</u> p/day (If primarily billing at daily rate)

Norton, Melissa K

From: Michael Levinsohn <darrowdisciple@yahoo.com>
Posted At: Friday, February 15, 2013 12:37 PM
Conversation: RFP-K430, Legal Use of Cannabis Consulting, LLC
Subject: RFP-K430, Legal Use of Cannabis Consulting, LLC

Thank you for the opportunity to submit this proposal on behalf of Legal Use of Cannabis Consulting, LLC. We look forward to the next step in the selection process.

Michael Levinsohn

Michael Levinsohn, State Bar No.: 146492
2355 Westwood Blvd., #528
Los Angeles, CA
(310) 420-9081

This email and any files transmitted with it are confidential and intended solely for the use of the individual or entity to whom they are addressed. If you have received this email in error please notify the system manager. This message contains confidential information and is intended only for the individual named. If you are not the named addressee you should not disseminate, distribute or copy this e-mail. Please notify the sender immediately by e-mail if you have received this e-mail by mistake and delete this e-mail from your system. If you are not the intended recipient you are notified that disclosing, copying, distributing or taking any action in reliance on the contents of this information is strictly prohibited.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are are ~~are not~~ submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Michael J. ...
Proposer Signature

MANAGING MEMBER
Title

LEGAL USE CANNABIS CONSULTANTS
Company Name

FEB. 14, 2013
Date

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

<p>Subcontractor 1</p> <p>Name: <u>Steep Hill Lab</u></p> <p>Services: <u>Standards/Testing (Cat 2)</u></p> <p>Address: <u>473 Roland Way</u> <u>Oakland, CA 94621</u></p> <p>Telephone: <u>(510) 562-7400</u></p> <p>Email: <u>david@steephilllab.com</u></p> <p>Fed ID: <u>PersonallInfo</u></p> <p>UBI: <u>To be obtained</u></p> <p>Work to be Performed: <u>Consulting on standards and testing for category 2.</u></p> <p>OMWBE certified: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>Subcontractor 2</p> <p>Name: <u>McCullough Research, LLC</u></p> <p>Services: <u>Statistical Analysis (Cat 3)</u></p> <p>Address: <u>3123 SE Reed College Place</u> <u>Portland, OR 97202</u></p> <p>Telephone: <u>(503) 777-4616</u></p> <p>Email: <u>robert@mresearch.com</u></p> <p>Fed ID: <u>PersonallInfo</u></p> <p>UBI: <u>601-622-922</u></p> <p>Work to be Performed: <u>Statistical analysis for category 3.</u></p> <p>OMWBE certified: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>Subcontractor 3</p> <p>Name: <u>Gordon Thomas Honeywell</u> <u>LLP</u></p> <p>Services: <u>Legal Services (Cat 4)</u></p> <p>Address: <u>600 University Way</u> <u>Suite 2100</u> <u>Seattle, WA 98101</u></p> <p>Telephone: <u>(206) 676-7548</u></p> <p>Email: <u>respegard@gth-law.com</u></p> <p>Fed ID: <u>PersonallInfo</u></p> <p>UBI: <u>602-129-658</u></p> <p>Work to be Performed: <u>Legal tasks as needed. Primarily under category 4.</u></p> <p>OMWBE certified: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>Subcontractor 4</p> <p>Name: _____</p> <p>Services: _____</p> <p>Address: _____</p> <p>Telephone: _____</p> <p>Email: _____</p> <p>Fed ID: _____</p> <p>UBI: _____</p> <p>Work to be Performed: _____</p> <p>OMWBE certified: <input type="checkbox"/> Yes <input type="checkbox"/> No</p>



To whom it may concern.

Steep Hill Lab has reviewed the contract for the Washington State I-502 RFP. We agree to all the standard terms and conditions as well as all other requirements presented.

Sincerely,

A handwritten signature in black ink, appearing to read "David Lampach", is written over a horizontal line.

David Lampach

President/Co-founder Steep Hill Lab

McCULLOUGH RESEARCH

ROBERT F. MCCULLOUGH, JR.
PRINCIPAL

February 14, 2013

WSLCB
P.O. Box 43076
Olympia, WA 98504

Dear Board Members:

I have read the WSLCB proposed contract for consulting services and do not object to the terms and conditions therein. I am prepared to meet the requirements of Category 3 of the RFP as delegated to me by my client Legal Use of Cannabis Consulting, LLC.

Yours,



Robert McCullough

Principal

Brian J. Danzig
Direct: (206) 676-7577
E-mail: bdanzig@gth-law.com

February 14, 2013

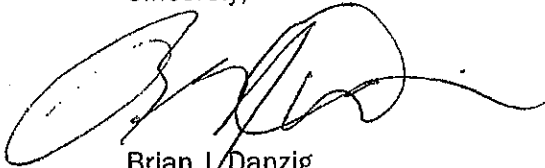
WSLCB
P.O. Box 43076
Olympia, WA 98504

Re: RFP- K430, LUCC Subcontractor

To Whom it May Concern:

I have read the WSLCB proposed contract for consulting services with respect to Contract Number K430. The standards and conditions of such contract were reviewed by the undersigned and the undersigned does not object to the terms and conditions therein. We are prepared to meet the requirements established for Legal Use of Cannabis Consulting LLC's staff under such contract.

Sincerely,



Brian J. Danzig

BJD/bc

Reply to:
Seattle Office
600 University, Suite 2100 (206) 676-7500
Seattle, WA 98101 (206) 676-7575 (fax)

Tacoma Office
1201 Pacific Ave., Suite 2100 (253) 620-6500
Tacoma, WA 98402 (253) 620-6565 (fax)

Legal Use Cannabis Consultants LLC

a limited liability company to be formed in and under
the laws of the State of Washington

February 15, 2013

Via Email

State of Washington
Liquor Control Board
lcbids@lq.wa.gov

Re: RFP-K430, Legal Use Cannabis Consultants LLC

Dear Ladies and Gentlemen:

It is our pleasure to submit to you the attached proposal in response to the referenced Request for Proposal. Also attached, and in accordance with the RFP K430 Submittal Document, please find the Information requested on Page 5 of the RFP K430 Submittal Document (names, addresses, statement of categories to which we are responding, etc.). Please contact the undersigned if you have any difficulty working with the attachments.

To provide the WSLCB with maximum value and to leverage the best available resources for this unique and precedent setting work, Legal Use Cannabis Consultants LLC ("LUCC") assembled a dedicated team of professionals who possess astonishing expertise, experience and capabilities applicable to all Categories of consulting services sought by WSLCB under RFP-K430. LUCC's team members assisted in the development of industry imposed standards for medical marijuana producers and retailers concerning sanitation, ingredients, quality assurance, and product tracking, recall and destruction; founded and operated the second largest collective dispensary in California; testified in more than 275 court cases around the country regarding marijuana cultivation; co-authored California Senate Bill 420 ("Medical Marijuana Program Act"); operated a successful infused products collective; developed the first inert gas safe packaging and labeling protocol for medical cannabis in California; and founded the nation's first medical cannabis testing lab outside of the federal government's own testing program at the National Institute on Drug Abuse ("NIDA"). Our subcontracted legal team, experts in Washington regulatory law, will provide their outstanding experience to apply our recommendations to achieve a practical, consistent, and understandable regulatory framework.

Our team has the skills, experience and expertise to advise WSLCB on developing standards and regulations for all aspects of cannabis production, manufacturing, transportation, testing, retailing and product regulation. We look forward to working with the WSLCB on this interesting and ground breaking project. Kindly review the foregoing and the attached and contact the undersigned if we can answer any questions or otherwise be of assistance to the WSLCB.

In accordance with the RFP K430 Submittal Document, please be advised that the undersigned individual is authorized on behalf of Legal Use Cannabis Consultants LLC to bind the company to the attached bid.

Very truly yours,

Legal Use Cannabis Consultants LLC



Michael Levinsohn, Managing Member

Attachments

Cc:

Deborah Goldsberry
David Lampach
Adam Mintz
Chris Conrad
Prof. Mitchell Earleywine
Robert McCullough
Ryan Espegard

ATTACHMENT TO LETTER OF SUBMITTAL
OF
LEGAL USE CANNABIS CONSULTANTS LLC

1. Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written:

Legal Use Cannabis Consultants LLC will be a limited liability company formed in and under the laws of the State of Washington.

Principal Place Of Business:

Legal Use Cannabis Consultants LLC
Michael Levinsohn, Managing Member
2355 Westwood Blvd., #528
Los Angeles, California 90064
(310) 420-9081
Fax: (310) 470-9616
darrowdisciple@yahoo.com

Registered Agent Information:

GTH Corporate Services
Attention: Ryan Espegard
1201 Pacific Avenue, Suite 2100
Tacoma, Washington 98402
(253) 620-6500
Fax: (253) 620-6565
respegard@gth-law.com

2. Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.):

Michael Levinsohn, Attorney at Law
Managing Member
2355 Westwood Blvd., #528
Los Angeles, California 90064
(310) 420-9081 California
Fax: (310) 470-9616
darrowdisciple@yahoo.com

Deborah Goldsberry
Director of Product and Industry Knowledge
6114 La Salle Ave, #274
Oakland, California 94611
(510) 812-9538
dgoldsberry420@yahoo.com

David Lampach
Standards and Accountability Expert
1173 Virginia St.
Berkeley California 94702
(707) 354-1303

Adam Mintz
Infused Products Expert
728 Walker Ave.
Oakland, CA 94610
(214) 394-3940

david@steephilllab.com

adammintz@hotmail.com

Chris Conrad
Cultivation Expert
P.O. Box 21106
El Sobrante, California 94820
(510) 275-9311

Prof. Mitchell Earleywine
Psychographic and Demographic Expert
Department of Psychology
University at Albany
State University of New York
1400 Washington Ave
Albany, New York 12222
(518) 442-4820

case@chrisconrad.com

mearleywine@albany.edu

3. Location of the facility from which the Proposer would operate:

When members of Legal Use Cannabis Consultants LLC's team are present in Washington for purposes of performing under the contract, the facility from which Legal Use Cannabis Consultants LLC would operate is the offices of Gordon Thomas Honeywell, LLP located in Seattle and Tacoma, Washington.

Wells Fargo Plaza
1201 Pacific Avenue, Suite 2100
Tacoma, Washington 98402
Telephone: 253.620.6500
Toll Free: 800.240.5051
Fax: 253.620.6565

One Union Square
600 University, Suite 2100
Seattle, Washington 98101
Telephone: 206.676.7500
Toll Free: 800.240.5051
Fax: 206.676.7575

Otherwise, the location of the facility from which the Proposer would generally operate is:

2355 Westwood Blvd., #528
Los Angeles, California 90064
(310) 420-9081
Fax: (310) 470-9616

4. Statement of which of the following Categories Proposer is responding to:

Legal Use Cannabis Consultants LLC is responding to *all* Categories described in RFP-K430 as follows:

- Category 1: Product and Industry Knowledge
- Category 2: Product Quality Standards and Testing
- Category 3: Product Usage and Consumption Validation
- Category 4: Product Regulation

5. Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal.

There are no state employees or former state employees employed or on Legal Use Cannabis Consultants LLC's governing board as of the date of the proposal.

Category 1 – Product and Industry Knowledge

1. Ability, Capacity and Skills.

The team of experts assembled by Legal Use of Cannabis Consultants (LUCC) has extensive experience in the marijuana industry and brings to bear the ability, capacity and skills to advise WSLCB in establishing minimum standards for:

- growing, cultivating, harvesting, curing, and processing of marijuana;
- infusing marijuana and its derivatives into food and beverages, lotions, ointments or other products;
- standardization and safety relating to packaging, labeling, transporting, and selling marijuana products at a retail level;
- recalling, accounting for and destroying marijuana and products in wholesale and retail markets; and
- controls and methodologies for tracking and reconciliation of marijuana and related products.

The standards will assure a chain of custody and other appropriate governmental controls for marijuana and infused products through each phase of production, processing and retail sales.

We have the skills and experience to advise WSLCB on developing standards and regulations for all aspects of cannabis production, manufacturing, transportation, testing and retailing. Members of our firm assisted in the development of industry imposed standards for medical marijuana producers and retailers concerning sanitation, ingredients, quality assurance, and product tracking, recall and destruction; founded and operated the second largest collective dispensary in California; testified in more than 275 court cases around the country regarding marijuana cultivation; co-authored California Senate Bill 420 (“Medical Marijuana Program Act”); operated a successful infused products collective; developed the first inert gas safe packaging and labeling protocol for medical cannabis in California; and founded the nation’s first medical cannabis testing lab outside of the federal government’s own testing program at the National Institute on Drug Abuse (NIDA). Our subcontracted legal team, experts in Washington and federal regulatory law, will apply our recommendations to achieve a practical, consistent, and understandable regulatory framework. Our goal is to assure that the standards in the regulatory framework are comprehensive and verifiable, and that they are suited to the development of the WSLCB’s regulations.

2. Experience.

Ms. Debby Goldsberry, Director of Product and Industry Knowledge, is a recognized leader in developing government-approved standards and practices for production, processing, and retailing of medical cannabis. She was Co-Director of the Medical Cannabis Safety Council, an industry organization that developed standards for the safe handling of cannabis from plant to patient. Ms. Goldsberry co-founded Americans for Safe Access (ASA), Cannabis Action Network (CAN), and the National Organization for the Reform of Marijuana Laws (NORML) Women's Alliance. She also advised city governments in Berkeley and Oakland, California, and Alameda, Santa Cruz, and San Francisco counties, California state agencies, and numerous organizations around the country on cannabis issues. Debby ran the Berkeley Patients Group, California's second-largest collective dispensary for medical cannabis with 70 employees and up to 1,000 customer visits per day. As Director of the retail collective for 11 years, Debby oversaw every aspect of retail sales, quality control, storage, and packaging of medical-use marijuana and products containing its derivatives. She is a board member at California NORML, and is a former board member of the Marijuana Policy Project. California state agencies, and numerous organizations around the country have consult Debby Goldsberry for advice.

Mr. Chris Conrad, Cultivation Expert, is the nation's premier expert in the nation on the cultivation and production of cannabis. Mr. Conrad was trained in marijuana breeding, cultivation and processing at the licensed Dutch Sensi Seed Bank. In 2008-09, Chris, working with Debby Goldsberry, was an advisor to the Medical Cannabis Safety Council based in Berkeley, California. In that capacity, he helped establish regulatory standards for medical marijuana producers and retailers concerning sanitation, ingredients, quality assurance, and product tracking, recall and destruction. Mr. Conrad helped write California Senate Bill 420 ("Medical Marijuana Program Act") and authored numerous cannabis-related books and studies. Mr. Conrad examined and analyzed the potential yield of hundreds of cannabis gardens, and reviewed more than 1000 cultivation cases, and has testified as an expert in over 275 marijuana-related court cases. He has a vast and unbiased understanding of the processes, and, perhaps more importantly, the pitfalls of cannabis cultivation, and he continually updates his knowledge with such visits and discussions with industry leaders who grow, process, store, use, and dispose of cannabis in a commercial setting. Mr. Conrad continues to use his vast knowledge to educate the public through teaching and being a curator at Oaksterdam University, and by speaking at industry and scientific conferences.

Mr. Adam Mintz, our Infused Products Expert develops, processes, and distributes marijuana infused products in California. Adam's collective, Green-Mints and Sons, Inc. (DBA: CannaCatering), is one of the most successful producers of edible products containing marijuana derivatives and is well known for its creativity, sanitary practices, eco-friendly packaging, and consistency through analytical testing. Mr. Mintz is a Co-Founder of a trade

association devoted to developing safety standards in the marijuana infused products market.

Mr. David Lampach is the co-founder of Steep Hill Lab in Oakland, California, the nation's first and largest non-federal medical cannabis testing lab. He is our Standards and Accountability Expert. Mr. Lampach worked with the Mendocino County Sheriff's department to implement the county's "9.31" program, which calls for inspecting and assisting large commercial grow operations in accordance with county law. Mr. Lampach has practical knowledge and expertise in applying environmentally friendly techniques to destroy cannabis and his proven systems are widely used throughout California to provide accountability from seed to sale. Mr. Lampach developed every aspect of Steep Hills' testing program, pioneered internal sampling and storing methodologies for marijuana and marijuana infused products based on the U.S. DEA protocol for the handling of Schedule I controlled substances, and developed the first inert gas safe packaging and labeling protocol for medical cannabis in California.

Mr. Michael Levinsohn is a criminal defense attorney with 23 years of courtroom experience, the last ten of which have almost exclusively dealt with marijuana and medical marijuana cases. Mr. Levinsohn has specific experience and success addressing issues of child safety regarding cannabis and has become a recognized expert in that area, speaking at numerous conferences and seminars. His experience and expertise gives him deep understanding of and familiarity with the thinking of law enforcement, state officials, and average citizens, and the ways stakeholders can encounter problems with respect to cannabis.

3. Team Structure and Internal Controls.

Access, responsiveness and open communication will be the hallmark of this team.

The consultancy for each category identified in our Non-Cost Proposal will be provided by an entity to be formed in Washington, together with certain subcontractors selected for their expertise and experience. Michael Levinsohn, as Managing Partner, will have the authority to make decisions for team and will be the designated central point of contact between entity and the Board.

Each of the entity's members will be designated as a "Team Leader" with authority in their individual categories. Given the range and depth of skills and experience of our members and subcontractors, they will be integrated into multiple teams and will work under the direction of the Team Leader for each category. This approach will help insure an integrated and consistent approach to our work in each category. The members of the consulting entity will oversee and integrate the work of the subcontractors.

LUCC Organizational Chart for Product and Industry Knowledge (Category 1) tasks:

Managing Partner - Michael Levinsohn

Director of Product and Industry Knowledge - Debby Goldsberry

Cultivation Knowledge Expert- Chris Conrad

Infused Products Expert - Adam Mintz

Standards and Accountability Expert - Dave Lampach

Subcontractors for Product and Industry Knowledge (Category 1) tasks:

Gordon Thomas Honeywell LLP - development and formulation of standards and recommendations for regulations.

4. Staff Qualifications and Capabilities.

Debby Goldsberry - Director of Product and Industry Knowledge

Debby Goldsberry's 25 years of experience as a knowledge leader in the adult use and medical marijuana community and industry will help the WSLCB develop standards and practices for production, processing, retailing, and controlling of cannabis. Ms. Goldsberry's advice to the WSLCB in every aspect of retail sales, quality control, storage, and packaging of marijuana and products containing its derivatives will be informed by her experience advising governments in Berkeley and Oakland, California, and Alameda, Santa Cruz, and San Francisco counties, in California, state agencies, and numerous organizations around the country on cannabis issues. Her tenure as Founder and Director of the Berkeley Patients Group, California's second-largest collective dispensary for medical cannabis provides the experience necessary for her role as Lucc's Director of Product and Industry Knowledge. Ms. Goldsberry co-founded Americans for Safe Access (ASA), Medical Cannabis Safety Council (MCSC), Cannabis Action Network (CAN), and the National Organization for the Reform of Marijuana Laws (NORML) Women's Alliance. She is a board member at California NORML, and is a former board member of the Marijuana Policy Project.

Chris Conrad – Cultivation Expert

Chris Conrad is the premier expert in the nation on cultivation, production, and use of cannabis and has over 20 years' experience in providing advice to the medical marijuana industry. He has testified as a marijuana expert in over 275 court cases. He helped establish industry standards for medical marijuana producers and retailers concerning sanitation, ingredients, quality assurance, and product tracking, recall and destruction. Mr. Conrad assisted in writing California Senate Bill 420 ("Medical Marijuana Program Act"), in addition to authoring numerous cannabis-related books and studies. Mr. Conrad continues to use his vast knowledge to educate the public through teaching and being a curator at Oaksterdam University, and by speaking at industry and scientific conferences.

Adam Mintz – Infused Products Expert

Adam Mintz develops, processes, and distributes marijuana infused products in California. Adam's collective is one of the most successful producers of edible products containing marijuana derivatives and is well known for its creativity, sanitary practices, eco-friendly packaging, and consistency through analytical testing. He also co-founded CAPSCE, California's first and only edibles trade association devoted to raising safety standards in the infused products market.

David Lampach – Standards and Accountability Expert

David Lampach is the co-founder of Steep Hill Lab in Oakland, California, the nation's first and largest non-federal medical cannabis testing lab. Mr. Lampach has been instrumental in developing every aspect of its testing program. He is the pioneer in overseeing internal sampling and storing based on the U.S. DEA protocol for the handling of Schedule I controlled substances and developed the Safe Cannabis Program, the first inert gas safe packaging and labeling protocol for medical cannabis in California. Mr. Lampach was also tapped by the Mendocino County Sheriff's department to implement the county's 9.31 program inspecting and assisting large commercial growers in accordance with county law. Mr. Lampach has practical knowledge and expertise in applying environmentally friendly techniques to destroy cannabis and his proven systems are widely used throughout California to provide accountability from seed to sale. His day-to-day, hands-on experience in testing cannabis products match his one-of-a-kind knowledge.

Michael Levinsohn - Managing Partner

Mr. Levinsohn is an attorney (California Bar No.: 146492, admitted 1990) and will be responsible for overall operations, budgets, deadlines, final decisions, and communications on behalf of LUCC. Michael will also be the conduit for information to be shared among the other LUCC team members. Mr. Levinsohn helped form the LUCC team and regularly oversees teams of multiple attorneys, support staff, investigators, experts, third-party service providers and others. Since 1992, Mr. Levinsohn's private law practice primarily consists of defending marijuana and medical marijuana cases. His practice emphasizes child-safety issues related to marijuana cultivation and use. He regularly speaks on that issue, and other marijuana related legal issues, at numerous conferences and seminars.

Gordon Thomas Honeywell LLP - Subcontractor

Gordon Thomas Honeywell LLP is a Washington law firm with extensive regulatory experience related to the spirits, utilities, energy, port operation, financial services, and real estate industries. Gordon Thomas Honeywell advises clients in licensing, permitting, and other regulatory requirements related to those and a wide variety of other business endeavors. The firm represents an array of business clients interested in the commercial cannabis industry and its impact on Washington businesses and property owners. The attorneys of Gordon Thomas Honeywell LLP have developed a strong understanding of the existing medical marijuana industry in Washington and elsewhere and are able to recognize the unique issues facing interested parties in the implementation of I-502. Specific attorney bios will be presented in response to Category 4, below.

Category 2 – Product Quality Standards and Testing

5. Ability, Capacity and Skills.

David Lampach, co-founder of Steep Hill Lab in Oakland, California, is our Standards and Accountability Expert. Mr. Lampach developed the Safe Cannabis program, the first inert gas safe packaging and labeling protocol for medical cannabis in California. He is uniquely positioned to advise the WSLCB in the field of cannabis testing, labeling, and packaging. His systems, proven and used throughout California, provide accountability from seed to sale. Mr. Lampach will advise the Board on the tools needed to test, seal, secure, and track cannabis so that there will be no possibility of diversion to illegal markets. Mr. Lampach is the pioneer in overseeing internal sampling and storing based on the U.S. DEA protocol for the handling of Schedule I controlled substances. The DEA regulations require a secure chain of custody, and Mr. Lampach's expertise and his lab's technology is unmatched. Moreover, Mr. Lampach has practical knowledge and expertise in destroying cannabis samples and rendering them unusable, using techniques that are environmentally friendly.

The subcontracted testing facility has utilizes a wide array of instrumentation and tools enable it to efficiently carry out testing, including GCFID, GCMS, HPLC, NIR, inert gas package sealers, secure product labels and printers, and software and servers to track, process, and secure data.

The labs' processes treat marijuana as a drug rather than as a food product, despite pressure from amateur producers and political activists. Having implemented standards in accordance with those applied to over-the-counter herbal medicines as set by the American Herbal Pharmacopoeia (AHP), David Lampach and our subcontracted testing facility can confidently advise the Board on establishing similar standards throughout the state. The subcontracted lab's record of compliance with self-imposed standards in excess of those legally required attests to its commitment and ability to implement these requirements.

6. Experience.

When David Lampach co-founded Steep Hill Lab in 2007, the lab became the nation's first medical cannabis testing lab outside of the federal government's own testing program at NIDA. Having analyzed over 30,000 samples to date, it is the largest cannabis testing facility in the U.S.

The lab has been at the forefront of cannabis-related consumer safety since its founding. Subsequently, the lab developed the nation's first non-federal cannabis potency testing program, the nation's first cannabis testing program for mold, yeast, and bacteria, and testing programs for pesticides, terpenoids and minor components, and trace VOC residue in concentrates. In addition to its contributions to testing standards, the lab developed SafeCannabis, the first inert gas safe packaging and labeling protocol for medical cannabis in California, and QuantaCann, the first instant cannabis potency testing program. Finally, as a member of the ACCL (Association of California Cannabis Laboratories), the lab has worked to encourage other labs to adopt similar protections.

The testing program for mold, yeast, and bacteria complies with the standards set by the United States Pharmacopoeia, the World Health Organization, and the American Herbal Products Association; samples exceeding those standards are commonly flagged for removal from the distribution chain. The lab's internal sample handling and storage procedures are based on DEA protocol for Schedule I controlled substances; the procedures require a secure chain of custody for sample handling, secure methods of storage, proper sample destruction, and efforts to prevent sample diversion into the black market.

The lab's QuantaCann technology offers testers and regulators new tools to track and trace products throughout the supply chain. QuantaCann employs remote on-location testing instruments networked with our central servers, providing a real-time window into the character of medical cannabis samples. In addition to the 30,000 medical cannabis samples tested using traditional methodology, the lab has tested over 30,000 samples within the QuantaCann system. QuantaCann is the only truly "green" cannabis testing system available. The testing is non-destructive and uses no harmful chemicals.

7. Staff Qualifications and Capabilities.

David Lampach - Standards and Accountability Expert.

As a co-founder of Steep Hill Lab, Mr. Lampach has been instrumental in developing every aspect of its testing program. His current duties at Steep Hill Lab include: President, Technological development, software design, lab and testing oversight. David invented and oversaw the creation of QuantaCann, delivering it from a concept to its inception. He is an expert using the analytical instruments most appropriate for analyzing cannabis samples (GC-FID, GC-MS, HPLC, HPLC-MS, NIR Reflectance Spectroscopy). He is an expert in process analytical technology as it relates to the cannabis industry, and has been involved in the creation of software to make the cannabis distribution chain more efficient and transparent. Mr. Lampach also created and designed the first cannabis safe packaging and labeling protocol in the U.S. for Steep Hill Lab. He is also an expert cannabis grower, and was tapped by the Mendocino County Sheriff's department to implement the county's 9.31 program inspecting and assisting large commercial grows in accordance with county law. In addition, he has consulted dozens of growers on proper technique and problem mitigation.

The following individuals are staff members at subcontractor SHL:

Dr. Paul Daley – PHD, University of California at Berkeley

Dr. Daley has over 30 years experience in a variety of environmental and analytical disciplines. He published research in integrated pest management, plant photosynthesis, and environmental chemistry. At Steep Hill Lab, he assisted in method development for cannabinoids in medical cannabis strains, troubleshooting instrumentation, and isolation of rare cannabinoids for use as analytical reference materials. He is the Resident Chemist at the Alexander Shulgin Research Institute in Lafayette, CA, where his work focuses on the chemistry and pharmacology of psychoactive drugs, particularly with psychedelics.

Savino Sguerra – BS, Columbia University

Mr. Sguerra is currently Lab Director of Steep Hill Lab. He oversees the day-to-day management of the lab and tests thousands of samples of cannabis a month for potency, mold and bacterial counts, pesticides, terpenoids, moisture content, and various other types of analysis. As part of his duties, Mr. Sguerra conducts analysis validation, instrument maintenance and repair.

8. Approach and Methodology.

Our team is prepared to assist and advise the Board in establishing standards in each of the following categories:

Maximum Tolerance for Harmful Contaminants.

Depending on whether marijuana is treated as a food, an herbal drug, or a pharmaceutical drug, different tolerance limits for a variety of contaminants may apply and will need to be addressed by the WSLCB.

The most likely potentially harmful contaminants (in decreasing order of likelihood) will be mold, bacteria, pesticides, heavy metals, and physical contaminants. We are prepared to assist the Board in determining maximum tolerance limits for these harmful contaminants based on existing standards published by the U.S. Pharmacopoeia, the World Health Organization, and the American Herbal Products Association. For pesticides, we recommend maintaining a list of pesticides approved for cannabis and their acceptable tolerance limits, similar to the EPA's A-Z list of pesticides approved for use in the U.S. We will advise the WSLCB on means to avoid heavy metals in cannabis with reference to, for example, Washington's existing soil loading limits for arsenic, cadmium, cobalt, mercury, molybdenum, lead, nickel, selenium, and zinc.

Minimum Standards for THC/CBD Labeling in Product Batches.

Delta-9 Tetrahydrocannabinol (THC) and Cannabidiol (CBD) are cannabinoids that will most likely be present in 100% of the samples in the statewide distribution network, and are of great significance to the consumer in terms of determining potency. We are prepared to assist the Board in insuring that every batch of cured cannabis must be analyzed for its THC/CBD content and that those values remain associated with that batch, and in determining minimum standards for accuracy in THC/CBD reporting and labeling on product batches. On the retail level, we will advise the WSLCB on setting standards and establishing regulations for labeling the THC/CBD content of each cannabis product.

There are many other cannabinoids that occur in varying amounts in cannabis, and at a future time it may be relevant to add them as target analytes. We are well suited to advise the WSLCB concerning flexible regulations that will allow for the possibility that other compounds in the plant may become of interest in the future.

Acceptable Testing Methodologies and Reporting Requirements.

Testing labs currently use a wide array of testing methodologies for analyzing both cannabinoids and contaminants in cannabis, each method having its own strengths and weaknesses. We are prepared to help the Board explore a variety of testing methods,

including gas chromatography (GC), high performance liquid chromatography (HPLC), near infrared reflectance spectroscopy (NIR), thin layer chromatography (TLC), and nuclear magnetic resonance (NMR).

In evaluating testing methods, accuracy is vitally important as are balancing the costs and length of time associated with each test. Whichever methods are finally determined to be acceptable to the state, validation will need to be conducted initially and on an ongoing basis. Validation entails proving that the accepted methods for detecting target analytes work as stated presently and will continue to work over time. We will provide sound advice to the WSLCB in this regard

An additional issue the Board will need to explore is the appropriate timing of lab testing. For example, testing at the point of harvest can provide timely and useful information. However, contaminants such as mold and bacteria can develop during both production and distribution. A hybrid approach of testing at the grow site and testing individual lots may be the most effective solution. We are prepared to assist the Board in making this decision.

Optimal Level of Technological Integration

We can assist the Board in determining the appropriate level of technological integration to achieve the State's requirements for product tracking, reporting, and accountability. There are a wide range of methodologies for product tracking. Frequently however, paper-based systems are giving way to electronic systems as the preferred method. Systems can range from "pure paper" to "pure electronic," with the latter providing RFID integration and real time monitoring of system status and exact product whereabouts. Hybrid paper/electronic systems can be efficiently implemented if the cost of a pure electronic system is found to be prohibitive.

Protocol for Problem Mitigation and Product Recall

When batches of cannabis are found to be non-compliant with the limitations set forth in state regulations, they must be removed from supply. In the majority of cases, the results of lab tests will be the primary factor in determining a batch's suitability for distribution. This will necessitate the creation of a system to alert licensed distributors of a product's noncompliance status, as well as a system to ensure that licensed distributors have complied in removing and/or destroying the cannabis. A statewide electronic system tracking the location of all cannabis products would simplify this effort and is highly recommended. We are prepared to assist the Board in selecting the appropriate system.

Category 3 – Product Usage and Consumption Validation

9. Ability, Capacity and Skills.

We have assembled an extraordinary team of experts capable of estimating product usage and consumption levels in each county in Washington. The team consists of Dr. Mitch Earleywine and Mr. Robert McCullough.

Dr. Mitch Earleywine is Professor of Clinical Psychology at the University at Albany, State University of New York, where he teaches drugs and human behavior, substance abuse treatment and clinical research methods. He has more than 100 publications in refereed journals on drug use and abuse. He is the author of multiple books, including "Understanding Marijuana" (Oxford University Press, 2002), "The Parents' Guide to Marijuana" (Trans High Press, 2008), and "Substance Use Problems" (Hogrefe & Huber, 2009). He is also the editor of multiple books, including "Mind-Altering Drugs" (Oxford University Press, 2005) and "Pot Politics" (Oxford University Press, 2007).

Dr. Earleywine's extensive experience conducting and reviewing marijuana-related studies makes him an ideal candidate for compiling data which can be used to accurately calculate estimations of consumption. The Board can then use these estimations for planning the appropriate level of production to meet demand estimations. While utilizing traditional sources of survey data will be a starting point, Dr. Earleywine is prepared to utilize the unmatched count technique (UCT) to improve estimates on the hidden demand for cannabis in Washington State. UCT is a strategy designed to improve estimates of controversial behaviors that people might rarely endorse even in anonymous surveys. The UCT provides estimates of controversial behaviors without requiring any specific individual to confess to engaging in the target action. Dr. Earleywine has already published data using the UCT to improve the accuracy of estimates for such controversial behaviors as hate crimes,¹ maladaptive alcohol consumption, unsafe sexual behaviors,² and symptoms of eating disorders.³ Current projects also use the UCT to examine unsafe driving and symptoms of post-traumatic stress in veterans thanks to a grant from the Department of Defense. All of these experiments support the idea that the UCT leads to higher estimates of controversial behaviors, making it an ideal supplement to standard anonymous approaches. This additional source of data will be crucial to determining the increase in demand arising from the removal of disincentives on marijuana use due to legalization.

¹ Rayburn, N. R., Earleywine, M. & Davison, G. C. (2003). Base rates of hate crime victimization among college students. *Journal of Interpersonal Violence*, 18, 1209-1221.

² LaBrie, J. W. & Earleywine, M. (2003). Part I: Socially undesirable behaviors: The case of risky sex and drinking. *Sex Offender Law Report*, 4, 49-50, 59-62.

³ Anderson, D. A., Simmons, A. M., Milnes, S. M., & Earleywine, M. (2007). Effect of response format on endorsement of eating disordered attitudes and behaviors. *International Journal of Eating Disorders*, 40, 90-93.

Robert McCullough is an expert consultant in the areas of economics and statistics and he is prepared to handle the statistical analysis necessary to arrive at accurate consumption estimations. Mr. McCullough is the Principal at McCullough Research, providing strategic planning assistance, litigation support, and planning for a variety of customers in energy, regulation, and primary metals. He is also an Adjunct Professor of Economics at Portland State University. Mr. McCullough's expertise has been put to use calculating utility prices and related supply and demand assumptions for private and public entities. Mr. McCullough frequently provides testimony before state and federal regulatory agencies and committees, including committees in both the U.S. Senate and House of Representatives, along with the Federal Energy Regulatory Commission. Mr. McCullough is well suited to handle the calculation necessary to determine consumption estimations in Washington State.

10. Experience.

Dr. Mitch Earleywine and Mr. Robert McCullough have extensive experience with the type of analysis that must be performed to arrive at accurate consumption estimates in Washington State.

Dr. Mitch Earleywine is Professor of Clinical Psychology at the University at Albany, State University of New York, where he teaches drugs and human behavior, substance abuse treatment and clinical research methods. His research funding has come from the National Institute on Alcohol Abuse and Alcoholism, the Alcoholic Beverage Medical Research Foundation, the Department of Defense, and the Marijuana Policy Project. He serves on the editorial boards of four psychology journals, reviews for over a dozen, and has more than 100 publications in refereed journals on drug use and abuse. He is the author of multiple books, including "Understanding Marijuana" (Oxford University Press, 2002), "The Parents' Guide to Marijuana" (Trans High Press, 2008), and "Substance Use Problems" (Hogrefe & Huber, 2009). He is also the editor of multiple books, including "Mind-Altering Drugs" (Oxford University Press, 2005) and "Pot Politics" (Oxford University Press, 2007).

Notably, Dr. Earleywine has experience utilizing the unmatched count technique (UCT) – a strategy designed to improve estimates of controversial behaviors that people might rarely endorse even in anonymous surveys. The UCT provides estimates of controversial behaviors without requiring any specific individual to confess to engaging in the target action. Dr. Earleywine has already published data using the UCT to improve the accuracy of estimates for such controversial behaviors as hate crimes,⁴ maladaptive alcohol consumption, unsafe sexual behaviors,⁵ and symptoms of eating disorders.⁶ Current projects also use the UCT to examine unsafe driving and symptoms of post-traumatic stress in veterans thanks to a grant from the Department of Defense. All of these experiments support the idea that the UCT leads to higher estimates of controversial behaviors, making it an ideal supplement to standard anonymous approaches. Dr. Earleywine can utilize this experience to compile data useful in determining the hidden demand for marijuana in Washington State.

Robert McCullough is an expert consultant in the areas of economics and statistics and he is prepared to handle the statistical analysis necessary to arrive at accurate consumption estimations. Mr. McCullough is the Principal at McCullough Research, providing strategic planning assistance, litigation support, and planning for a variety of customers in energy, regulation, and primary metals. He is also an Adjunct Professor of Economics at Portland

⁴ Rayburn, N. R., Earleywine, M. & Davison, G. C. (2003). Base rates of hate crime victimization among college students. *Journal of Interpersonal Violence*, 18, 1209-1221.

⁵ LaBrie, J. W. & Earleywine, M. (2003). Part I: Socially undesirable behaviors: The case of risky sex and drinking. *Sex Offender Law Report*, 4, 49-50, 59-62.

⁶ Anderson, D. A., Simmons, A. M., Milnes, S. M., & Earleywine, M. (2007). Effect of response format on endorsement of eating disordered attitudes and behaviors. *International Journal of Eating Disorders*, 40, 90-93.

State University. Mr. McCullough's expertise has been put to use calculating utility prices and related supply and demand assumptions for private and public entities. Mr. McCullough frequently provides testimony based on his statistical research before state and federal regulatory agencies and committees, including committees in both the U.S. Senate and House of Representatives, along with the Federal Energy Regulatory Commission. Mr. McCullough is well suited to handle the calculation necessary to determine consumption estimations in Washington State.

11. Staff Qualifications and Capabilities.

Prof. Mitchell Earleywine - Psychographic and Demographic Expert

Ph.D Clinical Psychology – Indiana University

B.A. – Columbia University

Dr. Mitch Earleywine is Professor of Clinical Psychology at the University at Albany, State University of New York, where he teaches drugs and human behavior, substance abuse treatment and clinical research methods. His research funding has come from the National Institute on Alcohol Abuse and Alcoholism, the Alcoholic Beverage Medical Research Foundation, the Department of Defense, and the Marijuana Policy Project. He serves on the editorial boards of four psychology journals, reviews for over a dozen, and has more than 100 publications in refereed journals on drug use and abuse. He is the author of multiple books, including "Understanding Marijuana" (Oxford University Press, 2002), "The Parents' Guide to Marijuana" (Trans High Press, 2008), and "Substance Use Problems" (Hogrefe & Huber, 2009). He is also the editor of multiple books, including "Mind-Altering Drugs" (Oxford University Press, 2005) and "Pot Politics" (Oxford University Press, 2007).

Prof. Earleywine will assist in the compilation of statistics and demographic data in order to have a data set sufficient for Mr. McCullough to perform statistical analysis to determine supply, demand, and consumption estimations in each county.

Robert McCullough (McCullough Research)

Ph.D. Economics (unfinished) – Cornell University

M.A. Economics – Portland State

B.A. Economics – Reed College

Robert McCullough is an expert consultant in the areas of economics and statistics and he is prepared to handle the statistical analysis necessary to arrive at accurate consumption estimations. Mr. McCullough is the Principal at McCullough Research, providing strategic planning assistance, litigation support, and planning for a variety of customers in energy, regulation, and primary metals. He is also an Adjunct Professor of Economics at Portland State University. Mr. McCullough's expertise has been put to use calculating utility prices and related supply and demand assumptions for private and public entities. Mr. McCullough frequently provides testimony based on his statistical research before state and federal regulatory agencies and committees, including committees in both the U.S. Senate and House of Representatives, along with the Federal Energy Regulatory Commission. Mr. McCullough is well suited to handle the calculation necessary to determine consumption estimations in Washington State.

Mr. McCullough has been retained to perform the statistical analysis necessary to determine supply and demand quantity estimations for each county.

12. Approach and Methodology.

We envision a three step approach. The first step is to develop a demographic model of marijuana use in Washington State, by county. The second step is to consider longer-term impacts on quantity consumed based on prior experience, age, and other variables. Finally, we would recommend adjusting the consumption levels to reflect the price decline in the product we would forecast from decriminalization.

Basic data on marijuana use, by geographic area, age, and a variety of other variables is available through the biennial Substance Abuse and Mental Health Data Archive (SAMHDA). This provides the basic information required to project marijuana use using state demographic forecasts. The SAMHDA data also allows disaggregation to county and census tract levels, if needed. A straightforward approach to projecting future years, by county, is to apply SAMHDA data to existing demographic forecasts. We will also seek out additional demographic data sources to ensure accuracy.

In addition to traditional sources of demographic data, we will use the unmatched count technique (UCT) to improve estimates on the hidden demand for cannabis in Washington State. UCT is a strategy designed to improve estimates of controversial behaviors that people might rarely endorse even in anonymous surveys. The UCT provides estimates of controversial behaviors without requiring any specific individual to confess to engaging in the target action.

Existing research indicates that drug use may increase over time as a function of previous drug experience plus demographics change. In order to capture this effect, it is suggested that a statistical approach be used to estimate Washington's likely experience in the years to come.

This primary data will be used in a logistic regression⁷ to forecast future demand using techniques recommended by James D. Colliver, Wilson M. Compton, Joseph C. Gfroerer, and Timothy Condon in an article entitled "Projecting Drug Use Among Aging Baby Boomers in 2020".⁸

Decriminalization also is likely to increase demand, since existing laws have a disincentive effect on drug use. There is little research on the impact of decriminalization on

⁷ Logistic regression is used extensively in numerous disciplines, including the medical and social science fields. For example, the Trauma and Injury Severity Score (TRISS), which is widely used to predict mortality in injured patients, was originally developed by Boyd et al. using logistic regression. It is also employed in marketing applications such as prediction of a customer's propensity to purchase a product or cease a subscription, etc. For example, logistic regression might be used to predict whether a patient has a given disease (e.g. diabetes), based on observed characteristics of the patient (age, gender, body mass index, results of various blood tests, etc.).

⁸ Annals of Epidemiology, Volume 16, Issue 4, Pages 257-265, April 2006.

consumption per se. There is literature on the impact of price on consumption.⁹ We can expect price of marijuana to fall to that consistent with standard prices for similar farm commodities with similar processing requirements. The paper cited above indicates that the percentage quantity response will be on the order of one half the price reduction.

Our methodology will estimate a market price based on comparable agricultural products in Washington State and then apply this to existing prices found by Matthew Zook, Mark Graham and Monica Stephens in their web based price survey using the existing literature on price responsiveness cited above.¹⁰

The final product will be a series of forecasts of quantity consumed by county for the next decade based on existing demographics and use, adjusted by changes in consumption over time, and encapsulating changes in demand due to price.

⁹ Examining the Impact of Marijuana Legalization on Marijuana Consumption Insights from the Economics Literature, ROSALIE LICCARDO PACULA, WR-770-RC, July 2010, page 17.

¹⁰ Data Shadows of an Underground Economy: Volunteered Geographic Information and the Economic Geographies of Marijuana, Matthew Zook, Mark Graham and Monica Stephens, August 30, 2011.

Category 4 – Product Regulation

13. Ability, Capacity and Skills.

The primary consulting entity, brings experience, capability and skill to developing standards and guidelines for the safe production, distribution, storage, and sale of marijuana and products containing marijuana derivatives. Both Debby Goldsberry, our Director of Product and Industry Knowledge, and Chris Conrad, our Cultivation Expert, played integral roles in developing governmental and private standards and regulations for the safe handling of cannabis, from plant to patient. David Lampach's contribution in this area will involve applying his experience using the U.S. DEA protocol for the handling of Schedule I controlled substances, including regulations require a secure chain of custody and his experience working with the Mendocino County Sheriff's department to implement the commercial grow operations' compliance with county law.

LUCC also retained a seasoned Washington law firm to provide additional support for developing regulations in a manner consistent with established Washington law and practices. The subcontracted firm has extensive experience working with local, state, and federal regulations in a variety of areas of law, making the firm an excellent candidate for providing the necessary services to assist in crafting system regulations while maintaining compliance with open government laws throughout the rulemaking process. The firm's experience includes helping business client's navigate complex regulations, challenging cities' and counties' failure to comply with Washington statutes and administrative rules, assisting public agencies in meeting their obligations under open government laws, and defending agency rulemaking facing appellate challenges. These experiences have involved regulations at the local, state, and federal levels and have frequently involved complex issues when state and federal regulations have overlapped. The depth of the law firm's practice areas and the number of attorneys and staff available to assist as needed will provide LUCC with the ability and capacity to handle the full extent of work required under the Contract.

The subcontracted firm is prepared to conduct stakeholder meetings, review and compile public comments, develop reports to convey stakeholder and public comments and recommendations to the Board and its consultants in an efficient and useful manner. Finally, the subcontracted law firm is prepared to make its own recommendations regarding the development of a framework for regulation implementation, enforcement, and appeal processes that are consistent with existing practices in Washington.

14. Experience.

As noted above, the primary consulting entity brings extensive experience and skill to bear in developing standards and guidelines for the safe production, storage, distribution and sale of marijuana.

Ms. Goldsberry was Co-Director of the Medical Cannabis Safety Council, based in Berkeley, California and Mr. Conrad served as an advisor to the Council. The Council set self-regulatory standards for medical marijuana producers and retailers for sanitation, ingredients, quality assurance, and product tracking, recall and destruction. Ms. Goldsberry advised city governments in Berkeley and Oakland, California, and Alameda, Santa Cruz, and San Francisco counties in the development of ordinances and regulations for the security and non-diversion of cannabis. Ms. Goldsberry consulted with and advised California state agencies and numerous organizations around the country. Among other contributions to the cannabis cultivation industry, Mr. Conrad assisted in writing California Senate Bill 420, California's "Medical Marijuana Program Act." Mr. Lampach worked with the Mendocino County Sheriff's department to implement the county's "9.31" program, which calls for inspecting and assisting large commercial grow operations in accordance with county law.

The subcontracted law firm has experience with state agency rules and regulations implemented pursuant to Washington's Administrative Procedures Act, the Alcoholic Beverage Control statutes, the Public Records Act, the Open Public Meetings Act, the Growth Management Act, the Shoreline Management Act, the State Environmental Protection Act, and others. The firm also works within a wide variety of regulatory systems including, but not limited to, the Food and Drug Administration (FDA), the Environmental Protection Agency (EPA), and the Federal Energy Regulatory Commission (FERC) at the federal level, and the Washington State Department of Licensing (construction, real estate licensure, automobile dealers, etc.). Gordon Thomas Honeywell experience includes both defending and challenging agency rulemaking and enforcement decisions, along with both defending and challenging the compliance of businesses and local government with regulatory requirements.

15. Staff Qualifications and Capabilities.

Debby Goldsberry - Director of Product and Industry Knowledge

Debby Goldsberry has 25 years of experience as a leader in the adult use and medical marijuana community and industry. She co-founded the Berkeley Patients Group (BPG) medical cannabis collective in 1999, directing its growth over 11 years, with 70 employees and up to 1,000 customer visits per day. As a community and industry leader, Ms. Goldsberry co-founded Americans for Safe Access (ASA), Medical Cannabis Safety Council (MCSC), Cannabis Action Network (CAN), and the National Organization for the Reform of Marijuana Laws (NORML) Women's Alliance. She is a board member at California NORML, and is a former board member of the Marijuana Policy Project.

Additionally, Ms. Goldsberry has assisted in the development of standards for the safe handling of cannabis, from plant to patient, for the MCSC. She has also advised city governments in Berkeley and Oakland, California, and Alameda, Santa Cruz, and San Francisco counties in the development of ordinances and regulations for the security and non-diversion of medical cannabis. California state agencies, and numerous organizations around the country, have consulted Ms. Goldsberry for advice.

Ms. Goldsberry will be the team leader for category 4 and will work directly with Gordon Thomas Honeywell LLP to accomplish the regulatory goals established by the Board.

Chris Conrad – Cultivation Expert

Chris Conrad is the premier expert in the nation on cultivation, production, and use of cannabis and has over 20 years' experience in providing advice to the medical marijuana industry and has testified a marijuana expert in over 275 court cases. He helped establish industry standards for medical marijuana producers and retailers concerning sanitation, ingredients, quality assurance, and product tracking, recall and destruction. Mr. Conrad assisted in writing California Senate Bill 420 ("Medical Marijuana Program Act"), in addition to authoring numerous cannabis related books and studies. Mr. Conrad continues to use his vast knowledge to educate the public through teaching and being a curator at Oaksterdam University, and by speaking at industry and scientific conferences.

Gordon Thomas Honeywell PLLC (Subcontractor)

Gordon Thomas Honeywell LLP is a Washington law firm with extensive regulatory experience related to the spirits, utilities, energy and port operation industries, among others. Gordon Thomas Honeywell advises clients in licensing, permitting, and other regulatory requirements related to those and a wide variety of other business endeavors. Gordon Thomas Honeywell represents an array of business clients interested in the commercial cannabis industry and its impact on Washington businesses and property owners. The attorneys of Gordon Thomas Honeywell LLP have developed a strong

understanding of the existing medical marijuana industry in Washington and elsewhere and are able to recognize the unique issues facing interested parties in the implementation of Initiative 502. The firm's experience includes helping business client's navigate complex regulations in the spirits, utilities, energy, port operation, financial services, and real estate industries; challenging cities' and counties' failure to comply with Washington statutes and administrative rules; assisting public agencies in meeting their obligations under open government laws; and defending agency rulemaking facing appellate challenges. These experiences involved regulations for local, state, and federal governments and agencies and frequently involved complex issues when state and federal regulations overlapped.

John Guadnola (WSBA Number 8636)

J.D., University of Colorado

B.A., Yale University

Mr. Guadnola first became involved with beverage alcohol regulations when he represented the Washington Beer & Wine Distributors Association in litigation brought against the Liquor Control Board by Costco. The goal of Costco in that case was to eliminate virtually all regulation over the distribution and sale of beer and wine. WBWDA and the State ultimately prevailed in the Ninth Circuit Court of Appeals on virtually all issues raised by Costco. Shortly after that ruling, Mr. Guadnola stepped into the position of Executive Director and General Counsel of WBWDA. In that role he lead the Association through a number of legislative challenges and in opposition to two different privatization initiatives. The second initiative, I-1183, was successful, and the spirits distributors setting up shop in Washington asked Mr. Guadnola to take over as Executive Director of their new association, the Association of Washington Spirits & Wine Distributors, the position he holds today. As Executive Director of these two associations, Mr. Guadnola has developed extensive experience with beverage alcohol regulations in Washington, as well as extensive knowledge of and familiarity with the Liquor Control Board. Additionally, an extensive part of Mr. Guadnola's practice involves anti-trust litigation for clients in a variety of industries, which addresses complex regulatory practices and procedures.

Mr. Guadnola's extensive knowledge of beverage alcohol regulations in Washington will provide a solid basis for assisting with the development of a regulatory framework for the legalized commercial marijuana industry. Mr. Guadnola will be available to share his expertise throughout the rulemaking and regulation development process.

Brian Danzig (WSBA Number 28731)

J.D., University of San Francisco

B.A., Gonzaga University

Mr. Danzig has substantial expertise in business, real estate, and related transactional matters. Mr. Danzig served on the Executive Committee of the Real Property, Probate and Trust Section of the Washington State Bar where he regularly and extensively drafted, reviewed, analyzed, commented upon and helped modify proposed legislation. His experience also includes working with public/private partnerships and with quasi-governmental and regulated industries (soft drinks, agriculture). His experience includes working with commercial interests doing business with Washington's Native American tribes.

Mr. Danzig has experience with and a strong working knowledge of the issues facing marijuana related businesses and their counterparties. He regularly works on such issues with investors, financiers, property owners, landlords and tenants. Mr. Danzig's experience and his work on legislation will be valuable during the rulemaking process.

Eric Christensen (WSBA Number 27934)

J.D., Stanford

B.S., University of Kansas

Mr. Christensen has extensive experience with complex regulatory issues involving the FDA, EPA, FERC, and other state, federal and local regulatory agencies. Mr. Christensen has drafted regulatory policies, participated in complex rulemaking proceedings, and litigated complex regulatory issues in federal courts across the state and nation, as well as the U.S. and Washington Supreme Courts. He has represented alcoholic beverage manufacturers and other consumer products companies in matters involving food safety and labeling. Additionally, Mr. Christensen has experience representing Public Utility Districts and other public agencies in Washington where compliance with a complicated mix of state and federal regulations and open government statutes is a constant requirement. Mr. Christensen's understanding of complex regulatory frameworks combined with open government compliance issues makes him uniquely positioned to assist the primary contractor and the Board throughout the rulemaking process.

Ryan Epegard (WSBA Number 41805)

J.D., Seattle University School of Law

B.A., University of Wisconsin

Mr. Epegard has experience with land use regulation and administrative procedure in Washington. He is particularly familiar with Washington Administrative Code rules implementing the Growth Management Act, the Shoreline Management Act, and the State Environmental Policy Act. Mr. Epegard appeared before the Growth Management Hearings Board and has prepared appellate briefing before the Washington State Court of Appeals concerning local development regulation compliance with administrative code rules and concerning violations of open government laws in the adoption of land use regulations.

Mr. Epegard also has considerable knowledge of the current marijuana industry in Washington and the issues facing its participants. He represented collective gardens operating under existing medical marijuana laws in their opposition to proposed zoning restrictions. Mr. Epegard is well suited to working toward the creation and implementation of a solid regulatory framework for I-502.

16. Approach and Methodology.

The primary contractor, with the assistance of the subcontracted law firm, intends to assist the Board in developing regulations and procedures that will satisfy the board's goals, that will be easily understood by the public, and that will be capable of efficient implementation and enforcement.

The primary contractor, with the assistance of the subcontracted law firm, will initially make recommendations to the Board on proposed regulations for each category of license based in part on the expertise of the consultants, but also upon public comment provided on each issue. To do this properly, a compilation of public comment in all forms organized by issue will likely be required. The proper compilation of public comments will ensure that the Board has considered the public input as required by the Administrative Procedures Act. The subcontracted law firm is prepared to handle this task on behalf of the primary contractor if requested.

After public comment and recommendations have been considered, the primary contractor, with the assistance of the subcontracted law firm, is prepared to assist in the drafting of proposed regulations to implement the Board's chosen standards and licensing requirements. After draft rules are proposed, a second round of compilation of public comment will likely be necessary. Once again, the subcontracted law firm is prepared to handle this task on behalf of the primary contractor if requested.

In addition to the licensing requirements and standards developed by the Board, a system for appeals of licensing and enforcement decisions must be adopted. The subcontracted law firm is prepared to make recommendations and assist in developing a framework for appeals that is consistent with other administrative appeals processes in Washington. The intended similarity with other Washington appeals processes will make the system immediately comprehensible to citizens of Washington and will enable the Board to immediately and efficiently implement the procedures.

Finally, our team intends to create cost and administrative efficiencies by referencing and incorporating existing administrative, regulatory, legal and practical frameworks for existing industries that share similar characteristics with the marijuana industry (i.e., agriculture, food products, spirits).

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	<p>Estimated Blended Rate: NTE \$175 p/hour*</p> <p>Primary Contractor = NTE \$150 per hour (hourly rate for each staff member of the primary contractor)</p> <p>Testing Facility Subcontractor = NTE \$150 per hour.</p> <p>Statistics Subcontractor = NTE \$200 per hour (reduced from ordinary rates)</p> <p>Legal Subcontractor = NTE \$200 per hour for associates, NTE \$300 per hour for partners (reduced from ordinary rates)</p>

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$N/A p/day

*The blended rate set forth above is intended to represent the best value to the WSLCB based on available information. It is somewhat difficult to accurately determine a blended rate without knowing the amount of work to be allocated among the Primary Contractor and its designated subcontractors. Below is an explanation of how the blended rate was determined for this submittal. The proposed blended rate may be negotiated upon determination of this contract's specific performance requirements as stated in the RFP for Solicitation K430.

Category 1: We anticipate that the Primary Contractor will perform nearly all of the work at a rate not to exceed \$150 per hour with support from the Legal Subcontractor at the appropriate Legal Subcontractor's rate (see above).

Category 2: We anticipate that the Primary Contractor and Testing Facility Subcontractor will perform nearly all of the work at a rate not to exceed \$150 per hour with support from the Legal Subcontractor at the appropriate Legal Subcontractor's rate (see above).

Category 3: We anticipate that work will be split between the Primary Contractor at a rate not to exceed \$150 per hour and the Statistics Subcontractor at a rate not to exceed \$200 per hour.

Category 4: We anticipate that approximately one third of this work will be performed by the Primary Contractor at a rate not to exceed \$150 per hour, and approximately two thirds will be performed by the Legal Subcontractor at the appropriate Legal Subcontractor's rate (see above).

If each category were to receive equal working hours, the estimated blended rate would be approximately \$175 per hour. All billing to the State will be through the Primary Contractor.

Norton, Melissa K

From: Tom Lynott <tomlynott42@gmail.com>
Posted At: Friday, February 15, 2013 2:19 PM
Conversation: K430 submittal Lynott Group
Subject: K430 submittal Lynott Group

Dear sirs,

I just realized this Bio did not get attached to the file so I am sending it separately.

Thanks,

Tom Lynott

Norton, Melissa K

From: Tom Lynott <tomlynott42@gmail.com>
Posted At: Friday, February 15, 2013 2:02 PM
Conversation: RFP- K430, Lynott Group
Subject: Re: RFP- K430, Lynott Group

Sorry I mis-typed the last message. I attached Debora's letter of agreement to the WSLCB's contract terms, not her resume as I had indicated.

Thanks for your understanding..!

Tom

Sent from my iPhone

On Feb 15, 2013, at 1:51 PM, "Tom Lynott" <tomlynott42@gmail.com> wrote:

Dear WSLCB.

Please find the Lynott Group's Response attached.

For some reason I could not include Debora's resume in the Submittal Document so I attached it directly to this e-mail.

We look forward to working with the WSLCB should our proposal be awarded the contract.

Thanks,

Tom Lynott

<K430_Submittal Document-Lynott Proposal Final Version.docx>

<WSLCB Letter.pdf>

Norton, Melissa K

From: Tom Lynott <tomlynott42@gmail.com>
Posted At: Friday, February 15, 2013 1:52 PM
Conversation: RFP- K430, Lynott Group
Subject: RFP- K430, Lynott Group

Dear WSLCB,

Please find the Lynott Group's Response attached.

For some reason I could not include Debora's resume in the Submittal Document so I attached it directly to this e-mail.

We look forward to working with the WSLCB should our proposal be awarded the contract.

Thanks,

Tom Lynott

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to **lebbids@liq.wa.gov**.
- Clearly mark the subject line of the email: RFP- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the **lebbids@liq.wa.gov** inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

Proposer's Authorized Offer (see page 2)	x
Proposer Information (see page 3)	x
Subcontractor Information (see page 4)	x
Letter of Submittal (see page 5)	x
Non-Cost Proposal (see page 6)	x
Cost Proposal (see page 8)	x

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) **are submitting proposed Contract exceptions. (see Insurance Requirement)**
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Thomas Lynott

 Proposer Signature
 Individual and Founder

 Title

Lynott Group

 Company Name
 Feb. 14, 2013

 Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name	Lynott Group
Street Address	12331 Upper Preston Rd. S.E.- PO Box 868
City, State, Zip	Preston, WA 98050
Federal Tax ID Number	PersonallInfo
UBI	TBD
Website URL	N/A

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name:	Thomas Lynott
Telephone:	425-941-2187
Email:	Tomlynott42@gmail.com

Payment Options:

YES Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount 2 % 10 days, net 30 days.

NO Will you accept the State's Purchasing Card (P-Card)?

YES Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	X
1	Product and Industry Knowledge	<input checked="" type="checkbox"/>
2	Product Quality Standards and Testing	<input checked="" type="checkbox"/>
3	Product Usage and Consumption Validation	<input checked="" type="checkbox"/>
4	Product Regulation	<input checked="" type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1	Subcontractor 2
Name: Oscar Velasco-Schmitz	Name: Debora Juarez, Attorney at Law
Services: <u>Cat. 1-3</u>	Services: <u>Regulatory Rule Making., Partner, Williams Kastner, LLC</u>
Address: <u>223 N. 36TH STREET SEATTLE, WA 98103</u>	Address: <u>601 Union Street, Suite 4100 Seattle, WA 98101-2380</u>
Telephone: <u>206-419-1102</u>	Telephone: <u>206.628.6781</u>
Email: <u>oscarv@docksidecoop.org</u>	Email: <u>djuarez@williamskastner.com</u>
Fed ID: <u>PersonalInfo</u>	Fed ID: _____
UBI: <u>603-029-051</u>	UBI: <u>601-802-209</u>
Work to be Performed: <u>Section 3 Quality Control and Testing Standards</u>	Work to be Performed: <u>Section 4 Recommended Rulemaking and writing</u>
OMWBE certified: <u>x</u> Yes <u> </u> No	OMWBE certified: <u> </u> Yes <u>X</u> No

Subcontractor 3

Name: Jeremy Kaufman

Services: Production,
Concentration, dispensing,
quantification, testing,
quality controlAddress: 74 South Lucile St,
Seattle, WA 98134Telephone: 888-972-1555
Cell: 206-696-9765

Email: Jeremy@THECPC.org

Fed ID: PersonalInfo

UBI: 603-031-032

Work to be Performed: Cat. 2-3

OMWBE certified: ___ Yes ___ No

Subcontractor 4

Name: _____

Services: _____

Address: _____

Telephone: _____

Email: _____

Fed ID: _____

UBI: _____

Work to be Performed: _____

OMWBE certified: ___ Yes ___ No

Subcontractor #1 Agreement Letter

Velsch Unlimited

4231 5th ave nw Seattle, WA 98107 Phone: 206.419.1102
E-Mail: oscarv@velsch.net Web: velsch . net

February 15, 2013

The RFP for I-502 Implementation Contract has been read and understood by the undersigned by Oscar Velasco-Schmitz, for Velsch Consulting. its standard terms and conditions were reviewed and are agreed to. I will adhere to all subcontractor requirements as set forth in the contract from the WSLCB.

Oscar Velasco-Schmitz

By Oscar Velasco-Schmitz
Principal Consultant



74 South Lucile St, Ste 102, Seattle WA 98134 - www.THECPC.org - 888-972-1555

THE C.P.C

The WSLCB contract has been read and understood by The CPC. All standard terms and conditions were reviewed and agreed upon by all affected parties. The CPC will adhere to all subcontractor requirements set forth in the contract from the

Jeremy Kaufman



Jeremy Kaufman

www.THECPC.org



Jeremy@THECPC.org

888-972-1555

THE C.P.C. *Compassion Vision Service*

LETTER OF SUBMITTAL

Requirement: The Proposer's Letter of Submittal must be signed by the individual within the organization authorized to bind the bidder to the offer.

Response: Introductory Remarks:

The undersigned proposer "The Lynott Group" is composed of cannabis industry experts and successful business, economic and legal professionals. The related experience, talents and judgments of these professionals has been tested in highly regulated but still competitive markets in both goods and services.

As a member of the CCSE since its inception and as an experienced consultant to a California Medical Cannabis Dispensary since 2009, plus my own experience as a MMJ patient with Glaucoma since 2009, and a member of the University of California at Berkeley Economics Group, and a successful entrepreneur and business owner since the age of 22, I feel uniquely qualified to assist the WSLCB and state of Washington in implementing I-502.

I have organized a top flight team to address all four sections of the RFP. This team has not only highly experienced professionals in the medical cannabis industry, but also experience in developing Microsoft Quality Control Systems and Metrics that relate to the regulatory environment envisioned by the WSLCB in implementing I-502.

My direct experience in highly regulated systems includes being directly involved in the work groups of the Boating Industry Association in the 1960s that were tasked to develop a self-regulatory system by the U.S. Coast Guard for stable and upright flotation of recreational boats when they became swamped with water.

I also have extensive experience with highly regulated systems when complying with U.S. EPA and U.S. DOT rules and regulations for motor vehicles. These rules and regulations are highly complex in nature and compliance with them is very difficult.

My economics education, background and experience is also highly relevant for this project. In the companies that I controlled and managed as CEO, I was directly involved in doing research and developing models and making judgments as to the size of markets, their growth rates and the supply from competitors, and our preferred number of distributors in each state and county and in some cases cities.

One of my team is a legal professional, Debora Juarez, who is a partner in the Seattle law firm of Williams Kastner and Gibbs, PLLC. In her experience she has direct relevant work in highly regulated industries and has developed the language and rules and regulations for many clients in both government and especially with Tribal clients.

Knowledge of the Medical Cannabis and black markets will be essential to developing a workable regulated market model for I-502. While understanding the regulatory model developed in Colorado will be useful, Washington has a much more robust Medical Cannabis marketplace and much larger "grey" market of producers and distributors than Colorado. By making it legal for end users in Washington state to possess and transport up to 1 oz. of dried cannabis, (and larger amounts of liquid and infused edibles,) without legalizing any sources of recreational cannabis supply and distribution, the incentives for consumers to go to the "grey" market and/or become Medical Cannabis patients will be significant. As patients they will not only have access to up to 24 ounces of dried cannabis from MMJ "Access Points" but also may buy clones from them and learn to grow and harvest up to 15 plants and possess up to 24 oz. of cannabis from their own plants. ***The production and distribution model we propose has the highest probability of accomplishing the new law's intent and is a unique but workable solution to the three goal challenges faced by WSLCB.***

RFP K430 Submittal Document

NON-COST PROPOSAL

Requirement : CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:
 - a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
 - b. How Marijuana is infused into food and beverages
 - c. How Marijuana should be packaged, labeled, transported, and sold at retail level
 - d. How wholesale and retail Product should be recalled and accounted for
 - e. How Marijuana should be destroyed if overproduced, contaminated, or recalled

Response:

1. Ability, Capacity and Skills.

- a. Re: How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed.

The group has over 15 years of combined demonstrated ability, capacity and skills in germinating, growing, cultivating, transplanting, harvesting, drying, curing and processing cannabis. This experience is with both indoor and outdoor environments and from California, Oregon and Washington environments.

Our abilities, capacity and skills have been created and honed by direct participation in all of these activities and education about these activities by experienced associates and professional educational organizations such as Oaksterdam University in Oakland, CA and Evergreen Health Association of Lancaster, CA, Dockside Coop in Fremont, WA, Fallbrook Wellness Center, Fallbrook, CA and Pacific Northwest Patient Resource Center, West Seattle, WA., The CPC and CCSE, Seattle, WA. Education also has included research reports prepared by the Rand Corp.'s Drug Policy Research Center, and direct experience in cultivation, growing, cloning, harvesting, drying and curing cannabis. Processing of cannabis for use by MMJ dispensaries has also been done in the last three years for both California and Washington.

- b. Re: How Marijuana is infused into food and beverages

The group has over 15 years of combined demonstrated ability, capacity and skills in infusing cannabis into food and beverages. Our abilities, capacity and skills have been created and honed by direct participation in these activities and education about these activities by experienced associates and professional educational organizations such as Oaksterdam University in Oakland, CA and Evergreen Health Association of Lancaster, CA, The Farmacy and Friendly Ceuticals in Santa Monica, CA and Dockside Coop in Fremont, WA. and TheCPC and CCSE of Seattle, WA. Products infused include the following: Oil, butter, and syrups or concentrates. From these three fundamental products many different secondary products have been made including; beverages, teas, edibles of all types including sweet and savory varieties, tinctures and salves, soaps and lotions. Careful attention has been made to dosage control, packaging and labeling in order to enable the Medical Cannabis associates and patients to achieve the maximum benefit from these products.

- c. Re: How Marijuana should be packaged, labeled, transported, and sold at retail level

The group has over 15 years of combined demonstrated ability, capacity and skills in how cannabis should be packaged, labeled, transported, and sold at retail levels.

Our abilities, capacity and skills have been created and honed by direct participation in these activities and education about these activities by experienced associates and professional educational organizations such as Evergreen Health Association of Lancaster, CA, Dockside Coop in Fremont, WA. and CCSE of Seattle, WA. Direct experience in MMJ Dispensaries and the related coops' growing, harvesting and processing includes

knowledge and experience of how long to flush indoor grows with water prior to harvest and how to manicure and dry cannabis to optimal benefit levels for members. Quality control, testing and weighing for packaging and packing into vacuum sealed packets as well as glass jars with air-tight seals has been conducted for many years by our team. Labeling for sale to retail customers or members making donations has included labeling requirements that have been established by the CCSE and also the MMJ coops that the members have operated or consulted for. This coop and non-profit Corporate experience with growing and transporting and labeling, etc. is based on both California regulations and Washington laws and expanded by CCSE self regulatory rules and certification. Transporting in appropriate containers and delivery to coop members/customers, testing agencies or for direct sale over the counter to qualified members has been continuously observed and overseen for the last three years.

d. Re: How wholesale and retail Product should be recalled and accounted for

The group has over 15 years of combined demonstrated ability, capacity and skills in recalling and accounting for cannabis products.

Our abilities, capacity and skills have been created and honed by direct participation in these activities and education about these activities by experienced associates and professional operating and educational coops and organizations such as Evergreen Health Association of Lancaster, CA, Dockside Coop in Fremont, WA and CCSE of Seattle, WA. Recalling products has been minimal due to the observance of tight quality control standards and storage and preservation protocols. Strict tracking and accounting controls has enabled proper accounting for all plants, harvested buds and non-bud trim from planting till final disposition.

e. Re: How Marijuana should be destroyed if overproduced, contaminated, or recalled

The group has over 15 years of combined demonstrated ability, capacity and skills in how Marijuana should be destroyed if overproduced, contaminated, or recalled,

Our capacity and skills have been created and honed by direct participation in these activities and education about these activities by experienced associates and professional educational and operating coops i.e. Evergreen Health Association of Lancaster, CA and Dockside Coop in Fremont, WA, Pacific Northwest Patient Resource Center and CCSE of Seattle, WA. Destruction follows established protocols developed by DEA, University of Mississippi and other MMJ coops in California and Washington.

2. **Experience.** In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.

Our team has over 15 years of hard earned and direct experience in all phases of cannabis genetics, cultivation and related areas of infusion, extraction, labeling, transporting and as needed storage and destruction. Testing and evaluation have also been directly experienced and managed. These skills and experience have been developed in both California and Washington in coops managed or consulted with by our team members. This is a very strong element of our team's ability and skills.

Direct experience in the industry is essential to success of the team in developing a workable regulatory model that will work for the state.

Working with the Medical Cannabis community directly and through the CCSE has given our team members access to the best minds and experience that exists in this industry.

3. **Team Structure and Internal Controls.** In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.

Tom Lynott has over 50 years of experience in forming and managing teams to accomplish stated goals. At Reinell Boats Lynott managed a company with over 1500 employees at one time, managing through 4 vice presidents. Team goals and tasks will be clearly outlined and time lines and milestones agreed to.

At Microsoft, Oscar Velasco-Schmitz was directly involved in group and team formations and management.

Our teams familiarity and experience in team dynamics and performance, especially in short time frames, is critical to success in this project, given the very short timelines.

4. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Tom Lynott- Team leader. Over 50 years of experience in highly regulated businesses. Over 4 years of experience in the cannabis industry, arising out of a need to prevent blindness from glaucoma using cannabis tinctures as treatment. Acted as primary consultant since 2009 to EHA Inc. a California MMJ dispensary located in Quartz Hill, CA

Oscar Velasco-Schmitz-Vice Team Leader. Over 9 years experience in the cannabis industry. Familiar with all phases of cultivation, harvesting, extraction, member coop labeling and sale of MMJ to members and as a key founding member of CCSE. Extensive quality control systems development and management at Microsoft Corp.

Jeremy Kaufman-Team Member. Expertise in extraction and matching strains to conditions.

Debora Juarez-Team Member. In charge of legal section 4 for rule and regulation writing. Extensive experience in this area as Tribal Council counsel.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Please answer the questions listed below, attaching additional pages as necessary:

5. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or expertise in Product Quality Standards and Testing, including but not limited to the following:
- a. Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations

The effort of quality control for cannabis and its related products must address Consumer Safety as the underlying goal. To this effect, the varied modalities of production, processing, preparation, storage, and retailing must have maxims set in place to define exit criteria, which substantiate their readiness to proceed along the product life-cycle, and ultimately, deemed fit for safe consumption.

- b. Assisting the WSLCB with establishing quality standards for testing Marijuana

The Lynott Group will provide recommendations for Quality Control protocols, methodologies and metrics to be employed at each stage in the product life-cycle, ranging from bio-assay for epistemological verification, to empirical analysis in the detection of adulterants.

6. **Experience.** In two (2) pages or less, please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.

The Lynott Group has a combination of 25 years of experience in defining and implementation of Product Quality standards throughout the cannabis goods life-cycle:

- (1) Production – Collective Garden Production
- (2) Processing – Medical Cannabis Processors (derivative goods)
- (3) Labeling – Medical Cannabis Access Points
- (4) Storage – Medical Cannabis Access Points
- (5) Testing – Medical Cannabis Testing Facilities (qualitative & quantitative analysis)
- (6) Retailing – Medical Cannabis Access Points

7. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Oscar Velasco-Schmitz has (7) seven years of experience developing, implementing, structuring and reporting on Quality Control methodologies, metrics and frameworks, for the Microsoft Corporation of Redmond, WA. In this role he was responsible for quality control of linguistic technology employed by internal Microsoft clients including: Microsoft Windows, Microsoft Office, MSN, SQLServer, Tablet PC, and others. Velasco-Schmitz has developed linguistic analysis automation frameworks, design and implementation of Sustain Engineering practices over numerous platforms, QC scope, design and implementation for Named Entity Recognition, large corpora evaluation and analysis, linguistic analysis creation and was a guest lecturer at the University of California, Santa Cruz, Department of Linguistics - presenting evaluation methodologies and metrics for a natural language processing system.

During his tenure at Microsoft, Velasco-Schmitz studied economics history, theory and practice of goods, capital and labor markets. His interest in economics and business led him to found a company in the hospitality and restaurant industry licensed by the WA State LCB.

Velasco-Schmitz has since gone on to co-found the medical cannabis access point Dockside Coop, along with a former Microsoft colleague, and Six-Sigma Greenbelt MBA from the Bainbridge Graduate Institute. In this capacity Velasco-Schmitz has leveraged his experience in software and the food industry to develop bio-assay methodologies,

and best practices for the day to day operation of Dockside Coop, including: product and public safety, community outreach, quality control standards, customer satisfaction and financial controls and compliance.

Velasco-Schmitz is one of the founding members of the Coalition for Cannabis Standards and Ethics (CCSE), and Dockside Coop is one of a handful of entities that is a fully inspected and compliant member of this trade association.

Velasco-Schmitz has served as advisor to the City of Seattle in the regulation of medical cannabis, working with City Council, the Mayor's Office, the City Attorney's office, and Department of Planning and Development.

Velasco-Schmitz has degrees in Linguistics and Education from the University of California. His wife, Dr. Velasco-Schmitz is a board certified medical physicist in radiation oncology.

8. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminants, and Product strain.

As with all goods in the goods market, Product Quality Standards and Testing must be applied to a specific set of products (lots) or specific mechanisms of production (where a specific lot may not be evaluated). As is currently the case in WA State, a living supply chain exists for cannabis production and distribution through the current medical cannabis (collective garden / access point) paradigm. This data pool, along with data pools from other states and documented research will serve to elucidate issues and provide insight into the development of qualitative metrics (cannabinoid profiles THC/CBD) and quantitative metrics (adulterants), to determine both the quality and safety of goods.

Define

The scope of products and their life-cycles are to be determined given the market demand and production capability - Dependencies and externalities to be established as part of the specifications.

Design

Given the specification of the goods and production methods - metrics, methodologies and standards will be designed for each stage of the product life-cycle.

Research and Implementation

Based on medical cannabis supply chain case-studies, real-world metrics can be determined to provide a base-lines for I-502 QC and Standards. Out of state case-studies and literature will also be employed.

Feedback & Reporting

Throughout the design, initial implementation, and ongoing implementation - mechanisms for evaluation and verification of research and assumptions must be created and maintained to provide cyclical input on the quality and relevance of the QC and Standards defined.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Please answer the questions listed below, attaching additional pages as necessary:

9. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise to estimate Product Usage and Consumption levels by geographic areas in Washington State.

Tom Lynott and other members of the team have direct ability capacity and skills to estimate product usage and consumption levels by geographic areas in Washington State. Higher education at the University of California in

economic analysis and direct experience in developing nationwide dealership and distributorship networks and retail consumption analysis of software products has given our team the relevant abilities and skills to accomplish this task.

10. **Experience.** In two (2) pages or less, please describe your firm’s experience in statistical research, specifically related to determining demographic and/or psychographic segmentation, preferably related to the use of Cannabis.

TBD

11. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals’ particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

TBD

12. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firm’s proposed approach and methodology to be used for Product Usage and Consumption validation as requested in this RFP, to estimate demographic and psychographic segmentation, specifically related to the use of Cannabis.

The methodology and approach we will use is based on national statistics and data gathered by the U.S. government’s various agencies that have studied cannabis use and consumption. This data is also estimated or extrapolated to include Washington state in particular. In addition, actual registration data and other statistics gathered by the Colorado Dept. of Health and its Medical Marijuana Enforcement Division, MMED, has been used to develop ratios and estimates for the levels of use and consumption in Washington state. U.S. Census data from 2010 has been used to determine the population and its breakdown by age and other characteristics, for each county in Washington state. The overall methodology and approach is then filtered by the judgement of team members and on team members’ direct experience and knowledge with California, Colorado and Washington participants in the MMJ market. The Rand Corp.’s Report on Estimated Cost of Production for Legalized Cannabis and its references to usage and consumption data gathered from a multitude of established high credibility sources.

An example of this approach and methodology is given below. Of key interest to WSLCB members should be the assumptions made in estimating the cannabis market prior to legalization and the estimated size of the market after legalization and licensed operations begin in 2014. Of urgent importance to all citizens in WA state and especially the WSLCB, are the reasons given and assumptions made regarding the ratio of participation in this new larger market for recreational marijuana. To help refine the estimates, THCF and other MMJ clinics, located in various states where cannabis is legal medicinally, will be used in addition to other indicators of use, to establish usage patterns in various regions and counties. THCF and other clinics review medical records and process applications for MD and (other doctors’) Recommendation and Authorization Letters that is required to be a legal MMJ patient and/or grower.

The following table shows an estimated current and pre-licensing estimate of the current WA cannabis usage data and market size and segmentation.

The Following Data Tables are Confidential Information

Washington Marijuana Usage Pre-I-502-US Govt. estimates				
Category	WA total	% use MJ	Total	
Young below 26	1.0 million		18%	180,000
Older-26 and over	3.35 million		6%	201,000
Tourist-all ages	N/A	Nil		1,000
Total	4.35 million			382,000

MJ Users 2012
out of 6.7 million ttl pop

Washington Marijuana Source Breakdown Pre-I-502-TLL Group Estimates

	Black Market	Medical MMJ *	502 store	Total
Young below 26	140,000	40,000	N/A	180,000
Older-26 and over	40,000	161,000	N/A	201,000
Tourist-all ages	nil	1,000	N/A	1,000
Total	180,000	201,000	N/A	382,000 MJ Users 2012

* Colorado with registry of MMJ users had 201,000 upon launch of their registry

The Tables below shows the estimated size and segmentation of the WA cannabis market based on three different scenarios of how implementation of I-502 will be promulgated and realized in the cannabis market place.

Washington Marijuana User Breakdown Post-I-502-TLL Group Estimates..Scenario I

*Scenario I without any MMJ regulations or credit for licensed outdoor grow

	Black Market	Medical MMJ *	502 store	** Total	
Young below 26	160,000	50,000	6,000	216,000	^20%
Older-26 and over	35,000	166,100	20,000	221,100	^10%
Tourist-all ages	10,000	2000	40,000	52,000	^50 times
Total	205,000	218,100	66,000	489,100	MJ Users 2014 ^28%

*WA MMJ users to increase by 17,100 after implementation of 502 due to lower prices, clone availability and legality of possession

** Total WA users of MJ increases 28% from 382,000 to 489,100 due to legalization, attraction of tourists from non-legal states and population grow

Washington Marijuana User Breakdown Post-I-502-TLL Group Estimates..Scenario II

*Scenario II WITH modest MMJ taxes and regulations and tax credit for licensed outdoor grow

	Black Market	Medical MMJ *	502 store **	Total	
Young below 26	80,000	30,000	106,000	216,000	^20%
Older-26 and over	20,000	100,000	101,100	221,100	^10%
Tourist-all ages	1,000	1000	50,000	52,000	^50 times
Total	101,000	131,000	257,100	489,100	MJ Users 2014 ^28%

WA MMJ users to decrease by 70,000 after implementation of 502 due to lower prices, easier access to 502 stores, tighter rules on Dr. Authorization Letter
Licensed 502 retailers sell almost 4 times more than scenario I due to higher prices & tighter regulations on MMJ, & lower prices on 502 outdoor grow

Washington Marijuana User Breakdown Post-I-502-TLL Group Estimates..Scenario III

*Scenario III WITH MMJ taxes similar to 502 and tight regulations and reduced taxes on all 502 licensees and categories

	Black Market	Medical MMJ *	502 store **	Total	
Young below 26	20,000	2,000	194,000	216,000	^20%
Older-26 and over	10,000	20,000	191,100	221,100	^10% 191,100
Tourist-all ages	500	200	51,300	52,000	^50 times
Total	30,500	22,200	436,400	489,100	MJ Users 2014 ^28%

*WA MMJ users to decrease by 178,000 after new taxes and regs., easier access to 502 stores, tighter rules on Dr. Authorization Letters

** Licensed 502 retailers sell 6.6 times more than scenario I due to higher taxes & tighter regulations on MMJ, & lower taxes and prices on 502 MJ

CATEGORY 4 – PRODUCT REGULATION

Please answer the questions listed below, attaching additional pages as necessary:

13. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise in Product Regulation, including but not limited to, the following:
- Experience with State, local or Federal government processes and procedures
 - Experience in crafting system regulations

See below

14. **Experience.** In two (2) pages or less, please describe your firm's experience in working within the confines of a regulatory system, and experience in creating and/or modifying rule, law, ordinance, and/or guidelines.

See below

15. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

See below

Debora Juarez is a member in Williams Kastner's Seattle office. With a unique and vast experience building relationships with Washington state's Indian tribes, Ms. Juarez concentrates her practice on providing legal and financial counsel to tribes in the areas of debt financing, corporate structure, economic development, natural resources, gaming, tribal-state inter-local agreements, among others.

Ms. Juarez began her career as a King County public defender where she provided legal representation to indigent criminal defendants. This practice required extensive trial and appellate expertise in the areas of misdemeanor and felony crimes, including juvenile representation. Later, she joined Evergreen Legal Services, Native American Project, where she represented a majority of Washington's 29 tribes in such areas as treaty rights, natural resources, Indian Child Welfare, and economic development.

After serving as an appellate and trial judge pro-tem, she was appointed a judgeship to the King County Superior Court. Ms. Juarez performed all duties as judge, including presiding over both felony criminal and civil trials. Thereafter, she accepted the position of executive director of the Governor's Office of Indian Affairs, where she acted as lead policy and legal advisor under two gubernatorial administrations.

Ms. Juarez worked extensively with both state and tribal governments regarding economic diversity and initiated the Tribal Economic Vitality Initiative (TEVI). The TEVI project culminated in a historic (regionally and nationwide) tribal-state economic development study entitled *The Tiller Report*. The report has undergone two printings and continues to serve as an important and powerful economic analysis regarding the tribes of Washington state and ongoing economic contributions to the state economy.

As such, she was offered the opportunity to create a Tribal Finance Group with a global investment firm. The Tribal Finance Group was a new undertaking for this major Wall Street firm and proved successful by providing tribes with first-rate financial advice and planning tailored to the needs of tribal governments and enterprises.

Ms. Juarez also provides legal skills to the corporate and investments communities that do business with tribes by providing an experienced, knowledgeable and stable platform to support successful tribal economic development.

In 2009 and 2010, Ms. Juarez was named to Super Lawyers by *Washington Law & Politics* magazine. She was also named one of the "Top Lawyers" of 2007 by *Seattle Magazine*, and in June 2007 she was honored with the "Enduring Spirit Award" by the Native Action Network for her lifetime achievements in bettering Native American communities. In 2012, Ms. Juarez was selected by her peers for inclusion in *The Best Lawyers in America*® in the area of Native American Law. Ms. Juarez is an enrolled member of the Blackfeet Nation and lives in Seattle with her two daughters Raven and Memphis.

1.1.1.1 Experience:

- Former King County Superior Court Judge; Judicial experience, presiding over civil and felony criminal cases at trial level, general jurisdiction court. Served on Rules Committee, Appellate Committee, and Community Relations/Access to Justice Committee.
- Executive Director, Governor's Office of Indian Affairs, Legal and Policy Advisor for two state administrations (Governors Lowry and Locke, executive agencies and 27 federally recognized Indian tribes), handling complex litigation, compacts, and lobbying efforts.
- Development of financial programs and services for Indian Country, including tax- exempt financing (bond financing), tribal investment portfolios and investment banking.
- Legal and policy counsel involving Indian tribes, including economic development, natural resources, energy, state and federal regulatory matters (tax issues, administrative reviews), and Indian health.
- Complex federal litigation regarding treaty rights, natural resources and constitutional claims.
- Legal representation of eligible tribal governments in areas including general treaty rights, jurisdiction, taxation, natural and cultural resource protection and child welfare.
- Representation of indigent criminal defendants in Misdemeanor, Juvenile and Adult felony criminal proceedings.

16. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB with developing rules and a regulation strategy for the state of Washington's new Marijuana System.

Once the overall model and framework have been arrived at, Debora Juarez will work with WSLCB members in crafting the rules and regulations. All Lynott Group team members will review the proposed rules and regulations, giving input and feedback on their expected understanding and reaction from the community.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 **or** Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate **or** Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ <u>350</u> p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ ____ p/day

Proposed Contract Amendment

Insurance Recommendations-Thomas Lynott-Contract K430

To meet the requirements of the contract I have been in contact with a Program Manager in the Seattle area that has significant expertise in executing insurance for state/city contracts. Included is a quote which addresses the risk and exposure of the contract but does not meet all the requirements of the contract itself. There are areas of exposure that are not requirements of the contract as well as requirements that are unrelated and therefore not applicable to the contract. Below are our recommendations for insurance as it relates to the contract.

Recommended to remove requirements:

- A. Employer's Liability (Stop Gap)-The contract stipulates the contractor carry \$1,000,000 in Employer's Liability. This is unnecessary because the contractor does not have any employees, but instead will have sub-contractors. Therefore, the contractor has no Employer's Liability exposure.
- B. Fire Damage Limit (per occurrence)-The contract stipulates the contractor carry \$50,000 in Fire Damage Limit. This coverage directly applies to a premise rented by the contractor. In the contract there is no requirement for the contractor to rent a premise, therefore including this coverage is not relevant.
- C. Medical Expense Limit (any one person)-The contract stipulates the contractor carry \$5,000 in Medical Expense Limit. This coverage directly applies to a premise rented by the contractor. In the event of an accident resulting in necessary medical attention, this coverage will pay \$5,000 to help cover the cost, no matter who is at fault. Because the contractor is not required to rent a premise, this coverage is also not relevant.
- D. Products and Completed Operations-The contract stipulates the contract carry \$2,000,000 in Products-Completed Operations Aggregate. This coverage directly applies to products created by the contractor. As this is a consulting contract, the only product they are providing is consultation which is a professional service and excluded under any general liability policy. Requiring this coverage is not relevant.
- E. **Enhancement:** Professional Liability Requirement-In review of this contract it is imperative that the contractor obtain professional liability coverage in the minimum amount of \$1,000,000. The contractor's sole purpose is to offer consulting services and recommendations in the implementation of I-502. Any loss occurring from the execution of this contract would be considered a professional service and therefore excluded under a Commercial General Liability Policy. As a result there should be an insurance requirement in the contract to carry Professional Liability.

We have capacity to meet all the requirements of the contract as it is written. However, our recommendations above are more appropriate for the contract stipulated by the WSLCB and would offer better protection for both the parties involved.

February 15, 2013

00900.0621

VIA E-MAIL (lcbids@liq.wa.gov)

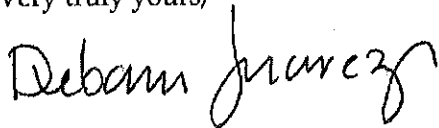
Washington State Liquor Control Board
Procurement Coordinator
3000 Pacific Ave
Olympia, WA 98504

Re: RFP- K430, Vendor Name (e.g. RFP- K430, ABC Company)

Dear Sir/Madam:

We have read the contract, reviewed the standard terms and conditions, and agree to all requirements presented.

Very truly yours,



Debora Juarez
(206) 628-6781
djuarez@williamskastner.com

DJ:hda

cc: Tom Lynott

Norton, Melissa K

From: SaraLynn Mandel <slmndl@msn.com>
Posted At: Friday, February 15, 2013 1:48 PM
Conversation: RFP-K430, Mandel, Aggarwal, Sexton and Corva Consulting
Subject: RFP-K430, Mandel, Aggarwal, Sexton and Corva Consulting

Please find attached in separate files, our submission in response to the RFP-430.
Part 1, the first file attached, consists of our cover sheet, Table of Contents, Proposer's Authorized Offer, Proposer Information and Subcontractor Information;
The next file is the body of our Submittal Document, including the Non-Cost and Cost Proposals;
the remaining files attached are the CVs of all Team members and the two subcontractors.
I was unable to scan into a single file and email due to size produced by my scanner.
My apologies.
Please confirm receipt of all files if possible.
Thank you
SaraLynn Mandel

**SARALYNN MANDEL
MANDEL LAW
P.O. BOX 5358
CHATSWORTH, CA 91313
(818) 207-4980**

PROFESSIONAL SUMMARY

- ❖ 20+ years of experience as general corporate and intellectual property attorney, expertise in transactions and contracts including licenses; agreements, strategic alliances, franchising, regulatory compliance, import/export, labor and employment; real estate; finance, litigation in state and Federal courts.

EDUCATION AND PROFESSIONAL CERTIFICATIONS

- ❖ California State Bar No. 115930 1984
- ❖ Washington State Bar No. 15824 1985
- ❖ U.S. Patent and Trademark Office 31,853 1984
- ❖ J.D. *cum laude* 1984
 - Seattle University School of Law, WA
 - President Student Bar Association
- ❖ M.S. Botany 1978-1981
 - University Washington, Seattle, WA
 - President, Graduate Professional Student Senate
- ❖ B.S. Biology (pre-med) Dean's List, *cum laude* 1973-1977
 - University of California, Los Angeles
 - University of California, Berkeley

LEGAL EXPERIENCE

MANDEL LAW

Partner

2011-Present
Chatsworth, CA

- Corporate business, including transactions: licensing, strategic partnerships, agreements; labor and employment, real estate, regulatory compliance
- Advising medical marijuana dispensaries re: local and state regulations and ordinances; zoning; representing dispensaries in LA City litigation; drafting regulations and proposed Ordinances
- Intellectual property preparation, prosecution and litigation, domestic and international
- Complex litigation in Federal District and state trial and appellate courts

MANDEL & ADRIANO

Founding Partner

1997-2011
Pasadena, CA

- Intellectual property preparation, prosecution and litigation, domestic and international
- General corporate legal services: transactions, litigation, regulatory compliance
- Complex litigation in Federal District and state trial and appellate courts

SARALYNN MANDEL, Attorney
PO Box 5358, Chatsworth, CA 91313

(818) 207-4980
slmndl@msn.com

PENNIE & EDMONDS
Senior Associate

Palo Alto, CA
1994-1997

- *Practice:* Intellectual property and corporate practice

CELL GENESYS, INC.
Chief Counsel

Foster City, CA
1990-1994

- Strategic advisor to Executive Management, Board, Investors
- Corporate legal issues: immigration, labor and employment, finance
- Preparation, prosecution and enforcement of patents, trademarks, copyright, domestic and international for private to public biotechnology company
- Managed attorneys and staff within multi-million dollar budget
- Managed litigation
- Supervisor: Scott Greer, former Executive VP, then CEO of Abgenix, Inc.

SHELDON & MAK
Of Counsel

Pasadena, CA
1988-1990

- *Practice:* Intellectual Property

IRELL & MANELLA
Counsel

Los Angeles, CA
1986-1988

- *Practice:* Intellectual Property

LYON & LYON
Associate

Los Angeles, CA
1984-1986

- *Practice:* Intellectual Property

REFERENCES AVAILABLE UPON REQUEST

CHRISTOPHER CONRAD

— Court-qualified cannabis expert —

PO Box 21106, El Sobrante CA 94820

Phone: 510-275-9311 • Fax: 510-275-9245 • Email chris@chrisconrad.com

Curriculum vitae, January 1, 2012

Summary and highlights of experience:

Chris Conrad has studied cannabis (marijuana) since 1988. Author of *Cannabis Yields and Dosage*, he also wrote two scholarly books on cannabis, including *Hemp for Health*, and contributed to several others. Presented findings at the *Fifth Clinical Conference on Cannabis Therapeutics* (2008). Familiar with many books and scientific studies, including National Institute on Drug Abuse and Drug Enforcement Administration (DEA) data. Consults with government agencies. Reported on California dispensaries for state legislators. Testified at National Academy of Science, Institute of Medicine hearings. He regularly consults with patients, providers and physicians, including some of the world's foremost authorities on cannabis.

Court-qualified as a cannabis expert witness more than 250 times in preparation, consumption, sex, cultivation, odor, genetics, cloning, crop yields, medical use, personal use, dosage, commercial intent, sales, etc. Testimony mentioned favorably by California Supreme Court in *People v Kelly* and *People v Mower*. Qualified in at least 35 California counties: Alameda, Butte, Calaveras, Contra Costa, Del Norte, El Dorado, Fresno, Humboldt, Inyo, Kern, Lake, Los Angeles, Madera, Marin, Monterey, Napa, Nevada, Orange, Placer, Plumas, Riverside, Sacramento, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Shasta, Siskiyou, Solano, Sonoma, Stanislaus, Tulare, Tuolumne, Ventura and Yolo. Testimony mentioned by CA Court of Appeals and Supreme Court. Qualified in the federal Ninth Circuit Court in Northern, Southern, and Eastern, Dist. of California, Fifth Circuit Middle Dist. of Louisiana. Qualified in US Courts Martial and in the States of Colorado, Oklahoma, Oregon, North Dakota, and the Commonwealth of Virginia.

Has since 1991 traveled to Europe numerous times to research cannabis. Has hands-on experience in the breeding, cultivation and processing of cannabis in Holland and Switzerland. Examined personal cannabis gardens in Spain, Argentina, and industrial hemp in Germany and Holland. Observed indoor, outdoor and greenhouse gardens, participated in harvests and processing.

Investigated more than 1500 criminal cases. Reviewed hundreds of police reports and narratives, search warrants, case documents, photos, court transcripts, evidence reports, videos, diagrams, etc. Heard police officers testify at least 100 times. Interviewed scores of defendants and witnesses. Examined, evaluated, weighed, and/or measured forensic material at least 440 times, including microscopic exam, photos, root count, site visit and plant manicure.

Taught accredited CLE courses on marijuana investigations for NORML Criminal Defense Lawyers Committee, Orange County (CA) Office of the Public Defender, and Santa Cruz Criminal Defense Attorneys. Lectured or taught classes on cannabis at institutions including UC Berkeley, Learning Annex, Five Branches Institute, Omega Institute, Mills College, USC, etc. Curator, Hash-Marijuana-Hemp Museum of Amsterdam, designed displays, operating cannabis indoor garden.

Earned Bachelor's degree *magna cum laude* from California State University. Has accredited training by California Medical Association, Institute of Health Professionals, International Association for Cannabis as Medicine, American University, and Nova Institut (Germany). Personally acquainted with patients in the federal Investigational New Drug (IND) medical marijuana program.

Detailed legal qualifications, field research, scientific analysis, literature reviews

- 2011: Qualified as a cannabis expert in Fresno, Kern, Lake, Los Angeles, Napa, Nevada, Sacramento, San Diego, San Francisco, San Luis Obispo, San Mateo, Solano, and Yolo Counties. Qualified as a cannabis expert in States of Colorado. Topics include cultivation, yields, consumption, medical use, personal consumption, sales, commercial intent, odor, collectives, etc. Examined police files, medical records, financial records, transcripts, photos, videos, audiotapes, weighed, photographed, and examined forensic evidence, interviewed defendants, investigated garden sites, heard police testimony and reviewed police training materials. Visited numerous cannabis gardens and dispensaries, met with patient collectives throughout California. Spoke with numerous cannabis consumers, growers and providers. Curator of Oaksterdam Cannabis Museum. Faculty member of Oaksterdam University. Consulted with other experts nationally and internationally.
- 2010: Testimony received favorable mention by California Supreme Court in *People v Kelly*. Qualified in numerous California counties as an expert on cannabis cultivation, yields, dosage, usage, processing, patient collective organizations, cultivation and operations, lawful and illicit distribution, and related issues in previous years and various counties as detailed below. Qualified as expert on cultivation, medical use, dosage and intent to sell in the Commonwealth of Virginia in Chesterfield County. Taught Mandatory Continuing Legal Education (MCLE) classes in California and Washington State. Examined police files, medical records, financial records, transcripts, photos, videos, audiotapes, weighed, photographed, and examined forensic evidence, interviewed defendants, investigated garden sites, heard police testimony and reviewed police training materials. Consulted with other experts. Faculty of Oaksterdam University. Published revised seventh edition of *Cannabis Yields and Dosage*.
- 2009: Qualified in numerous California counties as an expert on cannabis cultivation, yields, dosage, usage, processing, patient collective organizations, cultivation and operations, lawful and illicit distribution, and related issues in various counties previously listed. Taught accredited CLE in Oregon. Attended session of the UN High Commission on Narcotic Drugs in Vienna, Austria. Examined and discussed cannabis plants under cultivation in Amsterdam, The Netherlands. Examined personal indoor and outdoor cannabis gardens in Argentina. Faculty of Oaksterdam University. Examined police files, medical records, financial records, transcripts, photos, videos, audiotapes, weighed and examined forensic evidence visually and by microscope, interviewed defendants, investigated garden sites, and heard police testimony as to their training, experience, observations and opinions, thereby familiarizing myself with law enforcement investigative techniques. Viewed numerous indoor and outdoor cannabis gardens. Visited numerous cannabis dispensaries, met with patient collectives throughout California. Consulted with other experts nationally and internationally.
- 2008: Qualified as a cannabis expert in Kern, San Diego, numerous other California counties, and the State of North Dakota. Qualified as an expert on cannabis cultivation, yields, dosage, usage, processing, patient collective organizations and operations, lawful and illicit distribution, and related issues in various counties previously listed. Presented findings on *Cannabis Yields and Dosage* at the CME-accredited *Fifth Clinical Conference on Cannabis Therapeutics*. Examined personal indoor and outdoor cannabis gardens in Argentina. Examined police files, medical records, financial records, transcripts, photos, videos, audiotapes, weighed and examined forensic evidence visually and by microscope, interviewed defendants, investigated garden sites, heard police testimony and reviewed police training materials. Consulted with other experts. Viewed numerous cannabis gardens. Visited numerous cannabis dispensaries, met with patient collectives throughout the state.
- 2007: Qualified as an expert on cannabis cultivation, yields, dosage, usage, in various counties previously listed. Examined police files, medical records, financial records, transcripts, photos, videos, audiotapes, weighed and examined forensic evidence visually and by microscope, interviewed defendants, investigated garden sites, heard police testimony and reviewed police training materials, familiarizing myself with law enforcement investigative techniques. Consulted with other experts. Viewed numerous cannabis gardens. Visited numerous dispensaries, met with patient collectives,

individual patients and caregivers throughout the state. Served on San Francisco DA's cannabis policy taskforce. Faculty member at Oaksterdam University. Gave presentation on medical marijuana regulation to Hawaii State legislators.

- 2006: Qualified as an expert on cannabis odor and detection in federal Northern California district, and in US Courts Martial in Wurzburg, Germany on cultivation, yields, consumption and indicia of intent. Qualified as cannabis expert in California Superior courts of Amador, Fresno, Lake, Humboldt, Los Angeles, Mendocino, Merced, San Bernardino, San Francisco, San Mateo, Santa Clara, Santa Cruz, Siskiyou, Sonoma, and other counties. Qualified as an expert on cannabis packaging, consumption, storage and toxicity in Oregon court. Attended CME-accredited *Fourth National Clinical Conference on Cannabis Therapeutics*, UC Santa Barbara. Examined police files, medical records, financial records, transcripts, photos, videos, audiotapes, weighed and examined forensic evidence visually and by microscope, interviewed defendants, investigated garden sites, heard police testimony and reviewed police training materials, familiarizing myself with law enforcement investigative techniques. Consulted with other experts. Viewed numerous gardens. Visited numerous dispensaries, met patient and collectives throughout the state. Served on San Francisco DA's cannabis policy taskforce.
- 2005: Qualified as cannabis expert in California Superior courts of Los Angeles, Calaveras, Lake, Santa Clara, Santa Cruz, Sacramento, Siskiyou, Solano and Orange counties. Participated in San Francisco DA's medical marijuana advisory group. Received two days instruction at Leiden University, The Netherlands, from the International Association for Cannabis as Medicine conference. Toured the Dutch national medical marijuana garden operated by Bedrocan, B.V. Examined numerous indoor and outdoor cannabis gardens in and around Amsterdam and medical marijuana gardens in California and Oregon. Examined police files, medical records, financial records, transcripts, photos, videos, weighed and examined forensic evidence visually and by microscope, interviewed defendants, investigated garden sites, heard police testimony and reviewed police training materials, familiarizing myself with law enforcement investigative techniques. Consulted with other experts. Viewed gardens, interviewed growers, sellers and consumers of cannabis throughout the state. Taught a CLE on expert issues involving cannabis at the NORML Legal Seminar in Florida.
- 2004: Authored and published *Cannabis Yields and Dosage*. Qualified as cannabis expert in the California Superior courts of Humboldt, Alameda, Lake, Yolo, San Francisco, Santa Cruz, Santa Clara, Los Angeles and San Mateo, on issues of cultivation, medical use, consumption, processing, and personal versus commercial intent. Testimony received favorable mention in California Court of Appeals ruling *People v Arbacauskas* [2004 WL 2378862 (Cal.App. 3 Dist.)]. Examined police files, medical records, financial records, transcripts, photos, videos, weighed and examined forensic evidence visually and under microscope, interviewed defendants, investigated garden sites, heard police testimony and reviewed police training materials, familiarizing myself with police investigative techniques. Consulted with other experts. Viewed gardens, interviewed growers, sellers and consumers of cannabis throughout the state.
- 2003: Qualified as cannabis expert in the California Superior courts of Butte, El Dorado, Fresno, Inyo, Los Angeles, Monterey, Nevada, Sacramento, San Mateo, Santa Cruz, Ventura and Yolo Counties. Qualified as cannabis expert in the Southern District of the Ninth Circuit Federal Court. Examined police files, medical records, financial records, transcripts, photos, videos, weighed and examined forensic evidence visually and under microscope, interviewed defendants, investigated garden sites, heard police testimony and reviewed police training materials, familiarizing myself with police investigative techniques. Taught Continuing Legal Education (CLE) for Defense Attorneys of Santa Cruz County. Viewed gardens, interviewed growers, sellers and consumers of cannabis throughout the state. Consulted on SB 420. Discussed medical marijuana policy with DA Terrence Hallinan of San Francisco and DA Paul Gallegos in Humboldt. Consulted with Senator John Vasconcellos office regarding SB 420.

- 2002: Qualified as cannabis expert in the California Superior courts of Los Angeles, El Dorado, Riverside, Sacramento, San Joaquin, Santa Cruz, Tulare and Yolo Counties on issues of cultivation, medical use, consumption, processing, and personal versus commercial intent. Examined police files, medical records, financial records, transcripts, photos, videos, weighed and examined forensic evidence visually and under microscope, interviewed defendants, investigated garden sites, heard police testimony and reviewed police training materials, familiarizing myself with police investigative techniques. Took 12 hours of accredited training in medical marijuana from Institute for Health Professionals, Portland Oregon. Spent three weeks in Holland where I observed at least 12 cannabis gardens and one week in Italy. In both countries I engaged cannabis cultivators in discussion of their gardens, and yields.
- 2001: Testified as a cannabis expert in California Superior courts of Alameda, Del Norte, Orange, San Joaquin, Sonoma and Ventura Counties on issues of cultivation, medical use, consumption, preparation, and indicia of personal versus commercial intent. Heard court testimony by police officers and other experts. Reviewed numerous court transcripts, search warrants, police reports, evidence lists and case files. Examined medical records, forensic evidence visually and under microscope, analyzed photos and videos, interviewed defendants, reviewed police training materials, and investigated garden sites. Testified as cannabis expert in the Sacramento CA federal district court, on issues of cultivation, consumption, and yields. Gave presentation on yields and consumption to Berkeley, CA, Health and Safety Commission. Taught an accredited CLE for Orange County Public Defenders office.
- 2000: Testified as cannabis expert in California Superior courts of Butte, Calaveras, Contra Costa, El Dorado, Humboldt, Napa, Placer, Plumas, San Mateo, Shasta, Siskiyou, Santa Cruz, Sonoma and Stanislaus Counties. Qualified on issues of indoor and outdoor cultivation, crop yields, plant sex, olfactory identification (smell), means and rates of consumption, genetic characteristics, indicia of commercial intent, personal and/or medicinal use of cannabis and cannabis preparations, both smoking and otherwise. Investigated cases and provided expert legal services in numerous other counties. Heard court testimony by police officers and other experts. Received seven hours of California Medical Association-accredited training on medical cannabis. Reviewed court transcripts, search warrants, police reports, evidence lists and case files, familiarizing myself with police investigative techniques. Examined forensic evidence and medical records, analyzed photos and videos, interviewed defendants, provided declarations. Researched all aspects of cannabis cultivation and use. Discussed use patterns with at least 30 medical cannabis patients and numerous doctors. Spent four weeks in Amsterdam, where I designed informational exhibits on cannabis and observed indoor cannabis cultivation, curing and processing. Returned in the fall for 10 days observing and discussing cultivation, processing, marketing and consumption with hundreds of American, Dutch and international growers and consumers.
- 1999: Testified as cannabis expert in California Superior courts of Butte, Calaveras, El Dorado, Humboldt, Lake, Los Angeles, Marin, Placer, Santa Clara, Shasta, Solano and Sonoma Counties on issues of cultivation, yields, commercial intent, joint size, rate of consumption, personal and/or medicinal use of cannabis and cannabis preparations, both smoking and otherwise. Investigated cases and provided expert legal services in Alameda, Stanislaus, Napa, Plumas, Sacramento, San Francisco, San Mateo, Santa Barbara and Santa Cruz Counties. Reviewed numerous court transcripts, search warrants, investigator's reports and case files, familiarizing myself with police investigative techniques. Heard court testimony by police officers and other experts. Examined forensic evidence, analyzed photos and videos, inspected garden sites, interviewed witnesses and defendants, provided declarations and reports. Examined numerous California patients' legal cannabis gardens. Discussed use patterns with at least 150 medical cannabis patients and numerous doctors. Read numerous studies and reports by the DEA, NIDA, and other federal government agencies regarding the cultivation, miscellaneous effects, and personal consumption of cannabis. Attended numerous conference presentations on

medical marijuana and industrial hemp. Went to the Netherlands to research and monitor legal cannabis cultivation, breeding, distribution and consumption. Examined numerous cannabis gardens in Holland, Germany and Spain. Traveled to Germany to study legal industrial hemp fields and processing facilities, the Hanf (hemp) Museum, and CannaBusiness, an international hemp and cannabis business expo.

- 1998: Testified as qualified expert in the California Superior courts of Butte, Humboldt and Tuolumne Counties regarding cannabis cultivation, yields, plant sex, maturity, preparation, quality, usability, commercial intent versus personal and/or medicinal use, consumption rates, genetics and cannabis preparations, both smoking and otherwise. Reviewed case documents, physical evidence and photos. Investigated cases and/or filed declarations in Alameda, Marin, Merced, Nevada, Placer, San Diego, San Mateo, Santa Cruz, and Sonoma Counties. Examined and evaluated numerous California patients' legal cannabis gardens. Attended numerous conference presentations on medical marijuana and industrial hemp. Read and analyzed *Cannabis Yields*, a cultivation and yield report by the federal DEA and numerous studies by NIDA, and other government agencies regarding the, miscellaneous effects, and personal consumption of cannabis. Discussed use patterns with at least 250 medical cannabis patients and numerous doctors.
- 1997: Testified as qualified expert in the California Superior court of Marin County regarding crop yields, medical marijuana and personal consumption. Reviewed case documents, physical evidence and photos. Authored *Hemp for Health*. Researched medical literature, visited and surveyed patient gardens. Visited and surveyed patient buyers clubs and discussed medical use of cannabis with at least 300 patients and 20 doctors. Read at least 100 abstracts, studies and peer reviewed medical literature regarding the therapeutic utility of cannabis. Chapters cover cannabis history, botany, pharmacology, clinical research, homeopathy, Ayurvedic medicine, herbalism, therapeutic potential, cannabinoids, side effects, safety tips, recipes for smoked and eaten preparations, and specific symptomatic relief, including diagrams and reference tables, topical applications, nutrition and holistic health care. Attended CannaBusiness Expo, in Germany. Visited patient gardens and buyers clubs throughout California, following passage of Prop 215. Conducted the first survey of state dispensaries at the request of Assemblyman Senator John Vasconcellos office. Consulted and participated in a legal outdoor cannabis harvest in Switzerland of at least six hectares of plants grown by subcontractors for CannaBioLand, a legal commercial enterprise. Selected and harvested cannabis based on sex, ripeness and mold infestation. Participated in sexing, selecting, cutting, curing, manicuring, and otherwise preparing herb for consumption. Investigated legal cannabis outlets throughout Switzerland. Addressed a hearing of the National Academy of Science on medical marijuana.
- 1996: Attended numerous scientific presentations and surveys of scientific studies regarding specific medical and personal use of cannabis including pharmacology and symptomatic relief. Discussed use patterns with at least 400 medical marijuana patients and numerous doctors. Monitored legal cannabis indoor cultivation projects at Sensi Seed Bank, the Hash-Marijuana-Hemp Museum, and at Positronics, b.v., in Amsterdam. Observed and interviewed patients, doctors, caregivers and cannabis culture in the US, Canada and Europe.
- 1995: Monitored legal cannabis indoor cultivation projects at Sensi Seed Bank, the Hash-Marijuana-Hemp Museum, and at Positronics, b.v., in Amsterdam. Discussed medical cannabis and use patterns with at least 300 patients and numerous doctors.
- 1994: Qualified as expert witness in the California Superior court of Madera County on industrial hemp and hempseed. Studied and consulted on Hemp Agrotech's research crop of industrial hemp grown in the Imperial Valley (California) in conjunction with the US Department of Agriculture research station. Met and had informal consultations with owners of Hempline, the first Canadian group to grow a research crop of industrial hemp in North America. Toured hemp stores and museums throughout the US and Canada. Monitored legal cannabis indoor cultivation projects at Sensi Seed Bank, the Hash-Marijuana-Hemp Museum, Positronics, b.v., and at numerous other cannabis gardens located in

Amsterdam. Discussed medical cannabis and use patterns with at least 100 patients and numerous doctors.

- 1993: Authored *Hemp: Lifeline to the Future*, a comprehensive study of the cannabis plant, including a chapter on cannabis botany. Read at least 100 abstracts, studies and peer reviewed medical literature regarding the therapeutic and industrial utility of cannabis. Spent six months in The Netherlands where I designed and arranged informational exhibits and curated the Hash-Marijuana-Hemp Museum in Amsterdam; collected items, prepared and labeled informational displays and explanatory materials, produced handouts for visitors, maintained a library about cannabis, supervised a legal indoor cannabis “grow room” exhibit featuring hydroponic systems, soil, plants from seed and clones, sexing to maturity, harvest, cure and manicure. Utilized various lighting systems and cycles; evaluated growing techniques and yields, planting densities, and pruning patterns; advised in the design of and adjustments to the system and its operation. Field research included investigation and discussion of social use, customs, commercial sales, consumption patterns, medical case histories, regional cultures, kif and hash making, evaluating quality and use of herbal cannabis. Experimented with raw stalk, fibers, hempseed foods and cannabis medicinal preparations including derivatives, tinctures and poultices. Traveled through France, Holland and Hungary researching legal commercial hemp farms and processing. Made a national tour of Dutch cannabis outlets and interviewed the proprietors, staff and clientele. Monitored legal cannabis indoor cultivation projects at Sensi Seed Bank, the Hash-Marijuana-Hemp Museum, and at Positronics, b.v., in Amsterdam. Discussed use patterns with at least 200 medical marijuana patients.
- 1992: Spent six weeks in The Netherlands working at “Cannabis Castle,” a primary facility of Sensi Seed Bank, a legal Dutch cannabis research and breeding company. Participated and monitored all aspects of cultivation from starting seedlings and rooting clones to sexing plants, genetic selection and pollination, hybridization, seed selection and processing for indoor, outdoor and greenhouse varieties. Monitored flower development, resin enhancement, yields, curing, processing and manicure. Researched various genetic materials for characteristics. Met with researchers at Wageningen University (Netherlands) research facility on industrial and horticultural aspects of cannabis hemp. Made a national tour of regional Dutch cannabis outlets and interviewed the proprietors, staff and clientele.
- 1989-2002: Ongoing cannabis research, reviewing scientific and media reports, interviewing more than one thousand American, Dutch and international consumers and growers on production and consumption.

Formal Education

- 2008: Attended and presented findings on *Cannabis Yields and Dosage* at the CME-accredited *Fifth Biennial Clinical Conference on Cannabis Therapeutics*, Asilomar California.
- 2006: Attended CME-accredited *Fourth Biennial Clinical Conference on Cannabis Therapeutics*, Santa Barbara California.
- 2002: CME-accredited *Second Biennial Clinical Conference on Cannabis Therapeutics*, 12 hours accredited training in medical marijuana, Institute for Health Professionals, Portland Oregon
- 2000: Attended 7 hours California Medical Association-accredited training at the “Cannabis Therapy: Science, Medicine and the Law” symposium at Cal State University San Francisco.
- 1995: Attended 20 hours accredited training in cannabis botany, agriculture, horticulture, pharmino-chemistry, industrial technologies and medical use at Biofach international symposium, Nova Institute, Frankfurt Germany.
- 1993: Attended 18 hours accredited training in cannabis botany, agriculture, horticulture, pharmino-chemistry, industrial technologies, medical use and policy at Journee du Cannabis, Paris, France.
- 1980: Bachelor’s degree. Fine Arts / Communication, California State University Dominguez Hills, Los Angeles California. Graduated *Magna cum laude*. Biology course included botany.

- 1973: Associate's degree in Humanities / Fine Arts, Frederick Community College, Frederick Maryland. Graduated *Cum laude*. Biology course included botany.
- 1967-69: Attended Maryknoll Catholic Seminary, Chesterfield, Missouri.

Books authored or assisted

- 2004: *Cannabis Yields and Dosage*, revised and expanded 2005, etc. Seventh edition published, 2010.
- 2001: Second edition of *Human Rights and the US Drug War* (Creative Xpressions). Hemp for Health translated into Portuguese as *Hemp: O uso medicinal de maconha*.
- 2000: Revised printing of *Shattered Lives: Portraits from America's Drug War* (Creative Xpressions).
- 1999: Contributed to revised *The Very Best of Sinsemilla Tips* (New Moon). Co-authored *Human Rights and the US Drug War* (Creative Xpressions).
- 1998: *Hemp for Health* translated *Heilpflanze Haschisch* (German, Knauer), and *Cannabis para la Salud* (Spanish, M. Roca). Co-authored *Shattered Lives: Portraits from America's Drug War* (Creative Xpressions).
- 1996: Authored *Hemp for Health* (Inner Traditions), reviewing scientific data on medical, physiological and psychological effects of cannabis. It discusses medical cannabis in allopathy, homeopathy, herbalism and Ayurveda; THC and other cannabinoids, hempseed nutrition, uses of seed oil, holistic and ecological value of hemp as a restorative resource. Bibliography, footnotes and appendices. *Hemp, Lifeline to the Future* Australian edition published; *Cannabis, 1 mille usi di una pianta miracolosa*. (Italian, Carravecchi)
- 1995: Contributed portions on the development of the modern hemp industry and fuel potential of industrial hemp to *The Great Book of Hemp*, by Rowan Robinson (Inner Traditions).
- 1994: Contributed a chapter on market potentials to *Hemp Today* compilation (Quick American).
- 1993: Authored *Hemp, Lifeline to the Future* (Creative Xpressions), a comprehensive review of the industrial, medicinal and social / spiritual applications of cannabis with technical data on how to grow and process cannabis, its history, commerce, technologies, botany, ecology, cultivation and medical uses. Contributed chapter to *Le Premier Journee Internationale du Cannabis* (French: Lezard).
- 1990: Designed and edited *The Emperor Wears No Clothes*, by Jack Herer (Hemp Publishing).

Legislative testimony, consultation, teaching, conferences, lectures, symposia

- 2005 - present: San Francisco District Attorney's Cannabis Advisory Panel
- 2004: Testified before the City Council of Oakland, the Board of Supervisors of Humboldt County.
- 2003: Testified before the County Board of Supervisors for the counties of Kern and San Francisco, Oakland Public Safety Committee. Taught CLE seminar for Santa Cruz Criminal Defense Attorneys.
- 2001: Presented expert testimony and prepared displays on issues of cannabis cultivation and consumption and presented a report to Berkeley Public Health and Safety Commission; guest lectured in political science at University of California, Berkeley. Consulted with Sonoma Alliance for Medical Marijuana in developing guidelines adopted by County of Sonoma law enforcement.
- 2000: Keynote speaker on medical marijuana at Alameda Medical Group staff dinner. Guest lectured at Mills College. Presented expert testimony for the City of Martinez (CA) on the federal IND medical marijuana program, garden yields and consumption. Presented data on medical marijuana use and cultivation at the Drug Policy Foundation conference, Washington DC. Gave presentations at Santa Cruz Industrial Hemp Expo (CA). Gave two presentations at Cannabis College (Amsterdam).
- 1999: Guest lectured at Mills College; gave presentations at University of California Davis Forum, UC Berkeley Global Crisis Solutions Conference, CannaBusiness (Germany), Cannabis College (Netherlands), Natural Products Expo, and Santa Cruz Industrial Hemp Expo.

- 1998: Taught cannabis at the Omega Institute (NY). Testified at National Academy of Science / Institute of Medicine hearings on medical marijuana (Irvine). Presented report on medical cannabis to SSSP sociologists convention. Gave presentations at the Hemp Industries Association convention, Santa Cruz Industrial Hemp Expo, VisionQuest, State of the World Forum and National Organization to Reform Marijuana Laws (NORML). Debated former DEA head Peter Bensinger at Cal State University, Northridge.
- 1997: Participated in legislative advisory panel for California medical marijuana research bill SB 535. Supported legislative efforts on industrial hemp bills in 12 state legislatures. Taught classes on medical cannabis at Learning Annex, Five Branches Institute, and California legal patient groups. Lectured on hemp at Eco Expo, Natural Products Expo, and on cannabis research at the Drug Policy Foundation (DPF) conference plenary session.
- 1996: Consulted on hemp legislation with State Representatives Fred Maslack of Vermont and David Tarnas of Hawai'i. Authored the industrial hemp plan for the Jamaican government). Coordinated petitioners for California medical marijuana initiative, Prop. 215 (passed). Testified at Oakland City Council and Contra Costa County Supervisors on medical cannabis, regulations and options. Lectured at Stanford University. Lectured at Eco Expo and Whole Life Expo (CA). Participant in State of the World Forum (CA). Panelist in DPF conference (Washington DC) plenary session on medical cannabis.
- 1995: Met with European Cities on Drug Policy staff to discuss the Frankfurt Resolution on cannabis policy. Testified at Colorado State Senate Agriculture Committee hearing on economic and agricultural value of low-THC industrial hemp as a farm crop, European hemp regulations and subsidies, infrastructure and other commercial aspects, and genetic and environmental influences that maintain the non-drug characteristic of industrial hemp. Panelist in DPF conference plenary session on hemp. Spoke at Land, Air and Water legal conference (Oregon), Chapman University (CA), Whole Earth Expo (CA), Winnipeg University (Canada), European Cannabis Consumers Organization organizing conference (Netherlands). Attended four day *Biorohstoff Hanf* symposium (Nova Institut, Frankfurt, Germany).
- 1994: Had discussions with Eric Fromberg, head of The Netherlands National Institute on Alcohol and Drugs, and other Dutch officials regarding their policy of tolerance, regulation and control of cannabis distribution. Panelist in ACLU drug policy forum (Los Angeles CA). Chapman University (CA). Presented hemp seminars throughout Holland and the US.
- 1993: Presenter at *Le Premier Journee Internationale du Cannabis* (Paris, France). Had discussions with Eric Fromberg, head of the Dutch National Institute on Alcohol and Drugs, and other officials regarding their policy of regulation and control of cannabis distribution.
- 1992: Testified on hemp development and regulatory options at the US Congressional Hearings on Improving the Operations and Activities of the United Nations (Los Angeles, CA).
- 1991: Consulted with Senator Joseph Galiber (NY) to develop separate industrial hemp and cannabis bills. Guest lectured at University of Southern California (USC) program for substance abuse counselors.

Some Honors and Awards

- 2010: Lifetime Achievement Award, Oaksterdam University
- 2008: Freedom Fighter of the Year, Los Angeles NORML
- 2004: Achievement in Citizen Activism, from NORML
- 2002: Strathmore's Who's Who.
- 2001: Strathmore's Who's Who. Lindesmith Center "Robert Randall Award"
- 2000: San Francisco *Bay Guardian* Local Hero Award. Hemp Awareness Group Award
- 1999: Top 10 Activist of the Century, High Times magazine
- 1998: Hemp Industries Association President's Award
- 1991: Long Beach Area Citizens Involved Achievement Award
- 1980: Who's Who in American Colleges and Universities; 1972: Who's Who in American Junior Colleges

Born: March 10, 1953.

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I. LETTER OF SUBMITTAL

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RFP K430 Categories to Which this Submission Responds:

This Submission is responsive to all four (4) Categories enumerated in the RFP K430.

Identification of State Employees

None.

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II. NON-COST PROPOSAL SUBMITTAL

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

1. Ability, Capacity and Skills of Primary Team Members

Ms. SaraLynn Mandel, M.S., J.D., has a Masters in plant physiology and biochemistry from the University of Washington, and is a member of the Washington and California State bar associations. She has been practicing law in the States of Washington and California for the past 29 years, and is also a member of the U.S. Patent Bar. Her practice has concentrated on intellectual property protection and enforcement for products and processes in pharmaceutical, agricultural, food and beverage, biotechnology, chemistry, and medical device industries. In addition, Ms. Mandel has practiced general corporate law relating to local, State and Federal regulatory compliance and approval for these industries, including labeling requirements, clinical trial design and conduct. Ms. Mandel has also been an effective participant in the negotiations and drafting of legislation in California, for medical marijuana collectives and dispensaries.

Dr. Sunil Kumar Aggarwal, M.D, 2010, Ph.D., Medical Geography, 2008, B.S. Chemistry, High Honors, 2001, B.A. Philosophy, with Distinction, 2001, is a graduate of University of Washington's NIH-supported Medical Scientist Training Program and an Associate Member of the New York Academy of Medicine. He completed his internship in Internal Medicine at Virginia Mason Medical Center in Seattle, and is currently a Resident Physician at the NYU Rusk Institute of Rehabilitation Medicine. As a NSF Graduate Research Fellow, Dr. Aggarwal conducted and published studies of medical Cannabis use under the first-ever granted Federal Certificates of Confidentiality, which protected 176 study subjects recruited from sites of Cannabis delivery and medical consultation. He has authored or co-authored papers on cannabinoid medical science, dosing, and human rights, in journals of Pain medicine, Hospice and Palliative Medicine, General Medicine, Psychiatry, and Law, in addition to book chapters. He has presented at the national meetings of the National Association of Boards of Pharmacy, the American Psychiatric Association, the American Academy of Neuromuscular and Electrodiagnostic Medicine, and the University of Denver School of Law. Dr. Aggarwal's writing and testimony is used by several state health agencies, such as the Iowa and Oregon Boards of Pharmacy and Washington State Department of Health, as expert evidence. He was a delegate to the American Medical Association (AMA) Medical Student Section and successfully lobbied the Washington State Medical Association and AMA, through education and internal coalition-building, to change their position on the scheduling status of Cannabis in the federal schedules, and served as an expert reviewer their report on medical Cannabis science. The AMA now urges the government to reconsider the schedule I status of Cannabis and has struck down

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their prior policy advocating its retention in schedule I. This was broadcast on numerous news outlets, including CNN and LA Times. His work has been cited in The Medical Letter, Discovering Psychology—a widely used college-level introductory textbook, Mayo Clinic Proceedings, and MayoClinic.com. He is a member of the board of directors of the Americans for Safe Access Foundation, Patients Out of Time, and an Advisory Board member of the Cannabis Defense Coalition. He was a co-founder of the American Academy of Cannabinoid Medicine, and a past-president and board member of the Washington Physicians for Social Responsibility.

Dr. Michelle Sexton, B.S., N.D., completed a postdoctoral fellowship at the University of Washington, focused on the pharmacology of cannabinoids, where she completed a study on immunologic function in patients with Multiple Sclerosis, who use Cannabis as an adjunctive medicine. Her medical practice since June of 2011, has included making recommendations for Cannabis use to qualified patients and being involved in their on-going clinical care. As a member of the International Cannabinoid Research Society and the International Association of Cannabinoid Medicine, and the Society of Cannabis Clinicians, she has presented her research internationally, as well as offered continuing education to advanced practice nurses, physicians' assistants and naturopathic doctors on clinical Cannabis use in Washington State. She is currently research faculty at Bastyr University Research Institute, where she has designed and is implementing a clinical Cannabis questionnaire to describe demographic and use patterns in Washington State. She is also collaborating with Swedish Hospital in surveying patients with Multiple Sclerosis, regarding Cannabis use. Dr. Sexton has been instrumental in developing policy at Bastyr University on Cannabis research. She is currently in clinical practice in San Diego, CA, where she is participating in writing local ordinances for Cannabis dispensaries, and serves on the Board of Directors for Americans for Safe Access Foundation and has served as co-chair of the Scientific Advisory Committee. She is a technical advisor to Mr. Roy Upton, executive director for the American Herbal Pharmacopoeia (AHP) on the development of a Cannabis monograph, and has repurposed many of the clinical sections of the monograph. Dr. Sexton has also assisted in the development of analytical standards and description of the chemical constituents of Cannabis.

Dr. Dominic Corva, B.S., Economics, M.A., Ph.D., performed his doctoral research on the political economy of illicit drug policy and agriculture in the Western Hemisphere, with a particular focus on Bolivian coca, which has faced an analogous policy challenge of integrating gray market "transitional" coca production into legal "traditional" and industrial production, over the last ten years. For his postdoctoral research agenda, he has been studying the economic geography of Cannabis agriculture, as it has been shaped by waves of medical policy, particularly in California and Washington, since the implementation, and in the case of California, its subsequent 2003 clarification, of

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these State's respective medical marijuana initiatives. Dr. Corva has extensive knowledge of diverse methods of marijuana production and efforts to reconcile production with shifting policy grounds in the United States. Through in-depth ethnographic interviews, he has studied the effects of policy liberalization on medical- and black-market marijuana economic geographies. As an associate member of Humboldt State University's new Humboldt Institute for Interdisciplinary Marijuana Research (HIIMR), he is part of a research collective that examines the dynamics of informal sector marijuana agriculture, with a particular emphasis on environmental and economic sustainability. Dr. Corva was invited to deliver the inaugural talk for the HIIMR group in October, 2012. His expertise has been tapped for print, electronic, and radio interviews about the economic geographies of illicit drug policy. He has presented on this topic regularly at his discipline's annual professional meetings, in a Seattle Town Hall talk, and in numerous guest lectures at public and private universities. He is currently running a seminar entitled "Cannabis and U.S. Policy" at Sarah Lawrence College, for which he has arranged service learning internships at the Drug Policy Alliance in Manhattan. Dr. Corva has experience working with drug policy reform as part of the King County Bar Association's Drug Policy Project. He has published in top-tier geography journals, has a forthcoming publication in *The International Journal of Drug Policy* regarding Cannabis agriculture, and is currently working on a book about the effects of public policy on economic geographies of marijuana agriculture.

Subcontractors:

Mr. Mark Scott, M.A., is the managing director of Sage Projections, a consumer research firm in Seattle, Washington. He has worked with blue-chip clients providing research that includes developing, conducting and assessing surveys for product development, market segmentation and in particular, psychographic segmentation, and focus groups. He has been providing marketing strategic expertise for more than 30 years.

Mr. Chris Conrad is a well-recognized Cannabis expert worldwide, having studied Cannabis since 1988. He earned a Bachelor's degree *magna cum laude* from California State University. He has accredited training by the California Medical Association, the Institute of Health Professionals, International Association for Cannabis as Medicine, American University, and Nova Institut (Germany). He has years of hands-on experience in the breeding, cultivation and processing of Cannabis worldwide. Since 1991, Mr. Conrad has traveled to Europe numerous times to research Cannabis production, observing numerous indoor and outdoor and greenhouse production facilities, and participating in harvests and processing of Cannabis. Mr. Conrad also has monitored indoor cultivation projects at Sensi Seed Bank, the Hash-Marihuana-Hemp Museum and at Positronics, b.v., in Amsterdam. Mr. Conrad has also lectured and taught classes on Cannabis production at institutions including Oaksterdam University, UC Berkeley, Learning Annex, Five Branches Institute, Omega Institute, Mills

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College and USC. Mr. Conrad has provided and continues to provide consultation and testimony regarding issues of Cannabis cultivation and consumption in a wide variety of forums including, courts, legislative bodies and law enforcement, including the San Francisco District Attorney's Cannabis Advisory Panel, the Berkeley Public Health and Safety Commission, the National Academy of Science, Institute of Medicine hearings regarding Cannabis, and numerous other audiences. He is the author of *Cannabis Yields and Dosage, A guide to the production and usage of Medical Marijuana* (El Cerrito, CA: Creative Xpressions, third edition, 2007), including *Hemp for Health: The Medicinal and Nutritional Uses of Cannabis Sativa*, published by Healing Arts Press, (1997)), and *Hemp: Lifeline to the Future, The Unexpected Answer for Our Environmental and Economic Recovery* (Creative Xpressions, 2nd Ed. (December 1994)), a comprehensive study of the Cannabis plant, and has contributed to several other publications. Mr. Conrad presented his findings on Cannabis yields and dosage at the CME-accredited Fifth Biennial Clinical Conference on Cannabis Therapeutics, Asilomar, California, 2008. He is familiar with key publications and scientific studies on Cannabis, including publications by the National Institute on Drug Abuse and Drug Enforcement Administration (DEA). Mr. Conrad regularly consults with patients, providers and physicians, and is well networked with colleagues constituting the world's foremost authorities on Cannabis.

1. a. How Marijuana and/or Agricultural Products are Grown, Cultivated, Harvested, Cured, and Processed

Our Team has the capacity, ability, skills, and expert knowledge related to how Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed.

The primary contact for our Team, SaraLynn Mandel, holds a Masters of Science degree in Botany from the University of Washington, a law degree from Seattle University School of Law and has experience in medical Cannabis law, in particular issues confronting regulation of Cannabis production and distribution at local, state and Federal levels.

A second member of our Team, Dr. Michelle Sexton, a Naturopathic Doctor, holds a Bachelors of Science degree in horticultural science from Texas Tech University, a doctorate in Naturopathic Medicine from Bastyr University, completed a postdoctoral fellowship in the pharmacology of cannabinoids at the University of Washington, and is a certified herbalist. She is particularly qualified to provide guidance on methods for precise and consistent characterization of Cannabis and its extracts and infusions with respect to determining levels of THC Tetrahydrocannabinol ("THC"), Cannabidiol ("CBD"), and other constituents, including potentially toxic components.

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A third member of our Team, Dr. Sunil Aggarwal, holds a Bachelors of Science in Chemistry from the University of California, Berkeley, with research experience in organic chemistry and natural products, a Doctorate of Philosophy in geography and a Doctorate of medicine from the University of Washington. He has conducted medical geographic fieldwork on Cannabis production and delivery systems, with observations in rural and urban Washington State, suburban British Columbia, and Amsterdam, Netherlands, and has gained background knowledge on Cannabis production and delivery systems currently licensed by the governments of the United States and various state governments, the United Kingdom, the Netherlands, and Israel, including both public and private enterprises. D. Aggarwal is recognized as one of the experts on the Cannabis industry in Washington State.

A fourth member of our Team, Dr. Dominic Corva, is currently a Visiting Assistant Professor of Public Policy at Sarah Lawrence College, holds a Bachelor of Science in economics from the University of Houston and a Masters of Science and a Doctorate of Philosophy in geography, from the University of Washington. He specializes in the relationship between illicit agriculture and public policy, and has spent the last three years studying the manner in which policy changes have shaped the changing geographies of Cannabis agriculture in the United States, at the national, state, and local levels. Recently, Dr. Corva conducted fieldwork in Southern Humboldt County, examining historical and contemporary developments in the practice of Cannabis agriculture, including the relationship between gray and black markets and import/export dynamics.

One of our subcontractors, Mr. Mark Scott, is an experienced marketing consultant to blue-chip clients. His firm, Sage Projections, is well equipped to design surveys to determine product usage and consumption levels of product, by geographic location, in Washington State.

Our Team also has the consulting expertise of Mr. Chris Conrad, a court-qualified expert on Cannabis production, as a subcontractor to our Team. Mr. Conrad has studied Cannabis horticulture for over 20 years, published two scholarly books on Cannabis ("Hemp for Health", and "Cannabis: Lifeline to the Future"), and traveled to growing operations in the US and Europe, to research Cannabis, gaining hands-on experience in the breeding, cultivation, and processing of Cannabis.

The curriculum vitae of all Team members and subcontractors are attached to this Proposal Submittal.

1.b. How Marijuana is Infused into Food and Beverages

Our Team possesses expert knowledge of methods of infusing marijuana into food and beverages, given our aforementioned backgrounds, including various extraction and preparation methods in general, and specifically as applied to

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Cannabis extracts and infusions used in foods and beverages. We have combined botanical, chemical, medical, legal, and scientific experience with these products, and their regulations, including their distribution, quality control, quality assurance and use. The Team has specific expertise in quantification of precise doses and extensive knowledge of how different preparations affect the pharmacokinetics and pharmacodynamics of the psychoactivity of THC, and the effects of CBD, when present in a product. There are a variety of methods that can be employed to extract cannabinoids from whole plant material, with different levels of safety and consumer tolerance and preference. In particular, the Team believes that the safety of different solvents and the potential for solvent residue in Cannabis products must be carefully scrutinized. We are also aware of the use of Cannabis leaves for juicing and the preparation of non-psychoactive infusions, which are increasingly used as dietary supplements and for therapeutic purposes, and require similar analysis and safety concerns.

1.c. How Marijuana Should be Packaged, Labeled, Transported, and Sold at Retail Level

Our familiarity with existing systems of labeled and packaged retail marijuana globally, including the pharmacy stocking system for Cannabis in the Netherlands, the Investigational New Drug program run by the United States federal government, which supplies pre-rolled Cannabis cigarettes in labeled tins, and various advanced medical Cannabis dispensary operations in the United States that sell labeled and tested Cannabis botanical products, makes our Team particularly well qualified to establish appropriate regulations for packaging, labeling, transportation, and sales of Cannabis. Through prior and on-going professional contacts, our Team also has access to knowledgeable experts involved in the aforementioned Cannabis distribution systems.

Dr. Sexton possesses the expertise to assist in advising the WSLCB with respect to packaging and labeling as well as transport concerns for preserving product safely during storage and transport. Dr. Corva and Mr. Conrad possess substantial experience working with law enforcement with respect to drugs in general, and Cannabis in particular. All of the Team members have experience with advising on the drafting of regulations for the activities of packaging, labeling, transport and sale of Cannabis.

The Team recognizes that there are existing standards for botanical products such as Cannabis for human consumption, developed by the FDA, Standard Information for Dietary Ingredients (SIDI) and Dietary Supplement Health and Education Act (DSHEA), describing proper packaging and labeling of such products. These standards can be used as a starting point for Cannabis packaging and labeling in Washington State as part of implementation of I-502.

Packaging and labeling must of course address safety concerns. Packaging concerns to consider in promulgating regulations, include the need for packaging

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that is well sealed and opaque to light, to minimize breakdown of desirable active constituents, and that is tamper-resistant and childproof. Labeling issues include the need to determine and identify weight, potency by THC and CBD percentage (including milligrams of each per gram of product), strain information, and batch number, including the name and address of the producer. With infused food and beverages, including the preceding issues, a complete listing of ingredients should be present, and the issue of nutritional information on the label will need to be addressed, including degree to which regulation should conform to existing regulation of the sale of bulk food (RCW Sec. 29.04). An additional issue to consider is whether labeling should include information such as the type of side effects that may be anticipated from excessive consumption, although a lethal dose in a healthy user due to Cannabis consumption alone is not believed to have occurred. Additional concerns include whether cautionary labeling is advisable, directed to driving or operating heavy machinery, as well as risks to mental health after consuming THC-high, CBD-low products in those with predisposing psychiatric conditions, and risks of development of problematic use patterns or cannabinoid hyperemesis syndrome.

The Team also possesses the expertise to advise the WSLCB on the transport and sales of marijuana in Washington State, recognizing a host of issues, some of which may be addressed by reference to existing regulations and infrastructure for transport of bulk food for human consumption. These include the need to maintain strictly intrastate travel, for quality control and implications for Federal intervention. Concerns include the need to maintain dry, cool conditions, so as to minimize the growth of molds and fungus, and preserve activity of desirable constituents of the product. With respect to Cannabis sales, issues include those attendant to the sale of regulated substances such as alcohol or tobacco, including regulation of advertising, sales, storefront presentation and conditions for storage, security, safety of customers, proper record-keeping for tax purposes, presentation and consumer interaction. In addition, the WSLCB must decide whether to permit larger production, processing and sale facilities, given the concern of Federal intervention. In addition, the implementation of I-502 will require consideration of the potential for increased needs for law enforcement of facilities, include retail sales storefronts.

The above demonstrates the Team's awareness of the multiple aspects of implementation of I-502 that must be addressed, some of which may be sufficiently managed with existing regulations or adaptation of regulations for other substances such as alcohol and tobacco.

1.d. How Wholesale and Retail Product Should be Recalled and Accounted For

Procedures for recall of contaminated foods, such as agricultural crops, are accessible on the state and Federal levels. An example of regulations that can

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address this issue of recall of contaminated Cannabis product follows. Recall of contaminated Cannabis product, or product containing unacceptable levels of THC, should provide for mandatory and voluntary recall. Mandatory recall should occur when a public health inspector or a product testing facility detects unacceptable contamination or THC concentrations in a sample. Voluntary recall requires the producer, processor or retailer to initiate the recall, when they become aware of contamination or undesirable THC concentrations that result from testing, a failure in "good agricultural practices," when an accident or other precipitating event occurs on the premises of the facility involved. Examples include contamination of water used for growth or processing of infused products, or water damage during storage, transport or sales. Documentation by the producer, processor or retailers should include a logbook of all recall activities to include: description of affected products, for example, strain name, amount affected, the date, time and manner of detection, and identification of the tester or testing facility, as well as methods used to detect the contaminant(s). All affected material should be promptly isolated (quarantined) and properly destroyed.

The individual or entity detecting or having been informed of contamination or other need for recall, should be required to notify all potential customers and recipients of the recall of the affected product(s) and reason(s) for the recall, as well as the WSLCB, and the Washington Department of Health. The regulations for the WSLCB should include providing for recordkeeping of all such notices of recall, as well as the disposition of the recall and removal of affected product from commerce. Notices should also be posted at the places of business of Cannabis producers, processors and retailers. Both the DOH and WSLCB can assist in posting the notice of recall and reaching as many potentially affected consumers as possible. There can be additional regulations that provide for suspension or cancellation of any issued licenses pursuant to I-502, should repeated incidences of contamination and recall occur.

The American Herbal Products Association (AHPA) recently issued guidelines on Cannabis distribution that specifically addresses the issue of Cannabis recalls. Their recommendation, which can be adapted to the I-502 implementation context, is as follows:

Section 3.4 Cannabis product recalls

(a) Each distribution operation must establish a policy for communicating a recall of a Cannabis or Cannabis-derived product that has been shown to present a reasonable or a remote probability that the use of or exposure to the product will cause serious adverse health consequences, or could cause temporary or medically reversible adverse health consequences. This policy should include:

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(1) A mechanism to contact all customers who have, or could have, obtained the product from the distribution operation, which communication must include information on the policy for return or destruction of the recalled product;

(2) A mechanism to contact the cultivation, processing, or manufacturing operation, or the vendor which supplied the product to the distribution operation;

(3) Communication and outreach via media, as necessary and appropriate.

(b) Any recalled Cannabis or Cannabis-derived product that is returned to a distribution operation must either:

(1) Be disposed of by the distribution operation in manner that ensures that it cannot be salvaged and will not be used by a compliant individual or by any other person; or

(2) Be returned to its cultivator, processor, or manufacturer for such disposal.

1.e. How Marijuana should be destroyed if overproduced, contaminated, or recalled

Producers, processors and retailers should bear responsibility for identification and proper storage of excess product, or Cannabis that is contaminated or contains unacceptable levels of THC. The WSLCB may wish to add requirements for preferred disposal methods. Marijuana, including contaminated batches, can be safely destroyed by combustion, with due consideration for minimization of environmental impact and relevant State and local regulations, regarding waste disposal. Consideration should also be given to whether overproduced plant material that is otherwise safe, can be used to develop non-psychoactive products such as juiced leaves and agricultural compost.

2. Experience

Please see Section 1.a., above, for a more detailed discussion of the expertise of each member of our Team as it relates to product and industry knowledge of the marijuana industry, and please see the attached CV's of all Team members and subcontractors.

All of the above-enumerated training and experience makes our Team particularly competent to advise the WSLCB on implementation of I-502. The Team and its subcontractors individually and collectively, have many years of direct experience in the Marijuana industry in Washington and California, two of the largest producers of product, as well as in other states and internationally. The members of the Team possess exceptional research skills developed over many years of graduate and postgraduate education and professional practice. These skills, and an extensive network with professionals in the Cannabis industry, provide the Team with a wealth of knowledge of the Cannabis industry, The Team's experience and industry contacts further provide

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access to cutting edge developments in the science of growing and processing plant material for human consumption, including Cannabis. For example, the Team is familiar with the written recommendations promulgated by the American Herbal Products Association (AHPA) and American Herbal Pharmacopoeia (AHP), regarding good agricultural practice for production of herbal raw materials, and the recently released Cannabis-specific production and distribution recommendations by the same associations. The members of the Team, and Mr. Conrad, have been called upon to present research results and provide advocacy within the Cannabis industry, to lawmakers, law enforcement, medical marijuana patients, and to the public, throughout the United States and internationally.

The combined expertise of the Team includes an awareness of issues such as the importance of variables that affect a Cannabis product: nutrient requirements, growth cycle times, time to harvest as a function of strain type, the effects of microenvironment, fine-tuning of time periods and conditions for optimum harvesting, flushing, drying and processing, and the requirements and characteristics of products grown indoors versus outdoors. The Team members also are aware of the issues involved in sustainable and organic production of Cannabis, which can reduce the presence of substances that can contaminate and reduce the potency of product. The Team also recognizes the challenges for scaling up commercial production and processing, and is equipped to advise on these issues.

3. Team Structure and Internal Controls

The primary Team structure consists of four (4) individual Team members and 2 subcontractors. Ms. Mandel will serve as primary contact for the WSLCB, and be responsible for receiving any general instructions or directives for the Team, as well as any concerns with performance of any Team member. All Team members will work in a coordinated and collaborative fashion, using electronic and telephonic communication, and shared work product platforms. Members of the Team will collaborate in person, and with the WSLCB and others, as needed. Team members will be available, with sufficient notice, to travel to Olympia and other locations. Team decision making will be through consensus of the four primary members. If possible, the Team will request that the WSLCB make payment for services rendered by specific Team members in that member's name, and may send payment to a single location, to be specified during contract finalization. The WSLCB will be free to communicate directly with any primary Team member, and any Team member may likewise contact the WSLCB.

At this time, no additional staffing needs are contemplated, other than the subcontractors identified in this Submission, and any staff they require. The subcontractors will be responsible for supervising their staff and ensuring adherence to contract requirements. Ms. Mandel will be responsible for

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managing both subcontractors, coordinating any formal work product, and payments for services rendered. However, all members of the Team will communicate as needed with each subcontractor to fulfill that Team member's needs in rendering consulting under the contract.

4. Staff Qualifications and Capabilities

The identity and qualifications of the four primary Team members, and subcontractors, are set forth above in Section 1.

At this time no staff members beyond the Team members identified above, and the subcontractors with their staff, as needed, are contemplated. The Team members possess considerable expertise in the areas enumerated by the RFP, and unless additional tasks are assigned that require significant additional personnel, no additional staffing needs are envisioned.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

5. Ability, Capacity and Skills

5.a. Knowledge of the Infrastructure Required to test Marijuana to ensure Product Quality, Content, ingredients and Consumer Safety Considerations

Our Team has direct experience with developing infrastructure for testing Cannabis, including Good Laboratory Practices (GLP), to insure the quality, potency, ingredients and other safety considerations of product for human consumption. Dr. Sexton has extensive experience with the use of plants as medicine, including ten years of experience in the quantification of active ingredients in plants. She also has experience with biochemical, laboratory research and with a variety of analytical platforms, with peer-reviewed scientific publications demonstrating these skills. Dr. Sexton has been mentored by and collaborated with a highly skilled analytical chemist, Dr. Darryl Bornhop, at Vanderbilt University, over the last decade and has authored several peer-reviewed scientific publications. She has experience with high-pressure liquid chromatography (HPLC), gas chromatography (GC), high-performance thin layer chromatography (HPTLC) and infrared detection systems. Dr. Sexton has developed platforms for the analysis of Cannabis products and contaminants, and previously operated a lab that offered such analysis to the Cannabis industry in Washington State. She is an expert advisor to the American Herbal Pharmacopoeia (AHP) and editor on a forthcoming Cannabis monograph (March 2013). The monograph is a definitive international body of information intended to serve as a primary reference for regulators, manufacturers and healthcare providers. Dr. Sexton is uniquely knowledgeable of the validated methods for analysis, including those accepted in the Netherlands and Canada, and the methodology published by the United Nations Office on Drugs and Crime (UNDOC). She is also familiar with the analytical work of Federal contractor Dr.

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Mahmoud Elsohly, at the University of Mississippi. Dr. Sexton's knowledge of medical Cannabis is directly applicable for the establishment of standards for accurate testing of non-medical Cannabis, as well, with modifications as needed, for example to test for the concentrations of THC content consistent with I-502 requirements (see I-502, Part II, Definitions, Sec. 2, (s)).

Dr. Aggarwal has authored or co-authored over a dozen publications, including review articles, chapters, and original research, in peer-reviewed journals and edited volumes related to human use of Cannabis, Cannabis dosing, and cannabinoid pharmacology. Through his doctoral studies and medical training, he has become familiar with the relevant information regarding Cannabis biochemistry, genetics, and botany, and has knowledge of the Cannabis constituents and potential contaminants that must be analytically assayed in order to maximize consumer safety. With his substantial background in chemistry, he has hands-on and theoretical understanding of the various chromatographic and spectroscopic platforms employed today to analyze cannabinoid and terpenoid constituents.

Our Team thus possesses expert knowledge of the active phytochemical constituents in and pharmacognosy of Cannabis, and experience with the variety of analytical platforms that are currently being utilized for the characterization of Cannabis constituents. For the purpose of this Submittal, the discussion will not go into the detail of each analytical platform, but describe our experience with the infrastructure and protocols necessary to ensure that the methodology used is sound, reproducible, robust, and has checks and balances in place to ensure accuracy and therefore, safety for consumers. There are various infrastructural components that need consideration when establishing accreditation standards for third-party testers.

- Employee education: an appropriate minimum level of education, training or experience is needed for the function that each employee performs. Familiarity with the Quality Assurance/ Control (QA/QC) and Good Laboratory practice (GLP) is necessary for operating an analytical laboratory. GLP is the standard system that can be utilized for conducting site inspections and ensuring compliance with and accreditation requirements. Each employee also needs basic safety training for exposure to any hazardous chemicals management of chemical spills (OSHA requirements).
- Spatial orientation of the facility: appropriate standards include ample space and security for receiving samples; use of a standardized methodology for sampling a 'batch' of material; control of physical access to material; microscopic evaluation for pests and mold (first step in QC) on initial intake; well-ventilated areas for solvent use; proper storage of hazardous chemicals; and appropriate disposal of hazardous chemicals. Location of 'batch' storage until testing has been performed is an additional consideration.

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- Tracking and data management: an adequate tracking system is paramount for reducing the chances of diversion. Governor Inslee has suggested the use of "bar coding" and other digital methods to track samples from the production facility through the retail storefront. Similar methods may be used to track samples that are tested. Additional considerations include the ability to securely store samples for a recommended period of time (should retesting become necessary); data archiving and network security, for all tracking and data storage (computer operating systems infrastructure); and policies and procedures for managing 'unexpected' or contested results. Processing and reporting of the results of testing need to be conducted within a reasonable response period. "Certificates of Analysis" may be issued using a standardized reporting format that can be integrated with labeling needs and used across testing labs. Optimally, software can be used or developed if needed to transmit the testing information as needed for access, in a format that is user friendly, and can be easily transferred to the product label.
- Method Validation: to ensure product quality, the analytical methodology must have been proven by a process known as validation. This process must occur both externally and internally to each laboratory. The Team is intimately familiar with this process and its reliability for ensuring the validity of any result that affects product potency, as well as public health and safety. The Team does not have a bias toward any methodology at this time, but will seek to help implement the method(s) that is/are the most cost effective, robust, and reproducible for the class of phytochemicals required.* One option is to have existing laboratories submit the data necessary to confirm validation, a second would be adoption of a standard methodology used across testing services. Ideally a lab might need to access to several testing platforms, as specific constituents may be more amenable to one platform over another.

* No one on this Team has any affiliation with a testing company or methodology that influences what platform(s) might be found acceptable and/or adopted. There is no conflict of interest by any member of our Team and no one on this Team stands to benefit financially from rules adopted relating to testing.

Notification of Results of Unsuitable Product: Should a Cannabis product be found unsuitable for consumption, there needs to be adequate control of how the entire batch that is being tested is withheld, to ensure that it is collected and confiscated, and destroyed in a timely manner. This poses the questions of defining how entire batches will be sampled, what constitutes a 'batch' of either herb or other infused product or extraction, and where batches will they be held until verified by the accredited laboratory to be 'safe'. The issue of contamination and undesirable levels of THC, is also addressed above in Sections 1.d. and e.

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5.b. Assisting the WSLCB with establishing quality standards for testing Marijuana

Our Team members have prior experience in working with lawmakers and government agencies in the drafting and implementation of laws and regulations for Cannabis consumption. For example Team members have interacted with Sen. Jeanne Kohl-Wells and Rep. Roger Goodman, and other stakeholders such as the Cannabis Defense Coalition (WA), Coalition for Cannabis Standards and Ethics (Seattle, WA), Americans for Safe Access (ASA), Patients out of Time, American Academy of Cannabinoid Medicine, American Herbal Pharmacopoeia (AHP) and American Herbal Products Association (AHPA). The Team will heavily draw on existing standards by working with the entities who have published standards that are in line with those applied to other botanical supplements (AHP and AHPA). In addition, Americans for Safe Access (ASA) has taken these standards and developed a training/certification program, "Patients First," that has been adopted by the District of Columbia. This type of strategy will be considered for Washington State and two members of our Team are very familiar with this training. In addition, AHPA will soon release other guidelines on cultivation; manufacturing; and lab practices. Our Team will draw on these as well. These guidelines have been submitted for consideration to Cannabis regulatory authorities in Colorado. We are intimately familiar with the drafting of protocols, internal controls, and the business, computer information systems and data reporting infrastructure necessary to create reputable and rigorous testing and reporting platforms to ensure the health and safety of Washington State consumers.

6. Experience

The Team possesses prior experience in the development and validation of a variety of analytical methods as applied to Cannabis, specifically analytical methods for the quantification of cannabinoids and terpenoids and qualitative assays for toxic residues from pesticides and fungicides. This experience has been gained through university training and an independent laboratory previously owned and operated by Dr. Sexton, Phytalytics LLC. Dr. Sexton has proven experience in method validation (see publications), has reviewed and experimented with the pertinent methodologies for Cannabis analysis since 2009, published in the scientific literature, and has applied these methods in the context of a Washington-based business, which provided this service to the greater Seattle area, until June of 2012. During that time she has had interactions with all of the testing facilities in California, two labs in Montana, has toured several labs and had ongoing conversations about the level of training and quality control required to ensure accuracy of results for public safety. Dr. Sexton began study of herbal medicine in 1980, and is intimately familiar with concepts, preparations, product quality and standards related to botanical medicine. Experience in product quality standards is relevant to her training as a Naturopathic Doctor/certified herbalist in the context of pharmacognosy, as medicinal

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botanicals are one of the primary 'prescriptions' made as a practitioner of "alternative" medicine. Her education provided extensive experience in the preparation of herbal products with specific application for the quantification of cannabinoids, as well as other classes of phytochemicals (across several species) As an undergraduate and predoctoral student, she completed three projects on this topic. Standards for analysis of Cannabis testing for quality control can be extrapolated from the existing industry/professional organizations and adapted for the Cannabis industry in Washington state, as necessary.

An area that bears investigation is the regulation of pesticide/fungicide (ex: organophosphates, carbamates, pyrethroids and avermectins) content of Cannabis product, including the cost effectiveness of routine testing for these compounds and their residues, at the production and/or processing stages. growing level. Consideration should be given to the provision of a third-party organic grower Certification (as another branch of the industry such as "Clean Green" in California), as this is particularly relevant for small-scale growers. Typically, larger facilities are subject to greater chance of bio-infestations requiring chemical intervention. Fungal infections are dependent on growing conditions, and some fungi have toxins harmful to human health, while others do not. Visual inspection is often sufficient for detection. Particular care should be given to extractions and concentrates, as any contaminant will also be concentrated in this process. Our Team will collaborate with existing EPA laboratories, toxicologists and food laboratories utilized by the Washington State Department of Health, as well as international guidelines for guidance in this area. Any testing for bacteria must be carefully controlled in a sterile environment to ensure that contamination does not affect results. Cannabis products may be appropriately regulated for safety by food safety standards applied elsewhere by the Washington Department of Health (246-215 WAC). Potencies of both loose herb and extractions/concentrates should also be addressed, as they vary widely.

The analytical methods to be used may be further informed by information obtained from the University of Washington mass spectrometry center, toxicologists, Integrated Analytical Solutions (Berkeley, CA), and Dr. Arno Hazekamp at Leiden University, The Netherlands (now at Bedrocan) whose thesis work "Cannabis; extracting the medicine" (2007) defined the analytical problems associated with quantification of cannabinoids and the issues of quality control. It may also be helpful to look at how the wine industry, the cigarette industry or the botanical industry address these testing and quality control issues and draw on their existing methodologies and standards. The Team is ready to discuss with the State consideration of different levels of quality control for Cannabis product, whether for medicinal or recreational use.

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7. Staff Qualifications and Capabilities

Dr. Michelle Sexton will be the lead Team member in this Category. While associated with Phytalytics LLC, she worked closely with members of the Cannabis industry, including growers and producers/processors and dispensaries. In addition to providing cannabinoid potency analysis, she participated in designing growing experiments to look at potency outcomes, identified CBD-rich strains, consulted on product development of extracts, edibles and concentrates, and assisted in development of formulations and improving extraction efficiency. She worked as a paid consultant to a firm in Oakland, CA, that developed a work plan for a commercial growing operation (Agramed) in 2011, developing analytical and horticultural platforms, from her Washington based consulting business, Native Roots consulting. She will work with all Team members in a coordinated and collaborative fashion, using electronic and telephonic communication, and shared work platforms. Internal control will be through consensus decision-making.

Dr. Sunil Aggarwal, a second Team member, has considerable education and hands-on experience in general and organic chemistry, and in particular use of chromatography methods for studying constituents of materials. He obtained a BS in chemistry with High Honors from UC Berkeley, he conducted synthetic organic and bioorganic chemistry research projects in university laboratories at UC Berkeley and UC San Francisco, and in industry laboratories at IBM Research Labs and Tularik Pharmaceuticals. He was selected as a member of the United States Chemistry Olympiad Team in 1997, as one of the top 20 high school chemistry students in the country. He also completed a Summer Research fellowship at Baylor University in the Department of Chemistry in 1996 on "*Retention Time Prediction in Capillary Gas Chromatography*" and his research results were published in Garner, Charles. Techniques and Experiments for Advanced Organic Laboratory, Wiley & Sons: New York, 1997, pp 46-48.

Additional subcontractors will be added, as needed. The Team has access to some of the leading researchers in the field of genetics and chemical analysis.

8. Approach and Methodology

Our Team's overall approach is to maximize revenues to Washington State, while bringing a high quality, safe product to consumers. These goals require raising testing procedures and the laboratories employing such procedures, to a higher standard to provide the highest level of public health and safety. Accuracy, reproducibility and consistency are paramount. In this process, the Teams anticipate facilitating Washington State to be a pioneering, national leader by adopting the most rigorous, scientific and applicable health and safety standards to any Cannabis product provided to consumers. We propose to adopt previously published, peer-reviewed, validated methodologies, and then assist in

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setting up the process for internal validation of these methods for quantification of THC and CBD in Cannabis products. We propose that internal validation and thorough documentation of testing procedures, as well as strict adherence to, and documentation of, GLP are included in requirements for laboratory accreditation under the WSLCB. Methodologies for contaminants will be based on existing standards that are used internationally, and within the United States, as applied to other botanical guidelines, with emphasis on the particular chemicals that may be used in the cultivation of Cannabis, and using the tobacco industry as a starting point. It is well worth considering regulation of biocides at the level of cultivation, and scrutinizing the potentially most dangerous scenarios in which quantification of biocides may be necessitated.

In addition to THC and CBD, method validation of analysis of other cannabinoids is appropriate and should also be conducted by any laboratory that will be offering these tests (e.g.: cannabiol (CBN), cannabigerol (CBG), cannabichromene (CBC), tetrahydrocannabivarin (THCV)). Another important class of phytochemicals in Cannabis is the terpenoids, or aromatic compounds. Traditionally the organoleptic properties of the herb product, i.e. taste and smell, similar to wine tasting, have contributed to consumer preference. Packaging will therefore have an impact on product selection by the consumer. Since the terpenoids are not relevant to the safety profile (however they are relevant to therapeutic use) it is not an imperative to require this testing, however if this type of testing is desired for branding a product it could be optional, but the testing facilities should be subject to the same scrutiny for the methodology.

While the Cannabis genome has been sequenced, there are currently no available simple and straightforward tests for genetic determination, although there are several companies that have platforms in development. Chemical "fingerprinting" is a methodology that can be used in the interim, until such time that genetic testing is on the market. We are in touch with two companies in process of developing genetic testing and our Team is very familiar with the platforms used for defining genetics. We will be committed to helping to access this technology as it becomes available and market-ready. It may be interesting to document genetics, but not an imperative from a safety perspective. Genetic testing is likely something that producers will want to track however, so it is worth considering whether these would be optional tests, who would provide them and identify the accepted methods/commercial tests.

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As stated previously, we intend to work with existing toxicology and food-safety laboratories and regulatory platforms for greater expertise and standardization for contaminate detection and analysis as applied in existing frameworks.

There has been a growing trend in the intentional adulteration of dietary supplements and the U.S. Pharmacopoeial Convention has currently convened a working group on this topic. As part of our approach, we will stay abreast of such topics, and any recommendations regarding screening methods that are in development across the broad field of botanical and dietary supplements, to ensure that Washington product meets health and safety standards as applied to other herbs or follow the same regulations applied to tobacco products, as has occurred in Colorado. There have been rare reports of consumers having adverse reactions to both inhaled and oral Cannabis and related products. From a public safety perspective, adverse events need to be monitored and product sent to appropriate toxicology labs should an adverse event occur.

Our Team's methodology is to adopt previously validated analytical methods and help to guide the internal validation process that would be necessary for accreditation by the WSLCB. The major goal is to help establish the most cost-effective, efficient, robust, reproducible result in the shortest turnaround time. It may be possible to use an existing laboratory as a "beta testing site" for any approved method. An alternative method is to have laboratories that wish to function in this capacity show current proof of the validation of their methodology with all internal controls in place.

There is a compelling need to ask the following questions:

- How, if at all, will existing testing laboratories participate in offering testing services?
- How many testing facilities are required to satisfy testing needs in Washington State once I-502 is implemented?
- Will a testing facility be offered in each geographic area of the state?
- What is an acceptable margin of error (standard deviation) for reporting results?
- Would it be most cost-effective to have testing facilities and processors co-located to adequately attend to QA/QC, share security costs and provide ease in managing recalls?

As stated previously, we intend to work with existing toxicology and food-safety laboratories and regulatory platforms for greater expertise and standardization for contaminate detection and analysis as applied in existing frameworks. While the Cannabis genome has been sequenced, there are currently no available simple and straightforward tests for genetic determination, although there are several companies that have platforms in development. Chemical "fingerprinting" may be an acceptable methodology, until such time that genetic testing is on the

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market. We are in touch with two companies in process of developing genetic testing and our Team is very familiar with the platforms used for defining genetics. We will be committed to helping to access this technology as it becomes available and market-ready. It may be interesting to document genetics, but not an imperative from a safety perspective. Genetic testing is likely something that producers will want to track however, so it is worth considering whether these would be optional tests, who would provide them and what the accepted methods/commercial tests are.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

9. Ability, Capacity and Skills

Mark J. Scott, a subcontracting member of our Team, is the Managing Director of Sage Projections, a market research company that has the ability to conduct a statewide survey to estimate Cannabis consumption levels in Washington State. Sage Projections has conducted statewide, national and international market usage studies, with usage identified for geographic subdivisions of each market. Sage Projections has been responsible for studies of flavored coffee consumption for Seattle's Best Coffee, studded tire usage for the Washington State Department of Transportation and the emerging market for packaged dog and cat food sales in the People's Republic of China. In these studies, Sage Projections has combined data collection of potential purchasers' usage and their attitudes. The combination allows for greater segmentation by geography, income, education and lifestyle. The usage data defines current behavior, while the attitude data helps define purchaser motivation and helps provide insight on future behavior. Sage Projections tailored the data collection for the different studies to meet the specific needs of the market planning objectives and budget considerations. It is incumbent that the Cannabis market study collects feedback from both current Cannabis consumer groups and potential new consumers. As a starting point, a benchmark quantitative study should be conducted to determine current user behaviors and attitudes. This study would be structured to have a sufficiently large enough sample to have statistically reliable sub-segments by geography, age, income, education, and other lifestyle factors. This will allow for multi-variable segmentation analysis to help identify the key consumer groups and psychographic segments.

10. Experience

In addition to the combined expertise of three Team members in statistical research methods, the Team has identified Sage Projections as a subcontractor, with extensive experience in conducting market research related to consumer behaviors, that includes demographic and psychographic segmentation. Sage Projections has extensive experience and competency in the development and analysis of data obtained by psychographic segmentation and demographic studies. It has led psychographic studies for well known brands including

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Seattle's Best Coffee, By Nature organic pet foods, Petsmart, and Absorption Corp. Each of the studies explored varying levels of usage behavior by the key demographics of geography, age, income, and education. In addition, attitude data also provided valuable feedback on personal lifestyle factors that impacted consumer behavior and preferences. Lifestyle data obtained allowed more precise definition of the key purchasing groups into psychographic segments.

While Sage Projections does not have experiences with Cannabis studies, Team members Dr. Aggarwal and Dr. Corva supplement the market research expertise of Sage Projections with their experience conducting doctoral and postdoctoral level social science research involving the usage or production of Cannabis. A portion of Dr. Aggarwal's dissertation research on the medical geography of Cannabis in Washington state involved the design and usage of survey instruments which collected sociodemographic, health, and Cannabis-use specific behavioral characteristics of medically-authorized users of Cannabis who were sampled at a Cannabis dispensing site based on strain and batch choice. This data, which contains qualitative and quantitative measures, was analyzed using descriptive statistics and co-variate linear regressions and has now been published or has been accepted for publication (in press) in peer-reviewed medical science journals.

The Team recognizes that there are those who will use Cannabis for medicinal effects from I-502 supply, as they have conditions that are not covered under Washington State's existing qualifying condition rubric, or they lack access to health care providers willing to authorize them for a qualifying diagnosis so that they may access the medical supply. One Team member, Dr. Aggarwal, has made a comprehensive list of conditions for which Cannabis might be used for healthful purposes, based on prior surveys and basic science, and that can be used to understand more fully what motivates certain consumers to use Cannabis and thereby improve psychographic modeling in consumption surveys.

11. Staff Qualifications and Capabilities

Mark J. Scott, M. A., International Business Management - managing director of Sage Projections, a consumer research firm in Seattle. Experience includes extensive consumer and business-to-business qualitative and quantitative research, as well as extensive experience in launching new product categories into new markets. This includes introducing disposable diapers into Japan, liquid detergents into Spain, and packaged pet food into Japan and the People's Republic of China. Skills include determining the methodologies that will garner the most informative and effective consumer research information and the ability to provide strategic focus on the best use of the research results.

Two of our core Team members, Sunil Aggarwal and Dominic Corva, also hold doctoral degrees in Geography and have training in qualitative and quantitative

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geographic methods, including basic Geographic Information Systems (GIS). Dr. Aggarwal is also a medical geographer with training in survey research and quantitative and qualitative analysis. Dr. Corva has a B.S. in Economics, with quantitative statistical training, and a Ph.D. in Human Geography with expertise in political geography, public policy, political economy and cultural geography. These Team members also have experience and training in human and cultural geography, with specific expert knowledge in cultural and social factors related to historic and contemporary Cannabis usage and consumption practices, including medicinal, recreational, personal, spiritual, and dietary use patterns which can be operationalized to inform psychographic variables, leading to enriched data regarding consumer behavior.

12. Approach and Methodology

It is particularly challenging to provide a beginning estimate for consumption of Cannabis in Washington State for a number of reasons. Because recreational marijuana use has been “underground” up until the passage of I-502, and even medical marijuana patients are reluctant to publicize their use, any current estimate is simply a “guesstimate.” One number that has been offered is 187,000 pounds per year (2 grams of marijuana per use for an estimated 363,000 Washington marijuana users), extrapolated from the U.S. Department of Health and Human Service, Substance Abuse and Mental Health Services Administration’s National Survey on Drug Use and Health, 2008-2009 data for Washington (from Office of Financial Management (“OFM”) Fiscal Impact Statement for I-502, http://www.ofm.wa.gov/initiatives/2012/502_fiscal_impact.pdf). However this usage estimate has been suggested to be one-half of the actual consumption presently, suggesting an annual consumption level of 374,000 pounds. (Q&A with Ms. Sharon Foster, WSLCB Chairperson, <http://capitolrecord.tvw.org/2013/01/qa-with-liquor-controlboard-chair-sharon-foster/#.URvGPmcl8qP>). As the OFM explains, its’ estimates assume that all users will purchase through a WSLCB licensee, and not from the illegal market or from medical marijuana retailers. We find this to be a problematic assumption. Confounders include the possibility that existing illegal market consumers will prefer illegal product for many reasons, including price, product characteristics, and familiarity with socially networked procurement; medical marijuana users may migrate to purchase from WSLCB-licensed retailers; and some consumers from out of state may purchase Cannabis in Washington. The number estimate also does not include consumption of marijuana-infused products.

The Team recommends that we use NSDUH survey as a starting point and comparative initial benchmark, while adapting its demand-side self-reporting approach for estimating I-502 consumption. Our methodology will use best practices market research survey techniques by adapting existing NSDUH psychographic categories to disaggregate total market consumption into illegal,

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medical, and likely legal consumption populations. Our approach allows us to estimate what proportion of total state consumption will be captured by new legal production. It is our Team's belief that scientifically estimating both total state consumption and likely share of legal consumption, would allow the WSLCB to strategize realistic initial market participation and plan for market capture through competition, assuming current budgets for policing illegal Cannabis production hold constant.

The introduction of the legal sale of Cannabis will be the launch of a new formal sector product category into the state of Washington in direct competition with an already robust informal-illegal and quasi-formal medical sector product. This introduction will require a clear understanding of current usage of both (previously illegal) recreational consumption and (previously legally limited) medical consumption of Cannabis as well as estimates of the population of consumers who are likely to participate in the legal market, in addition to those likely to consume Cannabis from other channels. In addition, there will be a need to determine the potential market growth of increased usage of legal Cannabis by Washington State residents who currently do not consume it. Research needs to determine the overall current and potential consumption and buying behavior of the key demographics adapted from NSDUH survey categories. This usage data will need to be obtained by getting consumer feedback on lifestyle and attitudes that favor Cannabis consumption. Special attention will be paid to identifying ways to capture legal market share, such as providing product characteristics lacking in the current market, such as organic and outdoor product.

The quantitative methodology for estimating likely legal consumption can be pre-tested on a qualitative basis to confirm the accuracy of data and to help refine and focus the data collection. Once the methodology is agreed upon, a quantitative study should be launched to collect the key behavior and attitudinal data for Washington State. This study should serve as a benchmark to track how the new product category sales and consumption evolve as the legislation goes into effect. It is our belief that the market development should be tracked on a quarterly basis. This will allow the state to better determine the overall market growth, segmentation growth, and seasonality of legal Cannabis and its market.

Because the sale of "legal" Cannabis is "new" as a result of I-502, and access to the entire population of Washington state is not practical, it is important to geographically and demographically structure the sampling data base to best reflect the actual population. If this is done properly, we can be confident that the results obtained can be generalized to the population of Washington State. We are recommending stratified proportionate sampling, since we believe there are a number of distinct subgroups, within each of which it is required that there is full representation. A stratified sample is constructed by classifying the population in sub-populations (or strata), based on NSDUH standard demographic characteristics of the population, such as age, gender, or socio-economic status. The selection of elements is then made separately from within each strata,

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usually by random or systematic sampling methods. The strata sample sizes will be made proportional to the strata population sizes. For example if the first strata is made up of males, then as there are around 50% males in the Washington State, the male strata will need to represent around 50% of the total sample. The costs of collecting data may differ from subgroup to subgroup. We might require more cases in some groups, if estimations of populations values are likely to be harder to make, i.e. the larger the sample size (up to certain limits), the more accurate any estimations are likely to be. We expect different response rates from different groups of people. Therefore, the less cooperative groups might be "over-sampled" to compensate.

Upon completion of the data collection, the Team will identify the key demographic and psychographic sub-segments through a consumption to populations analysis. We will also try to statistically quantify the expected Cannabis volumetrics by quantity, geography and seasonality. The analysis of the data obtained from surveys will be determined based upon the identification of the different key subgroups and the relative volume of consumption the different groups represent. Essentially, the model segments the respondents on a mutually exclusive basis (i.e., each respondent is assigned to one segment only) and may be followed by segmenting on a non-mutually exclusive basis to examine the overlap among segments. This will yield coherent clusters of Cannabis consumers with very similar attitudes and perceptions, and is an important technique to determine the key volume segments.

CATEGORY 4 – PRODUCT REGULATION

13. Ability, Capacity and Skills.

a. Experience with State, local or Federal government processes and procedures; and

b. Experience in crafting system regulations

SaraLynn Mandel, M.S., J.D., our Team point of contact, received her Master's degree in the Department of Botany Ph.D. program, in plant physiology and biochemistry, from the University of Washington, focusing on growth kinetics of agricultural crops. She has kept abreast of developments in plant sciences and has an interest in hydroponics and other sustainable growth processes, as well as in peer-reviewed scientific studies regarding the therapeutic uses of Cannabis.

Ms. Mandel has been practicing law for almost 30 years in California and Washington states (Mandel C.V.), as an intellectual property and general corporate attorney. Ms. Mandel has expertise in local, State and Federal regulation of pharmaceuticals, medical marijuana, foods and beverages, nutritional supplements, medical devices and additional products and services. This expertise includes participating and counseling clients regarding the design and requirements for clinical research, submitting and advocating FDA and

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USDA applications, zoning requirements (for local and State medical marijuana regulation), environmental impact assessments, and litigation of disputes concerning these issues.

For the past 5 years, Ms. Mandel has counseled clients with respect to use, cultivation, testing and distribution of medical marijuana in California, consistent with local, State and Federal regulations, and consumer and general public safety and welfare concerns.

In addition, Ms. Mandel has been a visible and effective advocate with respect to drafting of proposed legislation in LA county for regulation of medical marijuana collectives, including dispensaries. Ms. Mandel took a leadership role during recent, high profile litigation involving the City of Los Angeles and a number of medical marijuana collectives and dispensaries. Ms. Mandel has been recognized as facilitating consensus and obtaining settlement among different factions, despite numerous competing and sometimes polarized interests. Ms. Mandel continues to follow the progress of the various proposed initiatives in California for regulating medical marijuana. In addition, Ms. Mandel has been an active participant in drafting regulations for use of cannabis, both recreational and medical, in California.

14. Experience

Several members of the Team have experience working with a variety of regulatory systems. In addition to the above enumerated experience of Ms. Mandel in California, Dr. Aggarwal was designated as an medical expert stakeholder and participated in the Washington State Department of Health rulemaking process for the determination of a presumptive amount that constituted a 60 day supply for medical marijuana and for recommendations for a safe and effective system of supply. He attended and testified at all four public hearings statewide on this: Seattle (9/10/07), Spokane(9/11/07), Vancouver (9/17/07), Yakima (9/19/07). He has also given written and oral testimony to for rulemaking processes at the Iowa Board of Pharmacy and the Oregon Board of Pharmacy. Dr. Aggarwal He also contributed to public processes regarding rulemaking for environmental toxins and radioactive waste in the Washington Department of Ecology during his time as a President and Board Member of the Washington Physicians for Social Responsibility. He was a chief petitioner to add 'neuropathic pain' to the list of qualifying conditions under Washington state's medical use of Cannabis act, RCW69.51 A, and gave a presentation to WA Medical Quality Assurance Commission in Tumwater, WA, 6/2/10. With University of Washington and Virginia Mason Medical Center faculty, Dr. Aggarwal attended and contributed to Washington State Interagency meetings convened by the Washington State Department of Labor and Industries in 2010-11 regarding the development of state regulatory guidelines for pain management. He was an invited expert witness for Oregon Citizen's Initiative Review of Ballot Measure 74, Regulated Medical Marijuana Supply System Act

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(Salem, OR, 8/17/10), which led to a supportive statement appearing in the OR Voter Pamphlet distributed to all voting households. He was invited by the New Jersey Department of Health to participate in state Medical Marijuana Program education of health professionals, mandated by state law. He has also served as a NGO delegate to the United Nations and attended a UN General Assembly meeting on Drugs and Crime in 2012, providing educational materials to country delegates. He also attended a North American NGO consultation on the UN International Drug Control system in Vancouver, B.C. as a delegate in 2008. He has been a Member of King County Bar Association's Drug Policy Project—Legal Frameworks Group and a member of Washington American Civil Liberties Union Drug Policy Coordinating Group. He also was a University of Washington Graduate and Professional Student Senator, representing the Geography Dept., from Feb. 2006 - May 2007. As a American Medical Association student delegate, he led the effort to change the American Medical Association and Washington State Medical Association's Houses of Delegates positions on the scheduling of marijuana in federal law.

Dr. Sexton previously served the Texas Department of Health on the Midwifery Board. In this capacity she advised the board in the development of rules to implement law regarding practice standards, education standards, grievance processes and licensing requirements/regulations. She participated in the local Seattle community in a Coalition for Cannabis Standards and Ethics committee that made recommendations to the City of Seattle.

Dr. Corva has experience working with county and municipal drug policy reform, as part of the King County Bar Association Drug Policy project, Legal Frameworks group with, among others, current Washington State Congressman Roger Goodman, Initiative 502 architect Alison Holcomb, and Dr. Aggarwal.

Subcontractor Mr. Chris Conrad has served on San Francisco DA's Cannabis policy task force. He is a member of the faculty of Cannabis College of Oaksterdam University. Mr. Conrad has given a presentation on medical marijuana regulation to Hawaii State legislators, and consulted with California Senator John Vasconcello's office regarding SB 420. He participated by submitting public comment and advising stakeholders in Washington State Department of Health's rulemaking processing for medical marijuana in 2007. Mr. Conrad is well known for his expertise on Cannabis yields and dosage and has made presentations these topics to a number of organizations including the Berkeley, CA, Health and Safety Commission. He has also testified at a Colorado State Senate Agriculture Committee hearing on the economic and agricultural value of low-THC industrial hemp as a farm crop. In addition, Mr. Conrad has established an international presence, meeting with European Cities on Drug Policy (ECDP) staff to discuss the Frankfurt Resolution on Cannabis policy, as well as European hemp regulations and subsidies, infrastructure and other commercial aspects, and genetic and environmental influences that maintain the non-drug characteristic of industrial hemp.

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15. Staff Qualifications and Capabilities

SaraLynn Mandel, M.S., JD, point of contact for our Team, as a botanist and attorney, based on her education, licensing and experience with challenges in regulating the use of cannabis in California;

Sunil K. Aggarwal, M.D., Ph.D., a Team member, was designated as a state-law mandated medical expert stakeholder by the Washington State Department of Health in 2007 when that agency was tasked with determining what amount of Cannabis constituted a presumptive 60 day supply for medical use. His first-author publications were additionally cited as references in a state legislature-mandated report issued by the Department of Health in July 2008 on patient access to medical marijuana which gave recommendations on how to provide "access to an adequate, safe, consistent, and secure source, including alternative distribution systems."

(<http://www.doh.wa.gov/portals/1/Documents/2000/PatientAccess.pdf>) To develop his input as a stakeholder, Dr. Aggarwal coordinated and collaborated at that time with our present subcontracting Team member, Mr. Chris Conrad. Mr. Conrad's work on Cannabis yields and dosages was also utilized by the Washington State Department of Health in their development of the 60-day supply rule (Conrad 2010).

Dr. Dominic Corva, Ph.D. has experience working with county and municipal drug policy reform, as part of the King County Bar Association Drug Policy project, Legal Frameworks group with, among others, current Washington State Congressman Roger Goodman, Initiative 502 architect Alison Holcomb, and Dr. Aggarwal. Dr. Corva has conducted extensive archival and ethnographic research on the relationship between illicit drug agricultural policy and outcomes with respect to production regimes, in a contemporary and historical perspective. His expertise is on comparative politics of policy-making, implementation, outcomes based on particularities of place and geographic contingency. His experience includes eight years of independent teaching and supervision of related policy research projects at the undergraduate and graduate level. He is an associate member of the Humboldt Institute for Interdisciplinary Marijuana Research focusing on economic and environmental implications of policy reform. This focus is explicitly concerned with integrating existing networks of production into county and municipal guidelines.

16. Approach and Methodology

Just prior to this Submittal, the Team became aware of publication of excerpts of Governor Jay Inslee's communication with U.S. Attorney General Eric Holder outlining possible Washington State regulatory controls to reduce the likelihood of diversion of Cannabis (<http://blogs.seattletimes.com/today/2013/02/inslee-assures-feds-on-pot-well-do-it-right/?syndication=rss>). These include the use of bar codes to electronically track each step of the plant's progress to market and

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other digitally-enabled tracking of products, modeling from Colorado State and other industries in Washington, such as the apple industry which tracks apples from orchards through packing houses, and ultimately to market. Gov. Inslee also suggests that background checks, including fingerprints, for license applicants and other parties of interest be conducted, as well as audits identify reporting discrepancies by licensees. Gov. Inslee also noted that Washington State's high tobacco tax and experience with intercepting contraband cigarettes should help strengthen marijuana controls. The Team suggests that the WSLCB further examine the Governor's suggestions, and coordinate closely with the Governor's office in promulgating regulations regarding Cannabis.

Our Team's methodological approach prioritizes creating a new Marijuana System that reflects not only existing scientific and technical expertise, but produces the desired results while meeting I-502 provisions. It must take into account existing realities that could lead to suboptimal outcomes, such as the potential for marijuana diversion to minors or exportation to other states. In addition, we note that resources can be optimized in this process by looking to analogous regulations by the WSLCB regarding alcohol. For example, chapter 66.28 of Title 66 of the Revised Code of Washington (RCW) for control of alcoholic beverages provides a number of "Miscellaneous Regulatory Provisions," some of which could be adapted to regulate Cannabis.

For example, RCW 66.28.100 provides labeling requirements that include a "distinctive label, showing the nature of the contents, the name of the person by whom the spirits were manufactured, the place where the spirits were manufactured and showing the alcoholic content of such spirits." Using this provision, a provision can be crafted for labeling Cannabis sold by retailers as provided in I-502. Similarly, RCW 66.28.060 provides for monthly reports by distillers, which could be adapted for reports by Cannabis producers. RCW 66.44 provides numerous provisions for enforcement and penalties. Thus, reference to Title 66 of the RCW can provide an outline for many of the specific rules that must be adopted by the Washington State Liquor Control Board pursuant to Sections 9 and 10 of I-502. Existing regulations regarding workplace safety and labor can be applied to all employed in this new sector.

While I-502 does not have a mandate for replacing existing medical marijuana regulation, new regulations that allow for voluntary integration of medical marijuana growers, providers and retailers, would minimize (a) the potential for oversupply which would make taxed prices uncompetitive and drive consumers to illegal markets, and (b) the potential for export from Washington State to states with higher existing wholesale and retail prices, absent taxation. Therefore, the Team proposes to integrate the existing system of medical marijuana production and distribution in Washington state into a new comprehensive marijuana system, wherever possible--for example, where existing production is standardized, and the product can be properly tested, and is otherwise in

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compliance with public safety and welfare concerns, such as compliance with applicable zoning regulations, environmental issues and density concerns. This has been the experience in California, which according to law enforcement sources may supply up to 79% of national consumption (Central Valley HIDTA, 2010). Currently, Washington state is not a large exporter of marijuana, but it is one of the five highest producing states in the nation according to the 2011 National Drug Threat Assessment suggesting the potential for export.

One possibility to encourage acceptance and adherence of existing medical marijuana dispensaries and collectives to such an integrative approach would be to provide a grandfathering for licensing of these providers, if they otherwise meet some, if not all, regulatory provisions that are consistent with public safety, welfare and of course, consumer safety and welfare. We further recognize that existing medical marijuana dispensaries may wish to remain solely dispensing medical marijuana, and that new regulations in Washington state regulating medical marijuana may be imminent. This may alter our recommendations regarding integration.

An additional benefit to integration would provide the new producers, processors and retailers to be licensed under Washington's new Marijuana System, access to experienced labor, marketing, and growing expertise, as well as a consumer base. Not only would this also provide more jobs, for example for employees at retail operations, it would also benefit the enforcers of the new regulations, because there will be attrition of those who are not willing to conform to the new regulations. There is a strong basis for this logic from economic development experts that promote the formalization of informal sector activities in developing countries (De Soto, 2003).

Further, medical cannabis production and distribution systems have clearly been an outgrowth of, and continue to overlap with larger illegal production and distribution systems. Therefore the new Washington state marijuana system should be designed to absorb existing networks of production wherever feasible and in compliance with state and local laws, as described above, while delivering safe, cost-effective products that consumers prefer over illegal market products. Our methodological approach for the latter is described below.

- Cost-effective products: The primary approach for achieving efficiencies of production that maximize legal market competitiveness would be to prioritize licensing and regulating new outdoor production. Existing illegal and medical market product in Washington state is primarily grown indoor, in urban and suburban areas. Cost of production varies, but energy usage sets a floor for production costs that does not exist for outdoor production (which includes outdoor full sun, greenhouse, and light-deprivation techniques). By engaging in education and limited advertising to promote licensing of outdoor production in rural areas zoned for agricultural use, we can achieve efficiencies of production not available to most illegal

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producers. This would also help a great deal with zoning issues in urban areas.

- Consumer preferences: Production methods must take into account consumer preferences including the well-established preference for qualities that are typically associated with indoor production. However, there are procedures that can optimize outdoor production such as light deprivation, that can narrow if not eliminate any consumer preference for outdoor vs. indoor production. Regulation can also be crafted so as to encourage maximal availability of a diversity of marijuana strains in stores.
- Employment Opportunities: Our suggested integrative approach, including encouraging outdoor production, creates jobs for which existing illegal and medical producers would be eminently qualified to fill, albeit in rural areas of the state. The new system will need gardening expertise for meeting the increased production needs contemplated by the enactment of I-502. This will also help absorb the existing system of marijuana production, processing and sales into the new system, minimizing the potential for market oversupply and export.
- Optimizing Community Acceptance: Lessons learned from California and other jurisdictions include localized resistance to increased presence of Cannabis-related activity, including production, processing and retail facilities. Regardless of voter approval of I-502, onset of large scale and visible Cannabis production operation and appearance of brick and mortar retail Cannabis "shops," can be expected to meet with varying degrees of community, city and law enforcement concerns, particularly consumer and public safety. Along with promulgation of well researched and carefully drafted regulations, mandated by I-502, our Team is prepared to assist with preventive actions that can be undertaken to better prepare the public in Washington State for the implementation of I-502. For example, in addition to having well-honed writing expertise, all of the Team members are accomplished oral presenters, to a wide variety of audiences. We envision recommending that producers and retailers initiate "town meetings" to openly discuss the commencement of growing and retail operators well in advance of commencing. Representatives of the WSLCB would be of assistance in at least an initial organizing event to ensure that the presenters understood the relevant regulations, and to suggest parameters of the meetings. Of course, the local law enforcement authorities would be requested to attend, for their input and for security purposes. Ms. Mandel can attest that when Cannabis dispensaries made a concerted effort in Los Angeles to get to know their surrounding community, reception and ongoing relations were vastly improved. This is but one example of steps that can be taken prior to December 2013.

Another community acceptance consideration concerns respecting Federal law enforcement officers who are also a key part of the community fabric in

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Washington State. Given the ongoing conflict between state and Federal law regarding Cannabis policy, it is important to work to minimize any actions that the Federal government may necessitate Federal intervention . Recent statements made by the White House Office of National Drug Control Policy head "czar" Gil Kerlikowske, former Seattle Police Chief, are worth special consideration: when asked by a Canadian newspaper about the Washington and Colorado legal Cannabis market implementation, he stated: "You'll continue to see enforcement against distributors and large-scale growers as the Justice Department has outlined" (Source: macleans.ca, Monday, February 11, 2013 1:00pm). Thus, if the WSLCB feels compelled to establish a plant limit for licensed producers, then an upper bound that respects the excesses of federal law should be chosen. The figure of 99 plants is worth considering, because at 100 plants the federal mandatory minimum 5-year incarceration penalty applies. The hope is such measures would minimize the potential for Federal intervention, and ultimately help optimize community acceptance.

The above methodological approaches are oriented towards a smooth transition to state regulated marijuana production, processing and retailing. By regulating with an eye towards integrating existing systems of production, combined with our Team's existing expertise in quality control, accurate assessment of product usage and consumption, we hope to maximize the workability of the new system within guidelines provided by I-502.

Respectfully Submitted,

The Mandel, Aggarwal, Sexton and Corva Consulting Team

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COST PROPOSAL

Table 1: Hourly Rate

<u>Description</u>	<u>NTE Hourly Rate</u>
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting services as stated in this RFP	\$100 p/hour

Mark J. Scott
Managing Director,
Sage Projections

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Professional Experience

Sage Projections - Managing Director April 2001-Present - Seattle, WA

Director of a consumer research firm. Areas of expertise:

In-depth Interviewing	Product Development Research
Focus & Triad Groups	Market Segmentation Research
Internet Surveys	Psychographic Segmentation Research
Home Usage Research	Behavior Tracking Research

Clients: Red Vines, World's Best Cat Litter, Absorption Corp, Botanical Labs, Seafair, Washington State Department of Transportation, Glaxo Smith Kline, PepsiCo, Starbucks,

Publicis - Senior VP February 1994-2001 - Seattle, WA

Account Planning and Management Director

Responsible for the development of overall client strategic service. Included all strategic consulting and execution of all marketing and advertising plans.

Clients: PetSmart, Bank of America, T-Mobile, Mars Pet Foods, Washington State Lottery, Dairy Farmers of Washington, UWMC

MAGLITE - Vice President of Marketing 1991-1993 - Ontario, CA

Directed all marketing and sales (national and international).

Grey Advertising 1979-1992 - Los Angeles, New York, Tokyo, Madrid, Caracas

Senior Vice President, International Marketing and Advertising

Held executive roles in both domestic and international markets. Helped launch and manage international products into new markets.

Clients: Procter & Gamble, General Foods, Kraft, Bristol Myers, Heineken, Playtex, Mars, Richardson Vicks, Smith Kline

Education

M.A., International Management, Thunderbird (AGSIM), Glendale, AZ

Post-graduate work, Northwestern University, Evanston, IL

B.A., Evergreen State College, Olympia, WA

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Managing Director,
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Professional Experience

Sage Projections - Managing Director April 2001-Present - Seattle, WA

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Education

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-

EDUCATION

2008-11 POSTDOCTORAL FELLOWSHIP, UNIVERSITY OF WASHINGTON
2008 N.D. Naturopathic Medicine, Bastyr University, Seattle Washington
2003 B.S. Texas Tech University, Lubbock Texas. Cum Laude
1997 Certified Herbalist, Sage Mountain Herbal Center, Vermont
1993 Certified Professional Midwife, North American Registry of Midwives

EXPERIENCE:

2008-2012 Private Clinical Practice
2011-2012 Owner, Phytalytics LLC phytochemical analysis company
2011-present Native Roots Consulting LLC
2011-2013 Bastyr University Research Institute, Assistant Research Scientist
2008-2011 Individual fellowship (F-32:NIH/NCCAM) University of Washington, Seattle, WA
2004-2006: Research Scientist, Vanderbilt University, Department of Chemistry
2005 Pre-doctoral T-32 Research Fellow, Bastyr University
2004 Pre-doctoral T-32 Research Fellow, Bastyr University
2003 Undergraduate Researcher, Texas Tech University, Department of Chemistry
2001-2002 Undergraduate Researcher, Texas Tech University, College of Agric. Sci.
1993-2003 Private Midwifery Practice, primary obstetric/gynecology care
1988-2002 : ICEA certified childbirth educator

PROFESSIONAL MEMBERSHIPS:

American Association of Naturopathic Physicians
Washington Association of Naturopathic Physicians
North American Registry of Midwives
International Cannabinoid Research Society
International Association for Cannabinoid Medicine
Society for Orthomolecular Medicine

Teaching Experience:

2012 Adjunct Faculty, Bastyr University
2011-12 Faculty, Bastyr University Research Institute
2011 Designed and co-taught a reproductive biology class for graduating seniors in the Department of Biology at University of Washington (Howard Hughes Medical Institute, Future Faculty Fellow)
2011 Facilitator, Mind Body Medicine Class, University of Washington
2010 Guest lecturer, Bastyr University, Herbal Sciences Program
2008 Teaching Assistant, Botanical Medicine, University of Washington
2003 Teaching Assistant, Horticulture, Texas Tech University
1990-1993 Certified Childbirth Educator, Texas Tech Health Sciences Center
1990-2000 Home-based Alternative Education of my (5) children

ABSTRACTS:

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- 2012: Scripps Center for Integrative Medicine: Natural Products Update, San Diego, CA "Effects of Cannabis use on some immune parameters in patients with Multiple Sclerosis"
- 2011: Drug Policy Alliance, Los Angeles, CA: "Cannabis Juxtaposed"
- 2011: International Association of Cannabinoid Medicine, Bonn, Germany : "Effects of Cannabis use on some immune parameters in patients with Multiple Sclerosis"
- 2010: American Association of Naturopathic Physicians, Portland, OR: "Cannabis Juxtaposed"
- 2008: International Cannabinoid Research Society, Aviemore, Scotland: "Targeting the Cannabinoid 2 Receptor for medical imaging"
- 2008: UCLA : Alternative Medicine Conference "Alternative Laboratory Tests: The good, the bad, the unproven" (co-authored with Cheryl Berman Ph.D)
- 2006: American Society for Neurochemistry, Portland, OR "Development of a Molecular Imaging Agent Capable of Assessing PBR Expression".
- 2005: Western Student Medical Research Forum, Monterey, CA: "Development of a high Sensitivity, High Throughput Screen for Neuroinflammatory Response Using a Molecular marker and Microglial Activation."
- 2005: Keystone Conference: Central Nervous System Inflammation, Snowbird, UT : "High Sensitivity, High Throughput Screen for Inflammatory Response Using Molecular Imaging and Microglial Activation".
- 2004: American Chemical Society, Anaheim, CA: "Ex-vivo marking for diagnostic imaging of Glioblastoma by Lanthanide Chelate."

HONORS AND SERVICE

- 2011-2012 American Herbal Pharmacopoeia, Technical Advisor
- 2010-present Chair, Multidisciplinary Scientific Advisory Board, Americans for Safe Access
- 2011 Howard Hughes Medical Institute Future Faculty Fellow
- 2007-2009 Student member, Naturopathic Physician Research Education Program (NPREP) steering committee, Bastyr University
- 2003 2nd place Undergraduate Poster competition at Texas Tech University
- 2001-2003 Alpha Xi Honors Society, member, treasurer
- 2002-2008 Golden Key International Honors Society, member
- 1993-2000 Texas Department of Health Midwifery Board Member: Chair, Grievance committee
- 1990-2000 Association of Texas Midwives Board member, Treasurer

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- Previous T-32 Predoctoral Research Fellow T32ATO-0815-03 2004-2005
Bastyr Student Council Research Grant 2004
- Completed Postdoctoral Research Fellow NIH-NCCAM (F32)

PUBLICATIONS

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Sexton M, Woodruff G, Horne EA, Lin YH, Muccioli GG, Bai M, Stern E, Bornhop DJ, Stella N. NIR-mbc94, a fluorescent ligand that binds to endogenous CB2 receptors and is amenable to high-throughput screening. Chem Biol. 2011 May27, 18(5): 563-8.

Sexton, M, Sylvestroni, A, Stella, N. Differential migratory properties of monocytes isolated from human subjects naïve and non-naïve to Cannabis. Inflammopharmacology 2012, April 11.

OTHER EXPERIENCE

- Owner, Phytalytics LLC 2011-2012
I designed and implemented analytical platforms for the quality control of medical *Cannabis* in Washington State using HTPLC, HPLC and GCMS. Procedures for the sampling of plant samples, topicals, extractions, infusions, concentrates and edibles were developed and data was collected on strains, chemical ratios and contaminants. This data has been presented at an international conference on cannabinoids.
- Owner, Native Roots Consulting 2011-2013
I provide consulting services for product development and analytical platforms to the medical Cannabis industry.
- Postdoctoral fellow University of Washington 2008-2011
I designed, wrote and was awarded my individual fellowship grant (F32) from the National Institutes of Health (NCCAM). My appointment was in the Departments of Pharmacology and Psychiatry and Behavioral Medicine. In this position, I was an independent researcher and administered my own grant, acted as the study coordinator for a pilot study in Multiple Sclerosis, looking at novel immune markers. I was responsible for all of the Human Subjects responsibilities, recruiting, screening patients, interviewing patients, drawing blood and conducting three assays on serum and blood cells. In this position I gave numerous journal clubs, talks to undergraduates, supervised and trained students in laboratory techniques, assay development and experimental design. I measured cell migration, cytokines in serum using bead array and endocannabinoids with UPLC/MSMS.
- Research Scientist University of Washington 2006-2008
We labeled cannabinoid receptor two (CB2), a marker of neuro-inflammation, with MBC94, synthesized in Dr. Bornhop's lab at Vanderbilt University. My previously developed assay was employed to determine the specificity and binding properties of this molecularly-targeted imaging agent, and then screen live microglia cells

activated with selected cytokines. Our conclusion here is that the marker, a near infrared conjugated ligand (SR2) specific for the CB2 receptor, does selectively and specifically bind CB2 in our system. (published) Another set of experiments involves cell migration toward selected phytochemicals including an alkylamide from *Echinacea angustifolia*, beta-caryophyllene, an aromatic compound found in many medicinal plants, and selected cannabinoid compounds from *Cannabis sativa*. I used skilled in cell culture and sterile techniques, western blotting, PCR, GCMS and LCMS as well as protein quantification radioligand binding and fluorescence microscopy.

Independent laboratory research at Bastyr University

2007

I analyzed lignan compounds in various extractions from the plant, *Schisandra chinensis*, under the supervision of Dr. Nancy Biery. We found that higher concentrations of ethanol used for extraction was correlated with greater amounts of lignan extracted. (unpublished) This project was using coularray detection

Research Scientist, Vanderbilt University

2005-2006

As a research scientist in the chemistry lab of Dr. Darryl Bornhop, my training and work in was in analytical chemistry/pharmacology where I continued the design of a highthroughput fluorescence-based assay to measure binding of a molecular imaging agent for neuroinflammation, TSPO. I performed the pharmacological and biological characterized NIR-PK11195 that Dr. Bornhop developed targeting a protein upregulated in the brain in neuroinflammation. I also edited many documents, helped to design research strategies, wrote grant proposals and scientific articles for publication.

T32 predoctoral fellow (T32ATO-0815-03), Bastyr University.

2004

My project was development of a live cell, fluorescent, molecularly-targeted assay for TSPO, to screen compounds/botanicals for potential neuro-immunomodulatory effect. My conclusion was that the marker, NIR-PK11195 signal did not correlate with PBR expression, but greater fluorescence in "activated" microglia did correlate with increased production of IL1-alpha, indicating what is likely a specific subset of microglial activation (published). I have experience with cell culture, western blotting, PCR, radioligand binding, protein quantification, HPLC, GCMS, and multiple cell-based assays including migration.

T32 predoctoral fellow (T32ATO-0815-03), Bastyr University.

2005

I continued work on the above described assay and tested known inflammatory cytokines for their effect on microglial cell "activation". We assessed primary microglia activation by quantifying the production of 21 cytokines using bead array and chemokines. Under basal conditions, primary microglia produced 15 cytokines and chemokines, four of which (IL-1a, IL-3, IL-6 and RANTES) increased in response to IFN γ and TNF α treatment. (published)

Research assistant Texas Tech University, Department of Agriculture.

2002-2003

I worked to quantify onion solids in development of an Onion strain expressing high quercetin content for agricultural use in Northwestern Texas. I learned HPLC and Teaching assistant in horticulture greenhouse labs. Internship in the design and installation of a medicinal plant garden at the Horticultural Gardens at Texas Tech University.

Undergraduate researcher Texas Tech University, Department of Chemistry. 2002-2003

I assessed the Peripheral Benzodiazepine Receptor (PBR) expression in human, ex-vivo glioblastoma tissue using a molecularly-targeted lanthanide chelate. Labeling of this reliable marker of neuroinflammation with the dye and subsequent fluorescence microscopy revealed that a higher stage of disease correlated with increased labeling with the dye. (abstract and poster As a Research Assistant to Dr. Bornhop I assisted in the preparation of proposals (NIH, NSF, DOD) during my employment.

Developed an analytical platform for phytochemical analysis of native Echinacea sp. to West Texas using HPLC. 2002

Independent laboratory research, Bastyr University 2003

In collaboration with Dr. Gowsala Sivam. I performed HPLC quantification of ellagic acid in fresh organic raspberries. Results showed that fresh raspberry has a relatively high amount of ellagic acid, a potent nutritional anti-oxidant. (unpublished)

Mandel, Aggarwal, Sexton and Corva Consulting
16904 Juanita Dr. NE #150
Kenmore, WA 98028
818-207-4980

PROPOSAL SUBMITTAL
FOR WASHINGTON STATE LIQUOR CONTROL BOARD RFP K430
FEBRUARY 15, 2013

Primary Team Contact:

SaraLynn Mandel, J.D.
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Chatsworth, CA 91313
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PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) **ARE NOT** submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Sarah Lynn Mandel
Proposer Signature

Mandel Law/Mandel, Aggarwal, Sexton and
Corva Consulting
Company Name

Attorney
Title

2/15/13
Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name	MANDEL LAW/MANDEL, AGGARWAL, SEXTON AND CORVA CONSULTING
Street Address	PO Box 5358
City, State, Zip	Chatsworth, CA 91131
Federal Tax ID Number	PersonalInfo
UBI	
Website URL	

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name:	SaraLynn Mandel, JD
Telephone:	(818) 207-4980
Email:	slmnd1@msn.com

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount _____% _____ days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input checked="" type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

<p>Subcontractor 1</p> <p>Name: <u>Mark Scott, Sage Projections</u></p> <p>Services: <u>Marketing research consulting services</u></p> <p>Address: <u>5315 22nd Ave. NW, Seattle, WA 98107</u></p> <p>Telephone: <u>(206) 283-2077</u></p> <p>Email: <u>mscott@sageprojections.com</u></p> <p>Fed ID: <u>PersonallInfo</u></p> <p>UBI: <u>602-357-457</u></p> <p>Work to be Performed: <u>Market research consulting services</u></p> <p>OMWBE certified: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>Subcontractor 2</p> <p>Name: <u>Mark Conrad</u></p> <p>Services: <u>Consulting services for Categories 1 through 4</u></p> <p>Address: <u>PO Box 21106, El Sobrante, CA 94820</u></p> <p>Telephone: <u>(510) 275-9311</u></p> <p>Email: <u>chris@chrisconrad.com</u></p> <p>Fed ID: <u>PersonallInfo</u></p> <p>UBI: _____</p> <p>Work to be Performed: <u>Consulting services for Categories 1 through 4</u></p> <p>OMWBE certified: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>Subcontractor 3</p> <p>Name: _____</p> <p>Services: _____</p> <p>Address: _____</p> <p>Telephone: _____</p> <p>Email: _____</p> <p>Fed ID: _____</p> <p>UBI: _____</p> <p>Work to be Performed: _____</p> <p>OMWBE certified: <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>Subcontractor 4</p> <p>Name: _____</p> <p>Services: _____</p> <p>Address: _____</p> <p>Telephone: _____</p> <p>Email: _____</p> <p>Fed ID: _____</p> <p>UBI: _____</p> <p>Work to be Performed: _____</p> <p>OMWBE certified: <input type="checkbox"/> Yes <input type="checkbox"/> No</p>

Aggarwal, Sunil Kumar

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New York, NY 10016
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sunila@uw.edu, aggars03@nyu.edu

Medical Education

University of Washington School of Medicine, Seattle, Washington
07/2002 - 06/2010
M.D./Ph.D., 06/2010

Education

Graduate - University of Washington, Seattle, Washington
Geography (Medical Geography)
08/2004 - 08/2008
Ph.D., 12/2008

Undergraduate - University of Edinburgh, Edinburgh, Scotland, UK
Philosophy, Political Theory
09/2000 - 12/2000

Undergraduate - University of California, Berkeley, Berkeley, CA
Chemistry (with High Honors)
08/1997 - 12/2001
B.S., 12/2001

Undergraduate - University of California, Berkeley, Berkeley, CA
Philosophy (with Distinction in General Scholarship), Minor field: Religious Studies
08/1997 - 12/2001
B.A., 12/2001

Other - Baylor University, Waco, TX
Beginning Science For Summer Program Students (1 credit)
06/1996 -08/1996

Membership and Honorary/Professional Societies

NY Acad of Medicine, Amer Acad of Hospice & Palliative Med, Amer Acad of Physical Med & Rehab, Amer Acad of Neuromuscular & Electrodiagnostic Med, Med Soci of the State of NY, NYCMS, AMA, Asso of Amer Geographers, Amer Assoc of Physicians of Indian Origin

Medical School Honors / Awards

Honors in Clinical Epidemiology; Medicine, Health & Society; Psychopharmacology; Adv Interviewing in Primary Care. High Pass in Palliative Care; Pain; Rehab; Neuro. Betty Ford Center Summer Institute for Medical Students Inpatient Prog Certificate, 6/05. UW Grad & Prof Student Senator, '06-'07. UW Delegate to AMA-MSS, '08. Amer Physician Scientists Assn, Institutional Rep, '08-'09. UWSOM Global Health Pathway Certificate, 2010. Med Student Rep on UW Global Health Department Curriculum Development Cmte.

Certification/Licensure

ACLS, Exp. Date 08 / 2014
Completed Credentialing in Inpatient Rehabilitation FIM (functional independence measure) Certification (UDSMR), 12/21/12

State Licenses

New York, Full, Number: 261685, Exp. Date: 05/2013

Work Experience

12/2012-ongoing

Thesis Advisor

Invited External Advisor Columbia University School of Journalism MA student thesis on Colorado's Amendment 64, with Dean William Grueskin,

07/2012 - 09/2012

NYC-area Hospitals and Colleges, New York

Guest Lecturer

1. NY Medical College Hospice and Palliative Medicine Fellowship Program, New York, NY: Invited by Dr. Lauren Shaiova to give one-hour lecture to Hospice and Palliative Medicine Fellows on "Medical Marijuana" during academic didactics session, New York Metropolitan Hospital Department of Pain Management and Palliative Care, 7/27/12. 2. Hackensack Medical Center, Hackensack, NJ Invited to give hospital-wide Grand Rounds at Hackensack University Medical Center, Hackensack, NJ: "Medical Cannabis in New Jersey", hosted by Dr. Jose Contreras, director, Pain and Palliative Medicine Institute, 9/27/12. 3. Haverford College, Haverford, PA Invited by Professor Tapoja Chaudhuri to give a guest lecture in ANTH 322: Ethnographic Methods, 9/28/12

03/2009 - 09/2010

UW Depts of Anesth. & Pain Med and Rehab. Medicine, Washington

Guest Lecturer

Invited to give the following educational sessions: 1. Didactic Presentation to UW Pain Medicine Fellows: "Medical Cannabis: Questions and Answers", 9/14/10. 2. Speaker at UW Dept. of Rehabilitation Medicine Research Seminar: "Cannabinoid Botanicals for the Management of Chronic Pain and Illness: Access, Delivery, and Distress in Two Convenience Samples of Qualifying Patients in Washington State." 3/23/09. 3. UW Seminars in Pain Medicine: "Cannabis-Based Management of Neuropathic Pain: Evidence, Rationale, and Clinical Reality in Cannabinoid Medicine." 3/23/10.

03/2006 - 01/2010

UW Depts of Public Health and Global Health, Washington

Guest Instructor

Invited to give the following educational presentations: 1. Presenter at UW Global Health Journal Club (faculty moderator: Dr. Paula Brentlinger) on "Health and Human Rights in the US-led Global War on Drugs.", 1/13/10. 2. Speaker at UW Student Public Health Association Brown Bag Seminar. Topic: Ph.D. dissertation research, 11/19/08. 3. Co-presenter at UW Global Health Departmental Seminar: "War as the continuation of healthcare by other means: the U.S. war on drugs and the perversion of public health", with Dominic Corva, Ph.C., 3/7/08. 4. Presentation in course Health Services 590K/Law H540: Health and Human Rights on: "Persecution of the Ill and Disabled who use Cannabis as Medicine – Health and Human Rights Cases in the American-led 'War on Marijuana'", 3/7/06.

12/2005 - 08/2008

UW Depts of Geography & Law, Societies, & Justice, Washington

Guest Instructor

1. "Medical Geographic Perspectives of the US War on Drugs and Public Health", Geography (GEOG) 280: Introduction to the Geography of Health and Health Care. Co-presented with Dominic Corva, Ph.D., 8/14/08. 2. "Industrial Hemp" & "Marijuana and Medical Geography", Law, Societies, and Justice (LSJ) 380: "Reefer Madness": Cannabis and Criminalization in the U.S., 1/31/08 and 2/19/08. 3. "Drug War Structural Violence", LSJ 375: Crime, Politics, and Justice, 6/28/07. 4. "Medical Marijuana and Structural Violence", LSJ 375: Crime, Politics, and Justice, 10/23/07. 5. "War, Health and Human Rights", GEOG 195: Violence, Resistance & Lessons of Paul Farmer, 11/13/06. 6. "Substance Abuse: A medical/legal problem", LSJ 375: Introduction to Criminal Justice, 6/26/06. 7. "Resistance to the War on Drugs", LSJ 380: Contemporary Issues in Law, Societies, and Justice: The War on Drugs and Globalization, 5/31/06. 8. "Social Theory and Narrative in Medical Geography", GEOG 580: Medical Geography Graduate Seminar, 12/7/05.

06/2005 - 06/2005 Average Hours/Week: 42

Betty Ford Center, California

Medical Student Intern, Sally Diane

Completed Betty Ford Center Summer Institute for Medical Students Inpatient Program, focusing on treatment of patients with problematic substance use behaviors.

11/2004 - 05/2005

Self-Employed, Washington

Private Tutor

Tutored the high-school aged son of a UW Family Medicine Professor in regular home visits in chemistry and math. Prior to this, in 2001, offered private tutoring in organic chemistry to UC Berkeley college students.

06/2004 - 06/2010

UW Department of Rehabilitation Medicine, Washington

Preceptee, Dr. Gregory Carter

1. Precepted with UW Rehabilitation Medicine Professor Gregory Carter during the monthly MDA clinics in Seattle and Olympia periodically in order to help maintain clinical contact during PhD graduate work years. The clinic treats patients who have muscular dystrophies and ALS. 2. Precepted with Dr. Carter at a sliding scale clinic focused on evaluation and treatment of patients trialing medical cannabis therapy at the non-profit organization Dunshee House in Seattle, an HIV/AIDS Respite starting in May 2009. Previously observed such consultations in the medical practices of cannabinoid medicine field leaders such as Drs. Frank Lucido (family medicine) and Tod Mikuriya (psychiatry) in California.

11/2002 - 04/2005 Average Hours/Week: 5

Seattle Kaplan Test Prep, Washington

Teacher, Lorriane Vance

Teacher for Seattle Kaplan Test Prep, MCAT, 11/02-07/03, 10/04-04/05. Received top teacher ratings from students during several teaching cycles. Also conducted individual tutoring sessions.

08/2001 - 12/2001

UC Berkeley College of Chemistry, Scholars Program, California

Teaching Assistant, Michelle Douskey, PhD

Teaching assistant for general chemistry intensive section, UC Berkeley, 1 semester, 2001. Gave lectures and held regular office hours.

Volunteer Experience

12/01/2012 – 12/31/2012 Average Hours/Week: 45

NYU Physical Medicine and Rehabilitation Residency, New York

Hospital for Joint Disease Local Chief, Dr. Alex Moroz

Leadership position. Managing patient care, administration, and education for 4 junior residents in 14-bed adult inpatient neurorehabilitation unit and 4-bed pediatric inpatient rehabilitation unit. Invited to present on 'Palliative Care' and 'Cancer Rehabilitation' Fellowship Opportunities in NYU PM&R Residency Fellowship Symposium, 12/18/12.

08/2011 - 05/2012 Average Hours/Week: 2

NYU Physical Medicine and Rehabilitation Residency, New York

Anatomy Little Chief, Dr. Alex Moroz

Organized and helped design 8-session cadaver-based anatomy prosection/dissection neuro-musculoskeletal educational curriculum for rehabilitation medicine residents, in collaboration with chief resident, residency program director, and a small group of residents. Booked dissection lab, invited faculty from inside department and from surgical departments to precept, and helped design educational materials to outline dissections. Added 3D virtual dissection station experience to curriculum for the first time.

10/2009 - 04/2010 Average Hours/Week: 3

University of Washington Dept. of Global Health, Washington

Moderator and Organizer, Amy Hagopian, PhD

After volunteering for three prior Annual Western Region International Health Conferences in 2002, 2005, and 2010,

was invited to be on the Student Planning Committee of the UW's War and Global Health Conference / 8th Annual Western Regional International Health Conference. Organized and moderated two panels: "UW Global Health Seminar: Expanding the Definition of War" (4/23/10) and "Low-Intensity Conflicts in the Drug War" (4/24/10). Co-organized Human Rights, Social Justice, and Policy Conference Track.

01/2008 - 11/2009

American Medical Association & State Medical Ass'n, Washington
Delegate

American Medical Association, Medical Student Section (AMA-MSS), Elected Alternate Delegate representing UWSOM-Seattle as national meeting delegate, 2008-9 • Lead author on adopted resolution calling for reclassification of cannabis from a Schedule I substance to a more appropriate class • Chosen by the AMA's Council on Science and Public Health to serve as a designated external reviewer for their report on "Use of Cannabis for Medicinal Purposes" • Policy effort was reported on by the Psychiatric News, the American Psychiatric Association's newsletter, and was chosen as a meeting highlight by the AMA, Nov. 2008. • Served as a medical student delegate to the Washington State Medical Association and lobbied for a similar resolution, which passed in Sept. 2008. • AMA House of Delegates adopted a resolution in November 2009 urging review of review of cannabis's Schedule I status – reported widely: CNN, LA Times, Nature, Scientific American, CBSNews, Newsweek, and many other outlets

10/2007 - 03/2008

Student-Run Community Clinics, Washington
Board Member

1. al-Shifa Clinic Assisted in the administrative work required to help establish student-run, free community clinic in South Seattle as part of the University of Washington system. Helped in the paperwork required to allow clinic to transition from screening-and-referral model to diagnosis-and-treatment. Also assisted with grant committee work. Prior to this, in first year of medical school, served with the Dermatology Clinic for the Homeless, DESC, Seattle, Washington doing volunteer Clinical Work at the Community Health Advancement Program Dermatology Clinic for the Homeless at Seattle's Downtown Emergency Service Center, 2002.

09/2007

Various Policymaking Bodies, Unknown USA
Volunteer Consultant and Petitioner

Presented at all 4 statewide public workshops in '07 held by WA Dept of Health on medical marijuana supply & distribution systems rulemaking: Seattle(9/10), Spokane(9/11), Vancouver(9/17), Yakima(9/19). Invited Delegate, Beyond 2008: An Int'l NGO Forum. Part of worldwide United Nations consultation on Int'l Drug Conventions, Vancouver, Canada. 2/4-5/08. Invited testimony to Iowa Board of Pharmacy regarding medical cannabis science & clinical practice, 8/19/09. Chief petitioner to add 'neuropathic pain' to list of qualifying conditions under WA Medical Marijuana Law; presentation to WA Medical Quality Assurance Commission; Tumwater, WA, 6/2/10. Invited expert witness for Oregon Citizen's Initiative Review of Ballot Measure 74, Regulated Medical Marijuana Supply System Act. Supportive statement appeared in OR Voter Pamphlet distributed to all voting households. Salem, OR, 8/17/10. Lobbying trip, NY State Leg, 2012. Attended UN General Assembly Special Session on Drugs & Dev't as NGO delegate, NY, NY. 6/26/12. Invited by New Jersey Department of Health to participate in state Medical Marijuana Program education of health professionals

08/2007

National Cannabinoid Medicine Organizations, New York
Board Member

1. Serve as a board member for Americans for Safe Access Foundation (ASAF). Americans for Safe Access is the largest national member-based organization of patients, medical professionals, scientists and concerned citizens promoting safe and legal access to cannabis for therapeutic use and research. Co-organizing scientific sessions and presenting at National Medical Cannabis Unity Conference in Washington, DC in Feb 2013 which will include Congressional staffers in attendance. Assisting University of North Florida undergraduate student with survey of endocannabinoid biological science curriculum competency at American colleges and universities 2. Invited to serve on Board of Directors of Patients Out of Time, 501c3 educational charity giving CME's on cannabis therapeutics 3. Co-founder and former board member of American Academy of Cannabinoid Medicine (AACM). In 2007, with physicians in Washington State, California, and Illinois, co-founded the American Academy of Cannabinoid Medicine, a clinician-driven professional society for physicians and medical students in the emerging field of

cannabinoid medicine. Helped to develop evidence-based, ethical practice standards for medical cannabis clinical consultations that would be universally applicable. AACM intends to credential physicians in this area of medicine and has an ongoing mission of public and professional education.

01/2006

Various Journals and Publications, New York

Peer Reviewer

Served as an ad hoc reviewer for the following refereed journals: Harm Reduction Journal, Geographical Review, International Journal of Drug Policy, Clinical Journal of Pain, and Pain Practitioner. Additionally, provided research work and/or editorial assistance in the following publications, and was given in-print acknowledgement: 1. Garner C. Techniques and Experiments for Advanced Organic Laboratory; Wiley & Sons: New York, 1997. 2. Bickel PJ, Kechris KJ, et al. Finding important sites in protein sequences. Proc Natl Acad Sci U S A. 2002 Nov 12;99(23):14764-71. 3. Doyle R. Darwin's Pharmacy: Sex, Plants, and the Evolution of the Noösphere. Univ of WA Press: Seattle, 2011. 4. Fitchner C. Cannabinomics: The Marijuana Policy Tipping Point. Adams Press: Chicago, 2010.

09/2003

Physicians for Social Responsibility, Washington

President and Board Member

Washington Physicians for Social Responsibility (WPSR) President, '04-'06, Executive Board, '04-'07, Board Member, '03-'11. Became involved in this organization as a 2nd yr medical student chapter leader. WPSR is the state chapter of PSR, the American affiliate of the International Physicians for the Prevention of Nuclear War (IPPNW), the 1985 recipient of the Nobel Peace Prize. WPSR is a 32 year old 501c3 non-profit org with an ~\$100k annual budget with programs geared towards environmental health, peace, and Hanford Nuclear Reserve Clean-up. Highlights: Served as an American Student Delegate to 2006 IPPNW World Congress in Helsinki, Finland, Sept 7-10, 2006. Served as a member of WPSR/IPPNW citizen diplomacy delegation that visited government officials and relief, health care, & peaceworkers in Israel/Palestine in Mar. 2005. Presented at a press conference on the costs of the Iraq War with US House Rep Jim McDermott on incendiary weapons & hospital attacks in US siege of Fallujah, 2/14/05. Now w/ NYC PSR

08/1999 - 06/2002

Student Learning Center, California

Volunteer Tutor, Richard Gibson

Volunteer chemistry tutor at the Student Learning Center at UC Berkeley for 3 years (1999-2002). Took a semester-long training course on lecturing and communication skills. There Tutored 20-30 students each semester. Have also done volunteer math tutoring as part of an AmeriCorps Program for Junior High School Students during the summer of 1999 in San Jose, CA.

Research Experience

01/2012

NYU Psilocybin Cancer Project, New York

Research Group Member, Dr. Stephen Ross

"Effects of Psilocybin on Anxiety and Psychosocial Distress in Advanced Cancer Patients." A phase I, double-blind, controlled pilot study to assess the efficacy of psilocybin (a serotonergic psychoactive agent) administration on psychosocial distress, with the specific primary outcome variable being anxiety associated with advanced and/or recurrent cancer. Assisted with subject recruitment strategies, fundraising, and planning for future projects. Attended a five week course at NYU Medical Center entitled "Self and Substance" focused on exploring the contributions from Buddhist and psychedelic pathways to psychological growth and transformation co-taught by Dr. Jeffrey Guss, co-PI of Psilocybin Cancer Project, in which subject material from patients in the study collected by investigators was introduced and analyzed.

03/2007

University of Washington Dept of Geography, Washington

Doctoral Candidate, Dr. Jonathan Mayer

Title: The medical geography of cannabinoid botanicals in Washington State: Access, delivery, and distress. • Designed & implemented retrospective, prospective, & observational studies involving 176 chronically ill patient-

subjects selected in 2 convenience samples--one from a rural pain clinic & one from an urban medical cannabis dispensary. • Secured approvals from Doctoral Supervisory Committee, UW Human Subjects Division. Issued Certificates of Confidentiality by the NIH NCCAM (National Center for Complementary and Alternative Medicine). • Dissertation successfully defended on 8/22/08. Shelved in the UW Suzzallo library & available by open-access electronically through U of Mich Dissertations Index. • Research has led to 4 peer-reviewed, Medline-indexed, published articles, 2 additional manuscript in press. Ongoing data analysis & revision for these papers was conducted in 2011-12.

06/2003 - 09/2003 Average Hours/Week: 60
UW Department of Genome Sciences, Washington
Research Rotator, Dr. Carol Sibley

Malaria drug-resistance research summer research rotation: Using microsatellite markers to geographically track drug-resistant dhfr alleles in *P. Falciparum*. At the molecular and genetic level, Plasmodia transmitted to humans via the mosquito's salivary glands show adaptation and resistance development to common drugs used to treat malaria. This has a geographical basis that can be elucidated by tracking the spatial distribution of resistance-conferring mutations from Plasmodium field sample isolates and can help explain why traditional anti-malarials are effective in some countries and useless in others. Using DNA extraction, PCR, and sequence data analysis, the project used microsatellite markers to geographically track drug-resistant dhfr alleles in *P. Falciparum* from field isolates in various parts of Africa. Final results were presented at an end-of-rotation lab meeting on 9/2/03. The work was continued by another MD-PhD graduate student in the lab and became part of her doctoral project.

Current/Prior Training

07/2011 - 06/2014
M.D. Residency
NYU School Of Medicine, New York, New York
Physical Medicine and Rehabilitation
Alex Moroz, MD

06/2010 - 06/2011
M.D. Residency
Virginia Mason Med Ctr/Medicine-Preliminary, Seattle, Washington
Internal Medicine
Alvin Calderon, MD, PhD

Publications

Peer Reviewed Journal Articles/Abstracts

Aggarwal SK. 'Tis In Our Nature: Taking the Human-Cannabis Relationship Seriously in Health Science and Public Policy. *Frontiers in Psychiatry*. 2013 4:6. doi: 10.3389/fpsy.2013.00006.

Aggarwal SK, Carter GT, Sullivan MD, Zumbrennen C, Morrill R, Mayer JD. Prospectively surveying health-related quality of life and symptom relief in a lot-based sample of medical cannabis-using patients in urban Washington State reveals managed chronic illness and debility. *American Journal of Hospice and Palliative Medicine*. 2012 Aug; Epub ahead of print(-): 1-9. Cited in PubMed; PMID: 22887696.

Aggarwal SK, Carter GT, Zumbrennen C, Morrill R, Sullivan MD, Mayer JD. Psychoactive substances and the political ecology of mental distress. *Harm Reduction Journal*. 2012 Jan; (Highly Accessed) 9(4): open-access. Cited in PubMed; PMID: 22257499.

Aggarwal SK. Cannabinergic pain medicine: A concise clinical primer and survey of randomized-controlled trial results. *Clinical Journal of Pain*. 2012 Feb; Epub ahead of print(-): 1-10. Cited in PubMed; PMID: 22367503.

Carter GT, Flanagan AM, Earleywine M, Abrams DI, Aggarwal SK, Grinspoon L. Cannabis in palliative medicine: Improving care and reducing opioid-related morbidity. *American Journal of Hospice and Palliative Medicine*. 2011 Aug; 28(5): 297-303. Cited in PubMed; PMID: 21444324.

Carter GT, Abood ME, Aggarwal SK, Weiss MD. Cannabis and amyotrophic lateral sclerosis: Hypothetical and practical applications, and a call for clinical trials. *American Journal of Hospice and Palliative Medicine*. 2010 May; 27(5): 347-356. Cited in PubMed; PMID: 20439484.

Aggarwal SK. Cannabis: A commonwealth medicinal plant, long suppressed, now at risk of monopolization. *Denver University Law Review*. 2010 Aug; 88(-): 1-12.

Aggarwal SK, Carter GT, Sullivan MD, Morrill R, ZumBrunnen C, Mayer JD. Medicinal use of cannabis in the United States: Historical perspectives, current trends, and future directions. *Journal of Opioid Management*. 2009 May; 5(3): 153-168. Cited in PubMed; PMID: 19662925.

Aggarwal SK, Carter GT, Sullivan MD, Morrill R, ZumBrunnen C, Mayer JD. Characteristics of patients with chronic pain accessing treatment with medical cannabis in Washington State. *Journal of Opioid Management*. 2009 Sep; 5(5): 257-286. Cited in PubMed; PMID: 19947069.

Aggarwal SK, Kyashna-Tocha M, Carter GT. Dosing medical marijuana: Rational guidelines on trial in Washington State. *Medscape General Medicine*. 2007 Sep; 9(3): 52. Cited in PubMed; PMID: 18092058.

Aggarwal SK, Carter GT, Steinborn JJ. Clearing the air: What the latest Supreme Court decision regarding medical marijuana really means. *American Journal of Hospice and Palliative Medicine*. 2005 Sep; 22(5): 327-329. Cited in PubMed; PMID: 16225351.

Aggarwal SK, Hemscheidt T. Elicitation of antibioticly active secondary metabolites from co-cultured marine bacteria. *Berkeley Scientific Journal*. 2002 May; 6(1): 39-42.

Peer Reviewed Journal Articles/Abstracts(Other than Published)

Aggarwal SK, Carter GT, Sullivan MD, Morrill R, Zumbrunnen C, Mayer J. Distress, coping, and drug law enforcement in a series of medical cannabis patients. *Journal of Nervous and Mental Disease*. 2012 Jun; Publication Status: In-Press.

Aggarwal SK, Carter GT, Zumbrunnen C, Morrill R, Sullivan M, and Mayer JD. From 32 ounces to Zero: A medical geographic study of dispensing a cultivated batch of "Plum" cannabis flowers to qualifying medical marijuana patients in Washington State. *Journal of Psychoactive Drugs*. 2012 Jun; Publication Status: In-Press

Aggarwal SK, Carter GT, Weiss M. "Complementary and alternative medicine in ALS." In Oliver D, Borasio G, Johnston W (eds). *Palliative Care in Amyotrophic Lateral Sclerosis*, Third Edition. Oxford University Press. (In Preparation).

Peer Reviewed Book Chapter

Shaiova, L., Farber, L.A., & Aggarwal, S.K. (2012). Difficult pain syndromes: Bone pain, visceral pain, and neuropathic pain. In A.M.Berger, J.L. Shuster, J.H. Von Roenn (Ed.), *Principles and Practice of Palliative Care and Supportive Oncology* (pp. 2-22). New Haven, CT. Lippincott.

Aggarwal, S.K., & Carter, G.T. (2010). Cannabinoids and neuroprotection. In J. Holland (Ed.), *The Pot Book: A Complete Guide to Cannabis* (pp. 295-310). Rochester, VT. Park Street Press.

Other Articles

Aggarwal SK. (2005, June 9). The world within us. *Mantranjali, Souvenir Book on the occasion of Prana Prathishtapana and Maha Kumbhabhishekam, the dedication of sanctum sanctorum, Hindu Temple of Greater Tulsa*.

Poster Presentation

Aggarwal, S. (2013, March). *Cannabinergic Pain Medicine: Developing A Concise Clinical Primer And Surveying Randomized-controlled Trial Results*. Poster presented at: Annual Assembly of the American Academy of Hospice and Palliative Medicine; New Orleans, LA.

Aggarwal, S. (2013, March). *Health-Related Quality Of Life And Symptom Relief In A Sample Of Chronically Ill And Debilitated Medical Cannabis Patients In Urban Washington State: Comparisons With Normative And Chronically Ill Patient Samples*. Poster presented at: Annual Assembly of the American Academy of Hospice and Palliative Medicine; New Orleans, LA.

Aggarwal, S. (2007, April). *The Political Ecology of Cannabinergic Botanical Medicine Access and Delivery: Cost-Effectiveness and Death Penalty Apportionment for a Germplasm-Linked Group of Qualifying Patients in Washington State*. Poster presented at: 2007 MD/PhD Conference: Rethinking Health, Culture, and Society: Physician-Scholars in the Social Sciences and Medical Humanities; Chicago, IL.

Aggarwal, S. (2007, August). *The Medical Geography of Medical Marijuana*. Poster presented at: University of Washington Medical Scientist Training Program Poster Session; Coupeville, WA.

Aggarwal, S. (2004, August). *Developing a Depression Management System: A Small Follow-up Study*. Poster presented at: University of Washington Medical Scientist Training Program Poster Session; Leavenworth, WA.

Oral Presentation

Aggarwal, S. (2013, October). *Invited Panelist for "Cannabis and Pain"*. Oral Presentation presented at: 2013 American Academy of Physical Medicine and Rehabilitation Annual Assembly; Washington, DC.

Aggarwal, S. (2013, April). *Invited Panelist for Career Panel + Breakout Session Leader on "Activism for Innovation in Medicine"*. Oral Presentation presented at: 2013 National Conference for Physician-Scholars in the Social Sciences and Humanities; San Francisco, CA.

Aggarwal, S. (2012, December). *Rehabilitation of patients with brain cancer: a review of the neurologic, medical, and rehabilitative issues*. Co-presented In-Service focusing on role of Palliative Care, with Dr. Heidi Fusco, Brain Injury Fellow, 12/12/12, Rehabilitation Medicine Department, Hospital for Joint Diseases; New York, NY.

Aggarwal, S. (2012, September). *Medical Cannabis in New Jersey*. Oral Presentation presented at: Grand Rounds, Hackensack University Medical Center, Hosted by Department of Pain and Palliative Medicine, Invited by hosted by Dr. Jose Contreras, director, Pain and Palliative Medicine Institute; Hackensack, NJ.

Aggarwal, S. (2012, September). *Medical Marijuana in New York State*. Oral Presentation presented at: Invited Keynote Speaker, Free Educational Program, Multiple Sclerosis Resources of Central New York; Syracuse, NY.

Aggarwal, S. (2011, September). *Alternative and Rehabilitative Approaches to Managing Neuromuscular Disease: Cannabinergic Treatments*. Oral Presentation presented at: Neuromuscular Update Course II: Non-pharmacologic Treatment of Neuromuscular Disease. 58th Annual Meeting of American Academy of Neuromuscular and Electrophysiology. Corresponding manuscript co-authored with Carter GT published in course syllabus; San Francisco, CA.

Aggarwal, S. (2011, June). *Cannabis and Its Role in the Treatment of Neurologic Diseases or 'Cannabinergic Neurology'*. Oral Presentation presented at: Virginia Mason Medical Center, Neuroscience Institute, Invited Presentation to Neurology Service; Seattle, WA.

Aggarwal, S. (2011, June). *Pharmacies' and Pharmacists' Roles After Marijuana Rescheduling: Facilitating Cannabinergic Medicine Research and Practice*. Oral Presentation presented at: Northwest Pharmacy Convention,

organized by Washington State Pharmacy Association; Coeur d'Alene, ID.

Aggarwal, S. (2011, May). *Cannabis: A Commonwealth Medicinal Plant, Long Suppressed, Now at Risk of Monopolization*. Oral Presentation presented at: Symposium on "Cannabinoid Medicine: Discovery, Evolution, and Status in 2011" at 164th Annual Meeting of the American Psychiatric Association; Honolulu, HI.

Aggarwal, S. (2010, September). Celebrating the Therapeutic Commons: Accepted Medical Uses of Cannabis, Psilocybin, and Other Schedule I Substances. Oral Presentation presented at: 2010 Smoke Farm Symposium: The World That Pretended to Be What it Was; Arlington, WA.

Aggarwal, S. (2010, June). The AMA on marijuana, 73 years ago and today. From psychotherapeutic surfacing of the unconscious to cannabinoid-based relief of neuropathic pain. Oral Presentation presented at: Bastyr University Symposium: Psychedelic medicines and their current researched clinical applications; Kenmore, WA.

Aggarwal, S. (2010, April). Geographic Snapshots of Medical Cannabis Access and Delivery in Washington State. Oral Presentation presented at: 6th National Clinical Conference on Cannabis Therapeutics; Warwick, RI.

Aggarwal, S. (2010, April). "Medical Marijuana: Medicinal Value, Harms, and Effects." An hour-long debate with Alice P. Mead, JD, GW Pharmaceuticals Legal Representative. Oral Presentation presented at: University of Denver Law School Medical Marijuana Symposium; Denver, CO.

Aggarwal, S. (2009, December). Is the Time Right for Medical Marijuana: Are These Medical Miracles?. Oral Presentation presented at: 2009 National Association of Boards of Pharmacy Annual Symposium; Tuscon, AZ.

Aggarwal, S. (2009, March). The medical geography of cannabinoid botanicals in Washington State: Access, delivery, and distress. Oral Presentation presented at: 2009 National Conference for Physician Scholars in the Social Sciences and Humanities; Philadelphia, PA.

Aggarwal, S. (2007, June). *Learning About Medical Marijuana as a Medical Student in a Medical Marijuana State*. Oral Presentation presented at: Symposium in Exile: Medical Marijuana: Myths, Facts & Current Science. Presented by The Medical Marijuana Policy Advocacy Project with Roosevelt Univ's Illinois Consortium on Drug Policy, Students for Sensible Drug Policy (RU), and Drug Policy Alliance; Chicago, IL.

Aggarwal, S. (2007, April). *Being Virtually There: Roundtable on Virtual Methodologies*. Oral Presentation presented at: Association of Amer Geographers Annual Mtg; San Francisco, CA.

Aggarwal, S. (2007, April). *Doctoral Dissertation Proposal*. Oral Presentation presented at: 2007 Association of American Geographers Annual Meeting; San Francisco, CA.

Aggarwal, S. (2007, February). *The Medical Consequences of the Drug War: A Focus on Violence*. Oral Presentation presented at: 2007 National Student Physicians for Social Responsibility Conference, Stanford University; Palo Alto, CA.

Aggarwal, S. (2006, November). *Emergency Cross-Border Prison Extractions in the Americas: Global Health, Structural Violence, and the Enforcement of Evidence-Denying Prohibitions on Botanical Biota*. Oral Presentation presented at: 'Students Moving Mountains': UW Students Speak on the Themes of the UW Common Book. Sponsored by University of Washington Libraries and the Friends of the UW Libraries; Seattle, WA.

Aggarwal, S. (2006, August). *Sociomedical context of cannabis therapeutics*. Oral Presentation presented at: Staff Retreat of Rosehedge: AIDS Housing & Health Care; Seattle, WA

Aggarwal, S. (2001, March). *Before the Blizzard Came: the Rise and Fall of the 1890 Ghost Dance Religion*. Oral Presentation presented at: 2001 American Academy of Religion Western Regional Meeting; Claremont, CA.

Peer Reviewed Online Publication

Aggarwal SK, Paige S, Pearson A, Bilodeau M. (2006, December 14). "Kwashiorkor" (SKA), "Malaria" (SKA), "Medical Geography" (SKA, SP, AP), "Political Ecology of Disease" (SKA, MB). In Meanings Beyond Mountains: A Glossary of Terms from the Work of Paul Farmer. Edited by M. Sparke.
<http://depts.washington.edu/ctcenter/MBMglossary.shtml>.

Non Peer Reviewed Online Publication

Aggarwal SK. (2009, November 30). Should the federal government reclassify or reschedule marijuana to make it available for use by prescription for pain management? Yes! The government should reclassify marijuana. Point/Counter Point for Pain.com.
<http://web.archive.org/web/20091215154404/http://www.pain.com/go/default/practitioner/pointcounter-point/the-government-should-reclassify-marijuana/>.

Hobbies & Interests

tabla drumming, science fiction, walking, hiking, swimming, yoga and meditation, table tennis, current events and politics, film, music appreciation, theater, museums, literature, astronomy and space exploration

Language Fluency

Hindi (Fair)

Punjabi (Basic)

Other Awards/Accomplishments

UN Grounds Pass Holder,'12-'13;Leading Physicians of the World Inductee,'12;Invited expert, howcast.com video series,'12;Invited guest expert at NYU Rehab Journal Club on my pain review article,8/10/12;Interviewed for series in Pharmacy Today,2011;John G. Gianutsos Awardee,NYU Rusk,10/26/11;Profiled in Chronicle of Higher Education,11/22/09;NSF Graduate Research Fellow,2005-8;Mental Diversity Scholar, Center for Cognitive Liberty & Ethics,'06;Goldwater Scholar,'98;US National Chemistry Olympiad Team Member,'97

Dominic Corva

1334 Lakeview Blvd E
Seattle, WA 98102
206.228.0509

Sarah Lawrence College
Visiting Assistant Professor in Public Policy
dcorva@slc.edu

Education

Ph.D. University of Washington, Geography 2010

Graduate Program Certificate: Law, Societies and Justice

Dissertation:

The Geopolitics of narco-governance in the Americas: a political economy approach

Dissertation committee: Victoria Lawson and Matthew Sparke, co-chairs, Geography; Steve Herbert, Geography; Katherine Beckett, Sociology

Research interests: Latin American politics, global governance, international political economy, critical geopolitics, critical development studies, transnational law and society studies, postcolonial theory

M.A. University of Washington, Geography 2004

B.A. University of Arizona, Creative Writing 1999

B.S. University of Houston, Economics 1995

Peer-Reviewed Publications and Creative Works

2009. "Biopower and the Militarization of the Police Function." *ACME* 8(2): 161-175.

2008. "Neoliberal Globalization and the War on Drugs: Transnationalizing Illiberal Governance in the Americas." *Political Geography* 27(2): 176-193.

2005. "The World Social Forum and Lessons for Economic Geography." Co-authored with Matthew Sparke, Liz Brown, Heather Day, Caroline Faria, Tony Sparks, and Kirsten Varg. *Economic Geography* 81(4): 359-380.

2002. "The Nearest Place that Doesn't Seem Like Here." Poem, *The Journal of Creative Geography* 4(1).

Publications in review

"Requiem for a CAMP: a Post-Mortem for a Domestic Drug War Institution." Submitted to the *International Journal of Drug Policy* on November 6, 2012.

Publications in progress

"Armoring neoliberalism: The political economy of the Merida Initiative." In progress for *Geopolitics*.

"The Mexicanization of Narco-governance." In progress for *Antipode*.

Book Reviews

2010 (January). "The Blackwell Companion to Globalization." *The Annals of the Association of American Geographers*.

Teaching Experience*Visiting Assistant Professor, Sarah Lawrence College*

- 2013 Spring Austerity and its Discontents in Latin America (contracted)
 2013 Spring Cannabis and U.S. Policy (contracted)
 2012 Spring Feminist Critical Development Geography
 2012 Spring Governing through Drugs: Narco-Security/Development in Latin America
 2011 Fall States, Social Movements, and Latin America's "Left Turn"
 2011 Fall Latin American Politics: State Formation
 2010 Spring States, Social Movements, and Latin America's "Left Turn"
 2009 Fall Latin American Politics: State Formation
 2009 Fall Independent Study: Organized Violence and the Colombian State

Lecturer, University of Washington Tacoma

- 2011 Summer A TPOLS 330 International Pol Econ of Latin America
 2011 Summer A TPOLS 123 Introduction to Globalization
 2011 Winter Quarter TPOLS 363 Law in Society

Lecturer, University of Washington Seattle

- 2011 Spring Quarter GEOG 301 Cultural Geography

Lecturer, Pacific Lutheran University

- 2011 Spring Semester HIST 344 The Andes in Latin American History
 2011 Spring Semester HIST 337 History of Mexico
 2011 January term HIST 220 Modern Latin American History

Graduate Student Instructor, University of Washington

- 2008 Fall Quarter GEOG 599 Effective Teaching
 2008 Summer A term GEOG 123 Introduction to Globalization
 2008 Spring Quarter GEOG 330 Latin America: Landscapes of Change
 2008 Winter Quarter LSJ 380 Reefer Madness: Cannabis and Criminalization in the U.S.
 2007 Summer A term GEOG 123 Introduction to Globalization
 2007 Spring Quarter LSJ 380 Globalization and the War on Drugs
 2007 Winter Quarter GEOG 330 Latin America: Landscapes of Change
 2006 Summer B term GEOG 277 Geography of Cities: The Urbanization of Poverty
 2006 Spring Quarter LSJ 380 Globalization and the War on Drugs

Lead Teaching Assistant

- 2008 Fall Quarter University of Washington Department of Geography
 2007 Fall Quarter University of Washington Department of Geography

Teaching Assistant

- 2009 Spring Quarter GEOG 208: Geographies of the World Economy
 2006 Fall Quarter GEOG 123 Introduction to Globalization
 2006 Winter Quarter GEOG 230 Global Inequality
 2005 Fall Quarter CHID 110 The Question of Human Nature
 2005 Spring Quarter LSJ 363 Law and Society
 2005 Winter Quarter GEOG 123 Introduction to Globalization
 2004 Fall Quarter LSJ 375 Crime, Politics and Justice
 2004 Winter Quarter GEOG 230 Global Inequality

2003 Fall Quarter GEOG 123 Introduction to Globalization

Reader

2009 Spring Quarter SISLA/POLS 342 Government and Politics of Latin America

2006 Winter Quarter HISTAA 481 History of Peru and the Andean Region

2004 Winter Quarter GEOG 430 Contemporary Development Issues, Latin America

Research Assistant

2002-2003 GO-MAP Fellow, Professor Matthew Sparke

2004 August-September NSF Career Grant, Professor Matthew Sparke

Related professional experience and affiliations

2012-present Associate Member, Humboldt Institute for Interdisciplinary Marijuana Research, Humboldt State University, CA.

2009-2012 Member, Association of Pacific Coast Geographers

2002-present Member, Association of American Geographers

2010, 2012 Reader for AP Human Geography Exams

2006-2010 CLASS Fellow, Law Societies and Justice Program

2007-2009 Member, Latin American Studies Association

2004-2006 King County Bar Association Drug Policy Project

2004 Summer Institute in Economic Geography: Bristol, U.K.

Grants and Fellowships

2008-2009 Dept of Geography Gerlach Dissertation Fellowship Quarter

2006 Spring Quarter Institute for Transnational Studies honorarium grant for visiting lecture by Dr. Marcelo Zunino, Catholic University of Chile, March 3, 2007.

2005 Winter Quarter Lindenberg Center Mobility Grant to attend Third International Critical Geographies Conference in Mexico City, Mexico.

2004 Spring Quarter World Universities Network Fellow, University of Bristol, U.K.

2003 Winter Quarter Lindenberg Center Mobility Grant to attend Third World Social Forum in Porto Alegre, Brazil.

Service

National and International Service

2012 Grant proposal referee, National Science Foundation

2011 Reviewer for *Security Dialogues*

2011 Reviewer for *Economic Geography*

2011 Reviewer for *Social and Cultural Geography*

2009 Grant proposal referee, Consejos Superiores del Fondo Nacional de Desarrollo Científico y Tecnológico (FONDECYT): Chile.

2009 Reviewer for *The Singapore Journal of Tropical Geography*

2008 Grant proposal referee, Consejos Superiores del Fondo Nacional de Desarrollo Científico y Tecnológico (FONDECYT): Chile.

Sarah Lawrence College Service

2012 Discussion Moderator, Documentary screening of *Reportero*
 2012 Referee, Spencer Barnett Memorial Prize in Latin American and Latino Studies
 2012 Undergraduate Development Conference Student Paper Discussant, 20 April
 2011 Latin American and Latino Studies Faculty Group Co-Chair

Undergraduate senior theses supervised

2012	Mariana Simoes	Sarah Lawrence College
2008	Alyson McKay	UW Seattle Jackson School of International Studies
2008	Erin Korte	UW Seattle Jackson School of International Studies
2007	Jack Range	UW Seattle Jackson School of International Studies
2007	Alison McLean	UW Seattle Jackson School of International Studies
2006	Heather Main Jackson	UW Seattle Comparative History of Ideas

Presentations at Professional Meetings

2011 February. Paper “The Mexicanization of Narco-governance” presented at the Political Geography pre-conference to the 2011 Annual Meetings of the Association of American Geographers, Vassar College, New York.

2011 October. Paper “The Political-Economic Geography of Cannabis Industrialization in California” presented at the Annual Meetings of the Association of Pacific Coast Geographers, San Francisco.

2010 October. Paper “The Biopolitical Economy of Licit Cannabis in California” presented at the 5th Annual Cascadia Critical Geography Conference, Victoria, British Columbia.

2010 April. Panel discussant, “The Ontology of Revolution 2: Cesare Casarino and Antonio Negri’s *In Praise of the Common*” at the Annual Meetings of the Association of American Geographers, Washington, D.C.

2010 April. Presentation of preliminary fieldwork “The Political Ecology of Narco-governance: California-zation?” at the Annual Meetings of the Association of American Geographers, Washington D.C.

2009 April. Paper “Armoring Neoliberalism? The Geopolitics of the Merida Initiative” presented at the Annual Meetings of the Association of American Geographers, Las Vegas.

2008 April. Paper “Feminist geo-politics and the postcolonial drug war subject,” presented at the Annual Meetings of the Association of American Geographers, Boston.

2007 October. Paper “Global Ghettos: spaces and subjects of the U.S. War on Drugs,” presented at the Annual Meetings of the Association of Pacific Coast Geographers. Long Beach, California.

2007 May. Invited workshare “Neoliberal Globalization and the War on Drugs,” presented at the University of Washington Law, Societies and Justice symposium *Liberalism, Governance, and the Geographies of Law*, Seattle.

- 2007 April. Paper "Neoliberal Imperialism and its Others in Latin America," presented at the Annual Meeting of the Association of American Geographers, San Francisco.
- 2006 April. Invited paper "Carceral Neoliberalism? Conditions of Social Reproduction in Bolivian Prisons," presented at University of Washington conference *Truth and Rights in the Time of Terror: The Politics of Violence in Contemporary Latin America*, Seattle.
- 2006 April. Paper "Neoliberal Governmentality and the War on Drugs," presented at the Annual Meetings of the Association of American Geographers, Chicago.
- 2005 April. Panel discussant, "Class, Community, and the Geographical Imagination," at the Annual Meetings of the Association of American Geographers, Denver.
- 2005 April. Paper "American exceptionalism and the multitude," presented at the Annual Meetings of the Association of American Geographers, Denver.
- 2005 April. Invited panel discussant for "Towards a New Radical Geography: Voices from the Bristol SIEG," at the Annual Meetings of the Association of American Geographers, Denver.
- 2005 January. Invited discussion facilitator at the 3rd annual International Critical Geography Conference, Mexico City, Mexico.
- 2003 April. Paper "Performing Dissensus: Spatializing the Production of 'Alternative Global Citizenship' at the 2003 World Social Forum," presented at the Annual Meetings of the Association of American Geographers, New Orleans.

Invited lectures, public presentations and academic panel discussions

- 2012 October 8. Inaugural campus-wide talk for Humboldt State University Institute for Interdisciplinary Marijuana Research, "Requiem for a CAMP." Arcata, CA.
- 2012 August 3. Southern Humboldt Working Together invited community presentation of research project "Beyond the Emerald Triangle." Garberville, CA.
- 2011 April. Panel discussant for Seattle Town Hall presentation by Sanho Tree, "U.S. Drug War Policy." Seattle.
- 2009 April. Panel discussant for the first University of Washington Social Sciences Link public debate, "The Economic Crisis: What is it and how did we get here?" Seattle.
- 2008 March. "War as the extension of healthcare by other means: the war on drugs and the perversion of public health" delivered for University of Washington Department of Global Health Winter Colloquium: War, Conflict and Health. Seattle.
- 2007 November. "Globalization and the War on Drugs" delivered at Highland Community College. Seattle.
- 2005 December. "Geopolitics, Development and the War on Drugs in Bolivia," delivered for the University of Washington Department of Geography weekly Colloquium. Seattle.

Invited Guest Lectures for Classes

2012. November. "Gender, Place and Cannabis Agriculture: Preliminary Questions from the Field." Invited Lecture for Geography 439: Gender, Race and the Geography of Employment. University of Washington, Seattle.
- 2010 October. "Drug War Geo-politics." Invited Lecture for Geography 375: Geopolitics. University of Washington, Seattle.
- 2009 April. "Illicit Drug Flows and the World Economy." Invited lecture for Geography 208: Geographies of the World Economy. University of Washington, Seattle.
- 2007 July. "Globalizing the penal state." Invited Lecture for LSJ 380: Migration, Crime and Politics. University of Washington, Seattle.
- 2006 November. "Drugs and Development." Invited Lecture for Geography 335: The Developing World. University of Washington, Seattle.
- 2006 November. "War, Health and Human Rights." Panel discussant for Geography 195: Violence, Resistance, and the Lessons of Paul Farmer. University of Washington, Seattle.
- 2006 May. "Transnational Criminalization and the War on Drugs." Invited lecture for Geography 375: Geopolitics. University of Washington, Seattle.
- 2006 May. "The United Nations, the United States and International Drug Control." Invited lecture for Sociology 376: Drugs and Society. University of Washington, Seattle.
- 2005 December. "The war on drugs and transnational governance in Bolivia." Invited lecture for Geography 335: The Developing World. University of Washington, Seattle.
- 2004 February. "Civil society and the global south: the case of the World Social Forum." Invited lecture in Geography 430: Contemporary Development Issues in Latin America. University of Washington, Seattle.

Related professional experience and affiliations

- 2012-present Associate Member, Humboldt Institute for Interdisciplinary Marijuana Research, Humboldt State University, CA.
- 2009-2012 Member, Association of Pacific Coast Geographers
- 2002-present Member, Association of American Geographers
- 2010, 2012 Reader for AP Human Geography Exams
- 2006-2010 CLASS Fellow, Law Societies and Justice Program
- 2007-2009 Member, Latin American Studies Association
- 2004-2006 King County Bar Association Drug Policy Project
- 2004 Summer Institute in Economic Geography: Bristol, U.K.

Languages

Spanish (fluent, written and spoken)

References

Victoria Lawson, PhD
Department of Geography
Box 353550
University of Washington
Seattle, WA 98195
206.543.4196
lawson@uw.edu

Matthew Sparke, PhD
Department of Geography and Jackson School of International Studies
Box 353550
University of Washington
Seattle, WA 98195
206.543.5194
sparke@uw.edu

Steve Herbert, PhD
Department of Geography
Box 353550
University of Washington
Seattle, WA 98105
206.685.2621
skherb@uw.edu

Mark J. Scott
Managing Director,
Sage Projections

5315 22nd AVE NW
Seattle, WA 98107
(206) 283-2077

Professional Experience

Sage Projections - Managing Director April 2001-Present - Seattle, WA

Director of a consumer research firm. Areas of expertise:

In-depth Interviewing	Product Development Research
Focus & Triad Groups	Market Segmentation Research
Internet Surveys	Psychographic Segmentation Research
Home Usage Research	Behavior Tracking Research

Clients: Red Vines, World's Best Cat Litter, Absorption Corp, Botanical Labs, Seafair, Washington State Department of Transportation, Glaxo Smith Kline, PepsiCo, Starbucks,

Publicis - Senior VP February 1994-2001 - Seattle, WA

Account Planning and Management Director

Responsible for the development of overall client strategic service. Included all strategic consulting and execution of all marketing and advertising plans.

Clients: PetSmart, Bank of America, T-Mobile, Mars Pet Foods, Washington State Lottery, Dairy Farmers of Washington, UWMC

MAGLITE - Vice President of Marketing 1991-1993 - Ontario, CA

Directed all marketing and sales (national and international).

Grey Advertising 1979-1992 - Los Angeles, New York, Tokyo, Madrid, Caracas

Senior Vice President, International Marketing and Advertising

Held executive roles in both domestic and international markets. Helped launch and manage international products into new markets.

Clients: Procter & Gamble, General Foods, Kraft, Bristol Myers, Heineken, Playtex, Mars, Richardson Vicks, Smith Kline

Education

M.A., International Management, Thunderbird (AGSIM), Glendale, AZ

Post-graduate work, Northwestern University, Evanston, IL

B.A., Evergreen State College, Olympia, WA

Norton, Melissa K

From: Dianna Schleif <diannaschleif@aol.com>
Posted At: Friday, February 15, 2013 1:42 PM
Conversation: RFP K430, Natural Resource Management
Subject: RFP K430, Natural Resource Management

Attached please find Natural Resource Management's Proposal in response to RFP K430 for Initiative 502 Consulting Services.

Dianna Schleif
diannaschleif@aol.com

PROPOSER'S AUTHORIZED OFFER
(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430
Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Vianna Schley
Proposer Signature
Owner/President
Title

Natural Resource Mgmt.
Company Name
2/15/13
Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name Natural Resource Management
 Street Address 8002 NE Hwy. 99 - Box #67
 City, State, Zip Vancouver, WA 98665
 Federal Tax ID Number PersonalInfo
 UBI N/A
 Website URL N/A

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name: Dianna Schleif
 Telephone: 360-771-3172
 Email: Dianna.Schleif@aol.com

Payment Options:

- YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.
 Prompt Payment Discount _____ % _____ days, net 30 days.
- YES NO Will you accept the State's Purchasing Card (P-Card)?
- YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input type="checkbox"/>
1	Product and Industry Knowledge	<input checked="" type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes / No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 2

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 3

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 4

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

**NATURAL RESOURCE MANAGEMENT
8002 NE HIGHWAY 99 – BOX #67
VANCOUVER, WA 98665**

February 15, 2013

Washington State
Liquor Control Board
3000 Pacific Avenue
Olympia, WA 98504

Attn: Mr. John Farley – Contracts Specialist

RE: RFP K430 – Initiative 502 Consulting Services
Category 1 – Product and Industry Knowledge

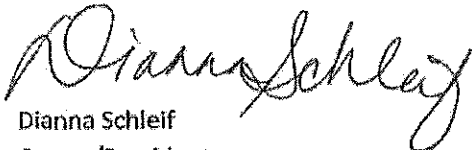
Dear Mr. Farley,

This Proposal is submitted in response to RFP K430 for Initiative 502 Consulting Services. We are fully aware this is an unprecedented law and will require "outside the box" thinking to develop a set of procedures, rules and regulations for growing marijuana for personal use and will create interest and attention from other states. We sincerely intend to provide the most accurate information based on actual experience relating to growing marijuana for personal use to WSLCB. Our company is a Sole Proprietorship based in Vancouver (Clark County), Washington. All information and documentation will be developed at this location. There currently is not, nor has there ever been, any State employee involved or employed by the company.

It is our hope you will identify the benefits of utilizing a demonstrated and experienced consultant to assist the State of Washington develop this ground breaking program.

Sincerely,

NATURAL RESOURCE MANAGEMENT



Dianna Schleif
Owner/President

NON-COST PROPOSAL

CATEGORY 1 – PRODUCT & INDUSTRY KNOWLEDGE

ABILITY, CAPACITY & SKILLS

This proposal is based on the production of a 100% *Organic* marijuana product and complies with Federal rules regarding growing, packaging and distributing marijuana for medicinal use.

The quality and quantity of the final product is based on the growing environment. State-of-the-art equipment, organic additives and precise climate control during the growing process is essential for optimum production. The model used for this proposal is based on a 100 plant soil garden in lieu of a **hydroponic** (water) system which would produce by-products and may require additional cost of production resulting from compliance of complicated rules and/or regulations regarding disposal, i.e. OSHA or Hazardous Materials. The desirable size of growing facility is 5,000 sq. ft. wherein the growing operation can be set-up in the back of the facility with dispensing/retail performed in the front of the facility. The estimated cost to establish a 100 plant garden is \$12,000 - \$15,000. This cost estimate is based on using the latest and most up-to-date technology and equipment. The time-line for the production of a crop is four (4) months from planting to harvest. Consistent and regular care is given to the garden through all phases of growth which includes controlled watering, various organic additives (food and nutrients), light and temperature control, etc. until the plants become mature and produce flower buds. When appropriate sized flower buds appear on the plants, the garden is ready for harvesting.

Harvesting the mature plants requires cutting and drying of the plants. This process also requires closely monitored environmental control. The curing process requires cut plants to be hung in an area with the appropriate temperature, light, humidity and ventilation for drying. The ratio of plant-to-final product is approximately 50/50, which means a 100 plant garden would produce approximately 50 lbs. of marijuana. Actual amounts of finished product may vary depending on the specific strain of marijuana. When the drying process is complete, the plants require trimming and cutting to collect the flower buds for packaging.

The final marijuana buds should be weighed in appropriate legal quantities and packaged for distribution. Typically marijuana is dispensed in fractions of ounces. Glass containers with air tight sealable lids are recommended to reduce the pungent aroma and keep the product fresh until consumption. The final product should be stored in a humidity controlled environment until distributed or sold for consumption. It is recommended that individual growing facilities be able to accommodate all of the above processes as it will eliminate the need for transportation. These processes can be separated and performed individually if desired, or if there is limited or restricted space available. If transportation is necessary, a climate controlled distribution system should be established.

NON-COST PROPOSAL

Assignment of a bar code control number and name (strain) to each plant during the planting phase will be used to assess and label the potency of the final product. This system will also provide an avenue of tracking the product in the event of a recall for any reason. Potency and testing will be performed by others. The event of over-producing is unlikely. The most common contamination of marijuana is called "bud-rot" which is the result of an inconsistent climate controlled environment at some (or many) points during the growing process and leaves the marijuana "unsafe for use" as it will cause illness. The recommended method of disposal in the event of over-produced, contaminated or recalled product is incineration.

Marijuana can also be used in food and beverages. The typical method of extracting *THC* from trimmed plant leaves is to use an oil based product, i.e. butter or cooking oil. The finished butter can be used in food items like baked goods. Cooking oil can be infused with marijuana similar to herb infused oil for cooking and leaves can be used for tea. All of these products can be made from the waste or *by-product* of growing the original marijuana plants. It is also possible to use marijuana buds in brewing beer in lieu of Hops. All food and beverage products made from these plants and the *by-products* will be **Organic**.

NON-COST PROPOSAL

EXPERIENCE

The business management side of the company has over 20 years of experience in business development and management. All associates involved have a minimum of 5 years of experience growing and producing medicinal marijuana in compliance with Federal regulations.

NON-COST PROPOSAL

TEAM STRUCTURE & INTERNAL CONTROLS

The company was established for this sole purpose. The *team* will be composed of two divisions or departments, i.e. Management and Production. The management department will develop procedures for recording the data, maintain data collected and provide written documentation and reports to WSLCB. The production department will provide the technical data and process information required to produce organic marijuana in accordance with Initiative 502. All information used for development of Initiative 502 will be based on methods and techniques currently being used to produce medicinal marijuana in compliance with Federal rules and regulations.

All information and/or recommendations will be reviewed by both departments prior to submission to WSLCB. There are no subcontractors included in this proposal and there are no conflicting relationships or circumstances with any staff.

NON-COST PROPOSAL

STAFF QUALIFICATIONS & CAPABILITIES

Dianna Schleif – Business Manager

Dianna has over 20 years of business management experience. The focus of her career has been in business development, establishing management tools such as processes and procedures, data management, analytical reporting, project management, document control,

Chris Carpenter – Production Advisor

Chris has approximately 5 years of experience growing medicinal marijuana and is an authorized Cannabis Grower Card Holder. He has been growing and managing his own gardens and supplying medicinal marijuana dispensaries in compliance with Federal Rules and Regulations. All technical data will be provided by the Production Advisor.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) <u>Hourly</u> Rate for I-502 Consulting Services as stated in this RFP	\$ 50 ⁰⁰ p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) <u>Daily</u> Rate for I-502 Consulting Services as stated in this RFP	\$ _____ p/day

Norton, Melissa K

From: Becky Yalch <Becky.Yalch@orcinternational.com>
Posted At: Thursday, February 14, 2013 10:47 PM
Conversation: RFP- K430, ORC International, Inc
Subject: RFP- K430, ORC International, Inc

Attached please find ORC International's submittal for Category 3: PRODUCT USAGE AND CONSUMPTION VALIDATION

We have included 3 files:

- 1) Signed Authorized Offer
- 2) Non-Cost Proposal containing Proposer Information, Subcontractor Information, and Non-Cost Proposal Elements as specified in the Submittal Document
- 3) Cost Proposal

Rebecca Elmore-Yalch
Managing Director, Public & Civic Services

ORC International
600 University Street, Suite 2704
Seattle, WA 98101-4151
Tel Main: 206-624-6465
Direct: 206-743-9644
Mobile: 206-552-3717
FAX: 206-905-4195
Becky.Yalch@ORCInternational.com
<http://www.ORCInternational.com>

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

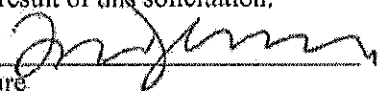
Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
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3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
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6. We (circle one) are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Walter Dempsey 

 Proposer Signature
 US General Manager

 Title

ORC International, Inc.

 Company Name
 2.14.2013

 Date

Category 3: Product Usage and Consumption Validation –Cost Proposal

The following Cost Proposal is based on specifications for methodology outlined in accompanying non-cost proposal. As this represents a blend of technical and non-technical personnel rates it is depending on the final Scope of Work negotiated for this effort.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) <u>Hourly</u> Rate for I-502 Consulting Services as stated in this RFP	\$ <u>77.65</u> p/hour

PROPOSER'S AUTHORIZED OFFER
Initiative 502 Consulting Services – RFP K430
Issued by the Washington State Liquor Control Board

Certifications and Assurances

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2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.
- 10.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Submitted Separately /s/ Walter Dempsey

Proposer Signature

General Manager, US Group

Title

ORC International, Inc.

Company Name

2/14/2013

Date



PROPOSER INFORMATION

Proposer Profile:

Firm Name	ORC International, Inc.
Street Address	600 University Street, Suite 2704
City, State, Zip	Seattle, WA 98101
Federal Tax ID Number	PersonallInfo
UBI	602 553 612
Website URL	www.orcinternational.com

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name:	Rebecca Elmore-Yalch, Managing Director Public & Civic Services
Telephone:	206.743.9644
Email:	Becky.yalch@orcinternational.com

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount _____% _____days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	ALL Categories (1-4) listed below	<input type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input checked="" type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1		Subcontractor 2	
Name:	Parametric Marketing LLC	Name:	_____
Services:	Advanced Analytics, Modeling	Services:	_____
Address:	400 E. Evergreen Boulevard, Suite 303 Vancouver, WA 98660-3280	Address:	_____
Telephone:	360.696.2929	Telephone:	_____
Email:	360.696.2929	Email:	_____
Fed ID:	PersonallInfo	Fed ID:	_____
UBI:	602-428-238	UBI:	_____
Work to be Performed:	Advanced Analytics, Consumption Modeling & Validation	Work to be Performed:	_____
OMWBE certified:	___Yes ___X_No	OMWBE certified:	___Yes ___No

ORC*International*

Submittal Letter

February 14, 2013

Washington State Liquor Control Board

3000 Pacific Ave. S.E.
Olympia, WA 98501

RE: K430 INITIATIVE 502 CONSULTING SERVICES – LETTER OF SUBMITTAL

To whom it may concern:

ORC International is honored to have the opportunity to submit a proposal to assist the Washington State Liquor Control Board in its implementation of Washington State Initiative 502. With this proposal, ORC International is submitting individually for Category 3: Product Usage and Consumption Validation.

ORC International is a leading global market research firm uniquely able to integrate our people, methods, technology and insights to address our clients' strategic issues, challenges and opportunities. Since our founding in 1938, we've maintained a passion to drive our clients' success through innovative, integrated research solutions.

ORC International Public & Civic Services practices, based in Seattle WA, can provide the level and quality of research services required for this effort. We have developed and implemented major demand estimation projects for the US Postal Service and other public and not-for-profit organizations that have withstood the highest levels of scrutiny by regulatory and legislative bodies.

Recognizing that it is WSLCB's goal to award a single contract, ORC International is also on a team with Hoban & Feola, LLC.

Legal Name	ORC International, Inc. www.ORCInternational.com
Worldwide Corporate Headquarters	902 Carnegie Center, Suite 220 Princeton, NJ 08540-6530 Phone: 609.452.5400 Fax: 609.452.5292
Performing Office Location	Public & Civic Services 600 University Street, Suite 2704 Seattle, WA 98101 Phone: 206.624.6465 Fax: 206.905.4195
Primary Contact	Rebecca Elmore-Yalch Managing Director, Public & Civic Services 206.743.9644; Becky.Yalch@ORCInternational.com
Number of Years in Business	Founded 1938 75 years of continuous operation

ORC/International








Corporate Structure Delaware Corporation
 Established 05/23/1991

Leadership Marc Litvinoff Stacy Lee
 President / CEO Chief Financial Officer / Secretary

 Walter Dempsey Trevor Robinson
 General Manager US Global Financial Planning & Analysis
 IT, Call Center, DP Oversight

Number of Employees US Worldwide
 340 545

Our world class status provides WSLCB with the confidence that we can support your most pressing needs and challenges as you undertake this comprehensive effort.

 <p>Long-term partner of NYSE Euronext on the esteemed Annual CEO Report.</p>	 <p>The Voice and Value of Research CASRO <small>WORLDWIDE RESEARCH ASSOCIATION</small></p> <p>Leading the industry as a founding member and the 2012 CASRO Chair</p>	 <p>Partnered with the most trusted name in news on the CNN/ORC Poll</p>	 <p>Global recognition as a top tier firm</p>	 <p>ESOMAR MEMBER</p>  <p>ARIA <small>ASSOCIATION OF RESEARCH INSTITUTES</small></p> <p>Commitment to strengthening global industry standards</p>	 <p>scip <small>Strategic and Competitive Intelligence Professionals</small></p> <p>Setting the foundation for competitive intelligence</p>
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ORC International and its subcontractors certify that no state employees or former state employees are employed or on the firm's governing board as of the date of the proposal. Moreover, no member of ORC International's proposed team plans to seek any sort of license from the WSLCB.

We look forward to discussing this project with the WSLCB in more detail. Should you have any questions or comments, or should you require any further information, please do not hesitate to contact me. Thank you for your time in advance.

Sincerely,

/s/ Walter Dempsey
 General Manager, US Group

/s/ Rebecca Elmore-Yalch
 Managing Director Public & Civic Services

ORC*International*

Non-Cost Proposal—Category 3: Product Usage and Consumption Validation

Ability, Capacity and Skills

ORC International is a collaborative and consultative research partner to hundreds of organizations around the globe. Headquartered in Princeton, NJ ORC International is a leading global market research firm uniquely able to integrate our people, methods, technology and insights to address our clients' strategic issues, challenges and opportunities. The company is organized by industry expertise and our Public & Civic Services Practice is based in Seattle, WA. ORC International delivers tailored and proven research solutions and specializes in research related to Business & Market Expansion and Product Development & Innovation. Integrated Intelligence (i2), our unique research-based collaborative framework, combines creative methods, talented people with deep domain knowledge and client-centered technology and insights.

Ability, capacity, and skills that are unique and relevant to this research include:

- A research planning and implementation process that ensures our ability to understand the context in which research will be used, the internal measures and pressures under which an agency operates, and the external challenges that represent obstacles to the achievement of the long- and short-term project objectives. Our project management process includes proactive communication, anticipation of obstacles and corrective solutions to successfully achieve project objectives on time and within budget.
- The ability to integrate primary market research and qualitative business research. That is, we can link secondary research, competitive and strategic intelligence, insights from more than 15,000 experts in our Intota network (www.intota.com), and primary research into a comprehensive research program. Industry knowledge can be supplemented by searching our extensive databases for relevant research on the industry. We have already identified multiple sources of volumetric data from US and international study. Additional relevant research is not available in the public domain but can be obtained through this service. In addition, a preliminary search of our Intota network identified six experts with expertise in forensic science, medical pharmacology, product safety and testing with experience related to marijuana. Our Strategic Intelligence group has the ability to garner in-depth and unbiased feedback from industry experts.
- ORC International places great emphasis on the quality of the data it collects. We have implemented sophisticated quality assurance protocols for all research tasks. We have the capacity to conduct all phases of this research in-house and do not offshore any part of the data collection or reporting process, ensuring the highest-quality data collection, data processing, and reporting efforts, timely delivery of required deliverables, and data security. All work is conducted in compliance with quality procedures as required for ISO 20252 – Market Research standards.
- We offer advanced analytics and modeling capabilities employing traditional and proprietary methods that are applicable to the reliable estimation of product usage and the understanding of the impact of price on product demand. Our capabilities include choice-based methods, segmentation and targeting, pricing/volume analysis, text analysis, and business modeling.

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Experience

ORC International has extensive experience estimating demand for new and existing products as well as how demand will vary under different conditions. By way of example:

- **U.S. Postal Service:** ORC International has conducted several large-scale forecasting projects for the U.S. Postal Service. The most recent were in support of the Postal Service's proposal to eliminate Saturday mail delivery and a subsequent proposal to modify existing First-Class Mail Service Standards. Both studies looked at the impact on volume of mail if these changes to service were implemented. Because there is no historical data available, primary market research was needed. In conjunction with the Postal Service, ORC International developed and implemented a research design that provided a reliable estimate of the percentage change in mail volume among business and residential customers for each Postal Service product. The Postal Service used these estimates to develop estimates of the impact of the proposed changes on revenue and cost savings.

Results of the research were presented in the form of written and oral testimony to the Postal Regulatory Commission. Rebecca Elmore-Yalch, Managing Director of ORC's Public & Civic Services Practice, provided the original testimony for both studies as well as surrebuttal testimony for the FCM Service Standards research.

A recent follow-up survey measured the demand for a new Postal Service product related to Saturday mail delivery. Choice-based conjoint was used to estimate demand for and resulting revenue for the service at different price points. More than 3,000 telephone interviews were complete for this most recent study with business and residential customers.

- **Washington State Transportation Commission:** In 2007, ORC International designed and executed an extensive research effort on the characteristics of Washington State Ferry customers as required by the Washington State Legislature. A major purpose of this research was to provide an estimate of the demographic and travel characteristics of WSF and to estimate the impact of different pricing and demand management programs on ridership. A reliable measure of fare elasticity was also provided. More than 13,000 WSF customers were surveyed as part of this project.

Results of this research were heavily scrutinized by the Washington State Legislature and other stakeholder groups. Ms. Elmore-Yalch presented results of the research to the House and Senate sub-committees on transportation.

In addition to this work, ORC International has conducted other research designed specifically to provide reliable estimates of product adoption.

- **Broadband Adoption:** To support a national effort to understand and better support the needs of communities under-served by broadband technology, ORC International conducted primary research for the Oregon Public Utility Commission and the Washington DC Office of the Chief Technology Officer to provide a reliable estimate of the rate of broadband technology at the household level. Both studies provided estimates at the aggregate level for the entire region as well as in the case of Oregon, county level, and DC, ward level, estimates. Both studies used a dual-frame (landline and cell phone) sample methodology to ensure representation of all households.

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More than 4,000 interviews were completed in the State of Oregon and 800 interviews were completed in Washington DC.

- **Residential Building Stock Assessment:** As part of large-scale effort to install energy-efficient devices in selected households, ORC International was asked to conduct two major residential characterization studies in Washington, Oregon, Idaho, and Western Montana. More than 6,000 surveys were completed in a two-month period using a complex sample to provide reliable estimates at the local utility level and for different dwelling types. The results are being used by Northwest Energy Efficiency Alliance (NEEA), Bonneville Power Authority (BPA), and utilities throughout the Northwest to guide future planning efforts and provide a solid base for assessing energy savings on residential programs.
- **Federal Highway Administration:** Based on a comprehensive review of existing research and qualitative research, ORC International designed and implemented study of US residents regarding travel characteristics on federal highways and perceptions of service. More than 2,500 surveys were completed with licensed drivers nationwide. A complex sample design ensured adequate representation of each state. States were invited to participate in the TOP Survey. Participating states used a core questionnaire that contained components of the national survey. In addition, participating states added specific, custom questions. Seven states elected to participate in this comprehensive survey effort, California, Idaho, Michigan, Oklahoma, Oregon, Tennessee, and Virginia. In total, ORC International completed more than 9,000 surveys over a ten week period. Extensive multivariate analysis was being used to identify areas for improvement at the national, regional, and state levels, including use of a unique regression model that clearly identified those aspects of service that have the greatest impact on customer satisfaction.

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Staff Qualifications and Capabilities

Project Supervision

Each major account is assigned to a practice Managing Director who acts as the overall account manager and supervises the project from start to finish. Rebecca Elmore-Yalch, Managing Director of ORC International's Public & Civic Services practice will serve in this role.

- Managing Directors have senior-level authority to garner the necessary resources within ORC International and among our subcontractors and are able to instill the level of quality and integrity in the execution of the work to ensure success.
- They offer both issue and industry experience to guide the relevance of the research. These individuals also have substantial experience interacting with executive-level management to effectively convey the relevant insights.
- They have the ultimate internal and external responsibility for ensuring that the study is completed on-time, within the agreed upon budget, and meeting or exceeding the required specifications.

Rebecca Elmore-Yalch, Managing Director Public & Civic Services

Rebecca has worked on the client side in strategic planning and advertising management and on the supplier side in marketing research and consulting. She developed one of the first marketing plans for mobile (soon-to-be wireless) telecommunications services in the nation.

Rebecca lectured in marketing research and advertising management at the University of Washington and Northwestern University before launching a firm (Northwest Research Group) in 1985, which was one of the 10 largest in the Pacific Northwest when acquired by ORC International. Rebecca has long practiced innovation in serving the public sector while ensuring strict quality and business standards. She has more than 25 years of experience as a researcher and consultant for public policy research and has worked for agencies at the federal, state, and local levels.

Much of Rebecca's work has entailed the application of large-scale telephone surveys and focus groups. She is an expert on sampling and research methods and has been a leader in the use of dual-frame and address-based samples to address the growing prevalence of cell phone only households. She is also an experienced focus group moderator.

She has successfully presented to City Councils, State Legislators, and other legislative bodies and community organizations. Her studies are designed to withstand scrutiny at the highest levels.

Rebecca holds a BA in Journalism and Mass Communications with a concentration in advertising management from the University of Minnesota and an MBA with an emphasis in marketing and statistics from the University of Washington and holds an Expert-Level Professional Research Certification from the Marketing Research Association.

Ms. Elmore-Yalch will draw on resources from throughout the organization to provide the necessary research and operations staff to support the research.

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Project Management Operations

Meeyong Rao, Research Director

Meeyong holds a B.A in Political Science and Urban Studies from Wayne State University and an MPA in International Development from Cornell University.

Meeyong will serve as the project's ongoing liaison and will manage all operational aspects of the project from deployment to delivery, including creation of project plans, program communications, and ongoing monitoring of timelines and work quality.

Meeyong has extensive research background in both the private and public sectors. She worked as a Research & Policy Analyst for the Government Accountability Office in Washington DC where she designed and implemented research projects for members of Congress. As an Advanced Consultant at Gallup's Government Division, Meeyong was responsible for managing implementation and delivery of research projects representing \$7 million in revenue per year. Studies included custom survey research, customer satisfaction and employee engagement studies.

Aspasia Bartell, Project Director

Aspasia (Sia) recently joined ORC International after completing her MBA with an emphasis in marketing, international business, project management, and strategy at the University of Washington Foster School of Business. She also holds a BA in international studies with a minor in geographic and political science from the University of Washington.

Sia has worked as project manager at Microsoft and has had a number of internship positions at Microsoft, Runet Software & Expert Systems, and Washington State Department of Commerce. Sia has over 6 years of experience serving on non-profit boards, including the Dale Turner YMCA in Shoreline, WA. Prior to accepting a full-time position at ORC International, Sia served as an intern on a number of transportation studies for King County Metro.

Sia will provide project management and operational support and manage all of the qualitative research effort proposed for this category.

Ricardo Ramos, Director of Office of Project Management / ISO Compliance

Ricardo runs the operations group responsible for managing projects through the various phases of data collection. These phases include planning, executing, and closing Web and call center projects within the organization. Leading the operations group, Ricardo acts as a liaison between the research group and operations units including programming, sampling, and data processing. Prior to joining ORC, Ricardo worked for Macro International as an operations manager where he managed all call center operations in the U.S.

Ricardo has a BS in operations management and management information systems from the University of Arizona. He is currently managing a team for ORC International to obtain ISO 20252 certification for

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market, opinion, and social research. Our UK division holds the equivalent certification in Europe. When certified (estimated date March 2013), Ricardo will be responsible for ensuring ongoing compliance with all ISO requirements.

Rick Salapong, Director of Web / CATI / DP Services

Rick Salapong joined ORC International in the fall of 2004. In his role as Manager of Survey Programming, Rick manages the activities of all programmers. He oversees all aspects of survey programming include aligning resources, managing timelines and creating more efficient work flows.

In addition to leading the survey programming group, Rick also contributes to ORC initiatives by providing extensive hands-on support in designing and developing custom Web. This versatility allows Rick to see the process from a manager's view and that of a programmer. Observing from these two perspectives, Rick continues the evolution of our survey development model.

Before joining ORC, Rick was the Director of IT for a successful dot com company. While most online start-ups were failing, with Rick's help, his company grew into one of the most recognized online real estate software companies. During his tenure, he oversaw the activities of the Systems, Quality Assurance and Web Development teams.

Rick earned a Bachelor of Science degree from Saint Joseph's University in Philadelphia.

Lisa Mancini, Director Call Center Operations

Lisa is the Director of Call Center Operations for the US Group of Opinion Research Corporation with 26 years of experience. Her responsibilities center on solid fiscal management, consistent quality assurance outcomes, strong productivity and maintaining a scalable workforce. Lisa began as a telephone interviewer for C/J Research in Chicago, IL. She moved up through the ranks into various leadership positions within the company and was solely responsible for opening, directing, and expanding the Reno operation. She went on to acquire additional responsibilities inclusive of directing all US Call Center operations.

Lisa has a strong history in community service and has served in numerous leadership positions over the years. She attended Loyola University in Chicago where she studied business management and marketing.

Advanced Analytics / Demand Modeling

In addition, two members of the team have extensive experience in advanced analytics and modeling, specifically at is applies to demand forecasting and market segmentation. This support is provided via an ongoing partnership with Parametric Marketing LLC, a firm that specializes in advance analytics and modeling.

Scott Laing leads client services at Parametric. Scott has over 15 of experience in all areas of marketing with a particular emphasis on the application of analytical marketing methods to address client financial questions. Recent projects include:

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- *Transit tax measure voter acceptance analysis (in conjunction with lead firm ORC International) (2010)*
- *Pricing and revenue analysis for Washington State Ferries (in conjunction with lead firms ORC International and Market Decisions Corp.) (2008, 2010)*
- *Community profiling and segmentation for Southwest Washington community bank (2010)*
- *Customer panel development and profiling for specialty electronics manufacturer (2009)*
- *Community profiling and segmentation for Southwest Washington healthcare provider (2008)*
- *Customer valuation study to evaluate viability of expansion of technology services business for major PC manufacturer (2008)*

Scott is a recognized leader in marketing research. He has been awarded Expert-level Professional Researcher Certification (PRC) by the Marketing Research Association (MRA). Scott also serves on the Board of the Puget Sound Research Forum (PSRF) as its President. In addition, Scott speaks regularly to research audiences and trains clients in selection of methods and research design. Recent public talks include:

- *Marketing Forensics: Understanding What Your Data is Really Saying* (Institute for International Research "Return on Marketing Investment" Conference, 2004)
- *From Data to Dollars: Presenting Research Results in the Language of Business* (Puget Sound Research Forum luncheon, 2008)
- *Not Drowning, but Waving: Learning to Swim in the Ocean of "Found" Data* (MRA Northwest Chapter Spring educational conference, 2009)
- *Beyond the Report: Expanding the Life of Research through Interactive Deliverables* (MRA Joint Chapter Conference, Las Vegas, 2010)
- *Panelist, Outside Our Box: Marketing Experts Weigh in on Energy Efficiency* (NEEA Efficiency Connections Northwest, 2010)

Scott earned a B.A. from the University of Pennsylvania and an MBA from Carnegie Mellon University's Tepper School of Business.

Chris Robson leads selection and development of all analysis capabilities at Parametric. He is a seasoned executive with 20+ years of wide-ranging experience in both marketing and technology. Recent projects include:

- *Parking demand/pricing assessment for WA public sector client (in conjunction with lead firm Gilmore Research Group) (2011)*
- *Segmentation and database targeting study for major CA health insurance (in conjunction with lead firm Opinion Research Corporation) (2010)*
- *Pricing and revenue analysis for Washington State Ferries (in conjunction with lead firm Opinion Research Corporation and Market Decisions Corp.) (2008, 2010)*
- *Development of high-volume text mining tools and application on large text databases for major software vendor (2009)*
- *Design and implementation of a major global feature optimization conjoint, including the development of enduser simulation tools (2007) Initially for a Japanese electronics manufacturer, the tools have now been adapted and used with many business and government clients*
- *New feature prioritization using MaxDiff, including development of proprietary optimization tools for technology provider (2008)*

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Chris is a recognized leader in marketing research. He has been awarded Expert-level Professional Researcher Certification (PRC) by the Marketing Research Association (MRA). Chris also serves on the Board of the Northwest Chapter of the MRA and as its President-elect. He speaks regularly to broad research audiences, in addition to leading practitioner workshops. Recent public talks include:

- Overcoming Issues in ROMI Measurement (AMA Portland Chapter Luncheon, 2004)
- Simulating Customer Ownership of Durable Goods (INFORMS/Winter Simulation Joint Conference, 2005)
- Strategies for Maximizing Value through Pricing Research (MRA Northwest Chapter Spring educational conference, 2008)
- From Data to Dollars: Presenting Research Results in the Language of Business (Puget Sound Research Forum luncheon, 2008)
- Not Drowning, but Waving: Learning to Swim in the Ocean of "Found" Data (MRA Northwest Chapter Spring educational conference, 2009)
- Reinventing Research: Meeting New Industry Challenges (MRA Northwest Chapter Spring educational conference, 2010)

Chris is a native of England and holds an honors degree in Mathematics from Brunel University of West London.

Chris Robson and Scott Laing provided advanced analytics support for ORC International's work for the Postal Service on the current Network Optimization and First Class Mail Services Standards project as well as other work including work for Sacramento Municipal Utility District (SMUD), Southern California Edison, Pierce Transit, City of Fort Worth, TX and others.

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Approach and Methodology

Study Objectives: The State requires reliable estimates of likely product usage (overall and by form) at different price points. Results will be used to determine the number of licensed growers and retail distributors would be required to meet product demand as well as the potential tax revenues that would accrue to the state. Reliable estimates are needed by geographic regions across the state (county-level, large metro, small metro, rural, etc.).

Overall Approach: We propose a statewide telephone survey using a dual-frame (landline and cell phone) sample. Telephone surveys, when conducted appropriately, continue to provide the most reliable and valid methodology to reach a probability sample of the population which then allows us to project the results of the research to the general population of interest with known confidence intervals.

We propose a statewide sample of 3,500 individuals, 21 years of age and older. Sample will be stratified so that a minimum of 25 interviews will be completed in each county. In larger counties, the sample size will be roughly proportionate to the population within the county.

According to the most recent estimates, 38% of Washington households are wireless only households. In an effort to balance the need to represent these households but also to address the additional cost of surveying these households (due to the inefficiencies in the sample as well as regulations which prohibit the use of dialer systems), we recommend completing a minimum of 30% of the interviews using an RDD cell phone sample. The balance will use an RDD landline sample which ensures the inclusion of both listed and unlisted telephone households.

In households with more than one adult 21 years of age and older, we will develop a protocol to randomly select the individual to be surveyed.

Strict dialing protocols will be used to maximize response rates. These will include up to 7 attempts to landline numbers and 3 attempts to the cell phone sample. In those instances where a qualified respondent has been identified, additional attempts are made. Moreover, at least one attempt is made to reach those who initially refused to complete the survey. We are happy to discuss other strategies that we use to ensure high response rates.

Questionnaire Development: Because this type of research has never been done before careful attention must be paid to the development of the survey. Questions must be carefully worded so that social desirability bias is avoided and the appropriate terminology is used so that survey respondents who would potentially purchase marijuana in some form but are not familiar with the industry parlance can provide responses.

We propose using qualitative research and cognitive testing to ensure that the survey leads to unbiased estimates. The primary purpose of cognitive testing is to investigate how well questions perform when asked of survey respondents, that is, if respondents understand the question correctly and if they can provide accurate answers. Cognitive testing insures that a survey question successfully captures the scientific intent of the question and, at the same time, makes sense to respondents. Cognitive testing is performed by conducting in-depth, semi-structured interviews with a small number of respondents similar to those targeted in the survey. The interviews are designed to elicit respondents' thought processes when answering the tested question, specifically, how they understood a question and how they arrived at their

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answer. Data from cognitive interviews are qualitative, and analysis of those interviews can indicate the sources of potential response error as well as various interpretations of the question. By conducting a comparative analysis of cognitive interviews, it is possible to identify patterns of error and patterns of interpretation across groups of people. This type of analysis is especially useful when examining the comparability of measures, for example, between social classes.

We propose conducting 60 to 70 depth interviews in four selected communities across the state.

We also propose a traditional pretest (n = 75) of the final survey questionnaire to confirm study incidence, length, sampling, programming quality, etc. Our estimate is based on a final survey questionnaire that averages no more than 15 minutes in length.

Demand estimation: In order to estimate demand we propose a two-phase methodology, where we first identify affinity with the products and overall likelihood to consume, followed by a choice exercise where we determine preferences for the form of consumption and price sensitivity. The general shape of these phases will be as follows:

- Phase 1: Acceptance and affinity
 - Read respondents a description of the concept – i.e., cannabis will be sold through licensed retailers in different forms
 - Determine overall probability of using regardless of price
- Phase 2: Preference and price sensitivity (asked if acceptance in Phase 1 meets threshold)
 - Uses a Choice-Based Conjoint design
 - Attributes cover form, packaging and price
 - Design must be streamlined to facilitate administering by phone
 - Design type may be choice or volumetric (this will be decided during full exercise design phase)

Results from the Conjoint will be analyzed using Hierarchical Bayes or Logit techniques to determine product/packaging mix and price sensitivity. We will then use likelihood to purchase and volume estimates from other survey sections to produce projections of demand based on different levels of price and availability.

Norton, Melissa K

From: jeffreyamckay@aol.com
Posted At: Friday, February 15, 2013 1:37 PM
Conversation: RFP-K430, Orcavine

Subject: RFP-K430, Orcavine

Consulting Proposal for

Washington State Liquor Control Board RFP K430

Submitted 2/15/13 1:50PM by

Orcavine

4228 SW Dawson Street #26

Seattle WA 98136

206 495 9925

orcavine@gmail.com

PROPOSER'S AUTHORIZED OFFER
(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430
Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
 2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
 3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
 4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
 5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
 6. We (circle one) are / are not submitting proposed Contract exceptions.
 7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
 8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
 9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.
- The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Jeff McKay as per email date stamp

Proposer Signature

Sole Proprietor

Title

Orcavine

Company Name

2/15/13

Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name Orcavine
 Street Address 4228 SW Dawson #26
 City, State, Zip Seattle WA98245
 Federal Tax ID Number PersonallInfo
 UBI _____
 Website URL Orcavine.webs.com

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name: Jeff McKay
 Telephone: 206 495 9925
 Email: orcavine@gmail.com

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount _____% _____ days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input type="checkbox"/>
1	Product and Industry Knowledge	<input checked="" type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

LETTER OF SUBMITTAL

- Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.
- Jeff McKay DBA as Orcavine- a wine consulting service, 206-495-9925, 4228 SW Dawson Street #26, Seattle WA 98136, orcavine@gmail.com
- Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)
- Jeff McKay, Sole Proprietor, 525 Sunset Ave, Eastsound WA 98245, 360-977-9948
- Location of the facility from which the Proposer would operate.
- 4228 SW Dawson Street #26, Seattle WA 98136
- Statement of which of the following Categories Proposer is responding to:
 - Category 1: Product and Industry Knowledge
- Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Proposer's organization. If following a review of this information, it is determined by the WSLCB that a conflict of interest exists, the Proposer may be disqualified from further consideration for the award of a contract.
- No state employees or former state employees are involved in this proposal.

NON-COST PROPOSAL

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

Ability, Capacity and Skills. In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:

- a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
- b. How Marijuana is infused into food and beverages
- c. How Marijuana should be packaged, labeled, transported, and sold at retail level

While Passage of I-502 was a monumental advance for the start of a Legal Cannabis industry worldwide, it was severely flawed by prohibiting sales by Producers and Processors to consumers and restaurants. The effect of this will be to limit the ability of the small cannabis producer and processor to compete with large well financed competitors. An example of this would be if present Washington Laws and rules prevented the small winery and distilleries in the state to sell their product directly to consumers and restaurants. Most small wineries and distilleries depend on a majority of their sales directly to consumers and restaurants in order to capture the profits given up when wholesaling to retailers or distributors. It is doubtful if Washington would have anywhere near the number of small and prestigious wineries and distilleries that are now existing if direct sales of their products were not allowed. Most likely the Washington wine industry would be even more dominated by the likes of St. Michelle and other large wine companies, and only a scattering of small wineries and distilleries would be found, probably only those who either had or the ability to find the very deep financial pockets necessary to start up.

Given that it will take years until these restrictions can be lifted and that cannabis producers and processors can be given the same rights as wineries and distilleries, an alternative way for the small and capital starved cannabis producer and processor must found for them to compete with large well financed producers and processors. **It is this proposals contention that the way to do so is by utilizing the Cooperative model, especially how it operates in Europe.** This system in which small growers, often with vineyards less than an acre in size, work on weekends, after work, and holidays and often with the whole family participating exchange their grapes or fruit at the end of harvest for either wine, cash or both. It is not a full time occupation, only a way to supplement the family income, and to receive well-crafted wines or spirits at cost utilizing the superior equipment and winemaking skills of which the growers collectively own.

Having studied and worked in the wine and spirits world for almost 40 years I believe that I have the expertise and knowledge on Cooperatives to advise the Liquor Control Board on how a cooperative system cannabis industry could be created. By researching cooperatives both domestically and internationally and analyzing how best to adapt them for Washington State's new cannabis industry I believe I could advise the Liquor Control Board how to create and best regulate a cooperative system for the emerging cannabis industry.

This is something which I have had previous experience in. For example in the late 70's and early 80's I and a handful of other young men created a new half shell oyster industry in America, providing to the consumer and restaurant for the first time a high quality, consistent, right sized, whole oysters, packaged and delivered in prime condition throughout the USA. I did this again by researching what had been done around the world, and borrowing or modifying techniques, equipment, and ideas for growing, processing, and marketing shellfish.

In my experience as a San Juan County Commissioner I helped to create and implement a new and comprehensive set of regulations for Aquaculture in the local Shoreline Master Program. This included again reviewing other relevant regulations from other cities and counties throughout the US and adapting them for local conditions. It also required being creative and thinking outside the box when solutions could not be found.

During my years working in the New York City as a wine broker I was constantly meeting and talking with members of wine and spirit cooperatives from Europe. I also had the chance to visit many of these cooperative while in Europe on trade trips. I came away with a good understanding of how these cooperatives work, and both problems and successes they have encountered.

There is a growing cooperative movement in the US of which I have met or am aware of through my personal interest in gourmet food production and regular attendance at food shows such as the Annual Fancy Food Shows in New York, Washington DC, and San Francisco. The cooperative food producer movement was very active during the 1930's, 40's, and 50's, with active assistance from the Federal Government but then went into a slumber of which It has awoken during the last 20 years. Again a review of domestic cooperative producers, including Washington State, would be quite useful for adaption to a cannabis industry here.

I also have some experience and could advise the Liquor Control board on the infusion of Marijuana into alcoholic beverages. This would be a result of my studies at UC Davis in Enology, and in later years working and talking with various winemakers, distillers, and industries associated with reducing alcohol in wine, and making products through wine or alcohol infusions.

Finally I also have experience in retailing wine and spirits, and would like to assist or at least suggest to the Liquor Control Board to allow consumer cannabis cooperatives, similar to those such as PCC, Skagit, or Bellingham Food Cooperatives. I believe these consumer cooperatives could also be a way to phase out the medical marijuana industry by allowing consumers, and especially those requiring cannabis for medical purposes access to lower cost products. Perhaps the creation of Medicinal Marijuana Cooperatives could also offer low income members a refund on some of the taxes involved in producing the product and thereby offer a significant reduction in the price.

Experience. In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.

I enclose my resume for this section.

Jeff McKay

525 Sunset Ave
Eastsound WA 98245
Tel: 206 495 9925
email: jeffreymckay@aol.com

Crescent Beach Oyster Farm / Jan 2011- December 2012, 1982 – 1997

Founder, Owner and Manager, Eastsound, WA

- Established oyster farm known for its high quality and innovative farming and packaging
- Managed all aspects of farm operations including employees, sales and marketing
- Increased production and improved product quality through continuous involvement in R&D

New York Wine Exchange –January 2008- December 2010

Domestic and International Wine Buyer/ Manager

- Wine Buyer and Sales Manager for Major Manhattan wine retail store chain.
- Responsible for buying Italian, German, French, South American and South Africa wines as well as those from domestic producers from Washington, Oregon, California, and New York. Also was involved in purchasing Brandy, Whiskey, Rum, and other spirits and cordials
- Managed sale force and inventory personnel

Vin Rouge Wine Bar – January 2007 – January 2008

Manager, Brooklyn, NY

- Set up and managed wine program, including wine selection, menus and purchasing
- Conducted and designed monthly tastings

Country Cellars / January 2006 – November 2006

Retail Manager, Fine Wines, Eastsound, WA

- Created with owner a new retail venue for international and domestic fine wines

- Solely responsible for wine purchasing, planning inventory and sales
- Doubled sales over previous year and significantly increased consumer base
- Initiated daily tastings program, introducing new wines to community

Dendor Wine Management / July 1998 – September 2001; January 2003 – October 2005

Wine Broker, New York

- NY regional broker for California, Washington, Oregon, Spanish, German, French wineries
- Responsible for all areas of brokerage including distributor/winery relations, sales management and pricing, sales presentations, daily sales calls, food and wine tastings
- Unique expertise in wine education, tasting, and presentation to trade and consumers
- Introduced brands in competitive markets and generated new sales opportunities
- Extensive relationships with retailers, vendors, sommeliers, restaurants
- Represented company in travels to wineries in Spain, Germany, California and Washington
- Extra curricular: Taught courses on California, Washington and Oregon wines to the Sommelier Society of NY

Bear Flag Marketing / January 2002- December 2002

Wine Broker, California

- California Regional broker for California wineries
- Responsible for all areas of brokerage including distributor/winery relations, sales management and pricing, sales presentations, daily sales calls, food and wine tastings
- Unique expertise in wine education, tasting, and presentation to trade and consumers
- Introduced brands in competitive markets and generated new sales opportunities
- Extensive relationships with retailers, vendors, sommeliers, restaurants

Taylor Shellfish Farms / October 1997 – June 1998

Product Representative, New York

- Introduced new marketing and promotional strategies for the domestic shellfish farming industry, concentrating on markets in NYC
- Worked directly with top chefs to educate, promote and market Taylor shellfish
- Created special events to promote consumer awareness and demand: James Beard House, NYC: Designed and hosted Northwest oyster and wine tasting; Best Cellars, NYC: Organized Valentine's Day oyster and wine tasting; In Food Today, TV Food Network: Guest appearance

San Juan County /1984 – 1988

County Commissioner, Friday Harbor, WA

- Elected official in charge of administrative and legislative affairs of local government
 - Approved and supervised annual multi-million dollar budget for all county services
 - Co-authored rules and regulations for local aquaculture development permits
- Converted undeveloped properties into two new county parks

Education

University of California, Davis / 1981 – 1982

- Undergraduate studies in Enology and Viticulture

University of Washington, Seattle / 1973 – 1977

- Undergraduate studies in Fisheries and Microbiology

Team Structure and Internal Controls. In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.

Non Applicable as I will be all the work for this proposal

Staff Qualifications and Capabilities. Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Non Applicable as I will be all the work for this proposal

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ <u>50.00</u> p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ <u>400.00</u> p/day

Norton, Melissa K

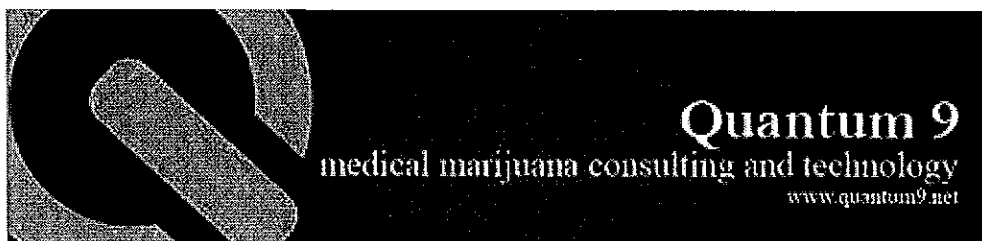
From: Michael Greenfinger <michael@quantum9.net>
Posted At: Friday, February 15, 2013 1:25 PM
Conversation: RFP- K430, Quantum 9, LLC
Subject: RFP- K430, Quantum 9, LLC

WSLCB,

It is our honor to submit for consulting services for RFP- K430. If there are any questions or concerns please feel free to contact me directly. We look forward to working with your group if selected as the vendor to provide consulting.

Please respond **"received"** to verify that you have received our submission.

Best Regards,



Michael Greenfi
Chief Executive Officer
O: 888.716.0404
Quantum 9 Outline Brochure

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to **lcbids@liq.wa.gov**.
- Clearly mark the subject line of the email: RFP-- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the **lcbids@liq.wa.gov** inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

Proposer's Authorized Offer (see page 2)	x
Proposer Information (see page 3)	x
Subcontractor Information (see page 4)	x
Letter of Submittal (see page 5)	x
Non-Cost Proposal (see page 6)	x
Cost Proposal (see page 8)	x

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)


**Initiative 502 Consulting Services – RFP K430
Issued by the Washington State Liquor Control Board**

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.



 Proposer Signature
 Chief Executive Officer

 Title

Quantum 9, LLC.

 Company Name
 1/15/2013

 Date

RFP K430 Submittal Document

PROPOSER INFORMATION

Proposer Profile:

Firm Name Quantum 9, LLC.

Street Address 495 Uinta Way 100

City, State, Zip Denver, CO 80230

Federal Tax ID Number PersonallInfo

UBI _____

Website URL www.quantum9.net

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name: Michael Mayes

Telephone: 888-716-0404 ext 801

Email: Michael@quantum9.net

Payment Options:

x YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount _____% _____days, net 30 days.

x YES NO Will you accept the State's Purchasing Card (P-Card)?

x YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	x
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

xYes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1		Subcontractor 2	
Name:	<u>Justin Deangelis</u>	Name:	<u>Michael Mayes</u>
Services:	<u>Cannabis Consulting</u>	Services:	<u>Cannabis Consulting</u>
Address:	<u>2694 co rd 222 Unit b Durango CO, 81303</u>	Address:	<u>3839 Osceola St. Denver, Co 80212</u>
Telephone:	<u>970-779-3199</u>	Telephone:	<u>517-819-2692</u>
Email:	<u>desert.squirrel@quantum9.net</u>	Email:	<u>Michael.greenfinger@quantum9.net</u>
Fed ID:	<u>n/a</u>	Fed ID:	<u>n/a</u>
UBI:	<u>n/a</u>	UBI:	<u>n/a</u>
Work to be Performed:	<u>Cannabis Consulting</u>	Work to be Performed:	<u>Cannabis Consulting</u>
OMWBE certified:	<u>___ Yes <input checked="" type="checkbox"/> No</u>	OMWBE certified:	<u>___ Yes <input checked="" type="checkbox"/> No</u>
Subcontractor 3		Subcontractor 4	
Name:	<u>Kristi Kelly</u>	Name:	<u>Sammy Dev</u>
Services:	<u>Cannabis Consulting</u>	Services:	<u>IT Consulting</u>
Address:	<u>3839 Osceola St. Denver, Co 80212</u>	Address:	<u>5531 Serene Drive Huntington Beach, CA 92649</u>
Telephone:	<u>303-915-5872</u>	Telephone:	<u>714-768-4794</u>
Email:	<u>kristikelly@goodmedsnetwork.com</u>	Email:	<u>Sammy.dev@quantum9.net</u>
Fed ID:	<u>n/a</u>	Fed ID:	<u>n/a</u>
UBI:	<u>n/a</u>	UBI:	<u>n/a</u>
Work to be Performed:	<u>n/a</u>	Work to be Performed:	<u>n/a</u>

Performed: _____
OMWBE certified: ___ Yes No

Performed: _____
OMWBE certified: ___ Yes ___ No

Subcontractor 5

Name: Sebastien Beguerie
Services: Cannabis Consulting
Address: 244 chemin de Morgiou n°9 , 13009 Marseille, France
Telephone: 888-716-0404
Email: seba.ufcmed@gmail.com
Fed ID: n/a
UBI: n/a
Work to be Performed: n/a
OMWBE certified: ___ Yes No

Subcontractor 6

Name: Kristen Thomson
Services: Cannabis Consulting
Address: 1410 Grant St, Suite B-105. Denver, CO. 80203
Telephone: 303-656-0054
Email: Kristen@publicaffairsgroup.org
Fed ID: n/a
UBI: n/a
Work to be Performed: n/a
OMWBE certified: ___ Yes No

Subcontractor 7

Name: Genifer Murray
Services: Cannabis Consulting
Address: Ogden St. #215 Denver, CO 80218
Telephone: 720-998-9454
Email: genifer@cannlabs.com
Fed ID: n/a
UBI: n/a
Work to be Performed: n/a
OMWBE certified: ___ Yes No

LETTER OF SUBMITTAL

The Proposer's Letter of Submittal must be signed by the individual within the organization authorized to bind the bidder to the offer. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Proposer and any proposed subcontractors:

- Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.

Quantum 9, LLC.

495 Uinta Way 100 Denver, CO 80230

888-716-0404

info@quantum9.net

- Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)

Michael Mayes (Chief Executive Officer)

495 Uinta Way 100 Denver, CO 80230

517-819-2692

michael@quantum9.net

Sammy Dev (Chief Technology Officer)

5531 Serene Drive Huntington Beach, CA 92649

714-768-4794

sammy.dev@quantum9.net

- Location of the facility from which the Proposer would operate.

Quantum 9 Headquarters

495 Uinta Way 100 Denver, CO 80230

- Statement of which of the following Categories Proposer is responding to:

Category 1: Product and Industry Knowledge **(YES)**

Category 2: Product Quality Standards and Testing **(YES)**

Category 3: Product Usage and Consumption Validation **(YES)**

Category 4: Product Regulation **(YES)**

- Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Proposer's organization. If following a review of this information, it is determined by the WSLCB that a conflict of interest exists, the Proposer may be disqualified from further consideration for the award of a contract.

n/a

NON-COST PROPOSAL

Please refrain from using company name or other information that will identify your company while preparing your response for the Non-Cost Submittal. The Washington State Liquor Control Board (WSLCB) reserves the right to modify proposals in order to eliminate company names or any other information that may identify a specific company brand.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

Quantum 9 Introduction

As Washington takes on the challenge of executing voter's will through Initiative 502, the development of a thoughtful and responsible regulatory structure for the cannabis industry is of critical importance. From developing a set of rules that does not complicate or frustrate the Federal Government to ensuring: safe access, regulation and prevention of illegal activity, non-diversion of cannabis or cannabis related assets, restricting access to minors, maximizing state benefits in terms of tax revenue, economic development, and positive impact on communities as a whole; there are many considerations that will affect the development and implementation of a successful model for the Washington state cannabis industry. Despite the relative youth of the legal structures for cannabis, Quantum 9 has assembled a team of Cannabis strategists, business owners, cultivation experts, researchers, analysts and policy developers whose involvement on the forefront of the regulated cannabis industry has set the industry standard for scientific rigor and the implementation of research analysis within the field.

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:

Quantum 9's team includes some of the most talented cannabis cultivators, scientists, and business owners in the world. The cultivation team holds advanced degrees in agriculture, horticulture or plant sciences and work individually and collectively researching and developing cutting edge techniques pertaining to every aspect of the Cannabis industry. The Quantum 9 area of expertise ranges from business platform and retail analyses to optimization of cultivation facilities; including but not limited to plant nutrition, plant tissue, resource allocation, cost-benefit, and yield maximization analyses. The team's dedication to the collection and analysis of data as a means to a concrete understanding of problems and pitfalls enables us to establish cost effective and reliable modalities of action during times of uncertainty in a newly emerging industry.

- a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed

Though cannabis is historically grown outdoors, modern grow facilities utilize greenhouses or simulated indoor growing environments in order to maximize growth potential and minimize the risks of outdoor production hazards such as rain, snow, pests, pathogens, and unauthorized personnel. Newer indoor cultivation facilities have developed a number of options for propagation techniques, many of which center on the treatment modalities of the plants rhizosphere. The rhizosphere consists of not only of the root zone, but also the living soil and bacteria that make up an abundance of bio-chemical reactions between the plant and the millions of micro-organisms that contribute to the symbiotic life cycle of the plants eco-system. The main technical differences between treatment modalities lie in the different media used, or the main constitute used to make up the remainder of the rhizosphere.

Traditionally, the media of outdoor production facilities were soil (sand, silt, and clay); however, in an effort to maximize growth potential, yield, and active cannabinoid content modern indoor facilities have explored many other options of media to make up their plants rhizosphere. Coco-fiber sometimes called "coir" (or alternatively, peat moss) were the first of these new medias, as they differed from soil in that

they are often one hundred percent organic material. After the use of coco, many other non-organic materials have been explored; including synthetic submarine insulation (rockwool), Clay pellets (hydroton), lava rocks, Synthetic cotton (sure-to-grow), and other exotic material, all of which are collectively known as differing methods of “hydroponics.” Many modern cannabis production facilities, often referred to as hospital, or laboratory grade facilities; have even undergone “media-less” methodologies, or “pure hydroponics”: using techniques that rely on rhizospheres suspended in pure water (“water culture hydroponics”), or pure air (“aeroponics”).

All of these differing technical modalities, both environmental as well as rhizospheric, are of vital importance because of the role that they play in the process of photosynthesis. Photosynthesis is a chemical process that requires chlorophyll, in the presence of light, which converts carbon dioxide and water, into active energy (in the form of ATP) and stored energy (in the form of glucose). When glucose is first formed in the leaf it is used by the cells during tissue respiration to provide energy for cellular activities. On the most basic level, the plant needs atmospheric hydrogen, oxygen and carbon (making up 96% of the plants nutritional needs) and these nutrients are controlled by atmospheric parameters. The other 4% of the plants nutritional needs are provided in the nutrient solution and collectively are known as a nutrient profile. Nutrient profiles contain six macro nutrients; Nitrogen, Phosphorus, Potassium, Calcium, Sulfur and Magnesium, as well as 11 micro nutrients.

Only when a perfect balance exists between environmental, rhizospheric and technical modalities can plants flourish in growth and production to their fullest potential. The Quantum 9 cultivation modality of choice relies on water culture hydroponics for several key reasons. Free access to testing and data collection within the rhizosphere (now exposed through water culture) allows the use of selective ion-electrode sensors as well as gas chromatography–mass spectrometry analyses correlated against plant tissue samples and active cannabinoid presence analyses to pin-point the precise technical modalities, environmental modalities and nutrient profiles that will ensure optimal health and growth throughout each stage the plants life-cycle. The Quantum 9 research and development team have designed and produced proprietary hardware and software that will monitor, collect, analyze and remotely deliver over one thousand of these data points per second; and as the first fully automated and integrated grow room technology of it's kind; produce a level of control, reliability, and profitability that previously was simply an impossibility.

There are four main cultivation stages of cannabis for commercial production. The clone/seedling stage, the vegetation stage, the flowering stage and curing stage. Depending on the strain and cultivation method the plants can be ready to harvest in as little as nine (9) weeks and as many as twenty (20) weeks. During harvest time, the plants’ leaves are trimmed so that the flowers (or bud sites), where active cannabinoids are in the highest concentration, will remain. At this point, these flowers are either hung on lines or placed on racks for the first part of the curing process. The leaves and stems/branches do not possess sufficient cannabinoids to have any effect, and must be destroyed according to proper disposal regulations or be put to use for cannabinoid extraction and infusion. It is important to remember that though the typical curing process can go through several stages at differing dehydration rates, the process is not complete with the jarring and storage of cannabis flowers – there is no point in which flowers can be regarded as “finished.” The curing state continues as long as the cannabis exists, and quality control regulations must be in place and enforced to ensure immunity to contamination, proper moisture content, storage or inventory accountability, and appropriate labeling are policies unilaterally adhered to throughout the industry.

b. How Marijuana is infused into food and beverages

Cannabis infusion is long and complicated process that begins with the production of cannabis concentrates, or extractions from cannabis “trimmings” or flowers. Concentrates (often created in a

laboratory), are then infused into other ingestible products or packaged as pure extract for direct concentrated consumption. Historically Cannabis extraction began in Afghanistan, by rubbing cannabis flowers over a sieve to create “hashish.” Since that time extraction has gone through many changes and modern extraction facilities have several different extraction options available to them. Natural extraction options include ice water, dry ice, or sieve screening extractions; however the finished product rendered from these processes is more difficult to work with, as well as test and ensure consistency, so most modern production facilities turn to laboratory extraction processes using chemical solvents for their extractions. Chemically synthesized extractions can be performed in less-than laboratory conditions; however the flammable, explosive, and toxic nature of the chemical solvents used during the process creates many potential hazards without the protection of laboratory equipment. Chemically synthesized extractions utilize solvents such as butane, propane, isopropyl and hexane as carriers, or solvents which remove active cannabinoids from cannabis “trimmings” or whole flowers. Though chemical extractions have been criticized as containing trace elements of the solvent used they can be tested for solvent “residue,” which, if present, would pose possible negative health implications for consumers. As an alternative to this issue, some production facilities choose to extract their concentrates using carbon dioxide as the extraction solvent – a process that is both technically natural, as well as laboratory grade, so also testable, repeatable and consistent.

This product may also then used to make consumable products. Another method is to use heat to render the cannabinoids into a fatty substrate, such as butter, oil, coconut oil, or the like, and use that infused oil or butter in recipes. Much like preparation for other food and beverage products, there are endless recipes, refined over time and used in the preparation of proprietary formulas. The team has worked with infused products and chemical extractions for commercial sale for years, offering consumable options that have been measured and tested for consistency and potency, and safely packaged, transported and distributed for commercial use.

c. How Marijuana should be packaged, labeled, transported, and sold at retail level

It is essential to mandate transparent packaging and labeling requirements and establish clear processes regarding the transport and sale of cannabis and cannabis related products. Further, while it may be premature to determine whether vertical integration or independent production & retail outlets are pursued, we consider the ease of oversight in a vertically integrated model. Inventory management, product tracking, volume, theft, etc. are all most easily monitored through a vertically integrated system. Quantum 9 proposes that the State consider labeling standards from the Colorado Medical Cannabis Enforcement Division Rules (Ch. 14) in conjunction with an inventory management system which may be done manually or through a solution such as the Quantum 9 application as the basis for labeling standards. These standards will be paramount for the secure tracking of cannabis production, transportation, sales, recalls, etc. Under Quantum 9’s application, each individual plant is identified by a plant ID already containing batching and tracking information including license & facility origin, strain identification, and the specific batch/location of the plant, such that it could easily be identified for inventory and recall purposes from seed to sale.

Individual plant IDs are present and should be visible to allow growers, inspectors and consumers alike know exact information about the history of the plants, pieces, parts and extractions of the plants through a barcoded information system. This will be important for tracking, sales, transport, and recalls, etc. since the label itself will contain the plant ID, no matter which piece of the plant is in question. A licensed cannabis transporter that has been trained on how to deliver or return products should transport cannabis and cannabis products. Manifests should indicate where the cannabis has been created and where the cannabis is being delivered, how much is being transported, when it is being transported and delivery routes; all of which are data points tracked manually or through an application such as the Quantum 9 application and embedded within the plant identification barcode system. When

the destination location accepts the product the manifest, the transaction is completed and all data should be stored and made available in the event of audit.

Sales of cannabis will exist in a tightly controlled retail environment. A double entry system is proposed to allow a gatekeeper to verify the credentials of consumers prior to gaining access to the retail facility, with no direct street access. This creates an immediate safety and security measure and prevents unintended audiences (minors, curious passersby) from being exposed. Utilizing the unique identification number, customer purchase history is tracked and correlated with grow data allowing the correlation of information streams in a way that allows total accountability over quality control. All products identification barcode information contain its entire historical data stream including kilowatt usage, nutrient type, application rate, elemental usage, environmental information, along with countless others in order to ensure total quality control over all cannabis products at all times.

d. How wholesale and retail Product should be recalled and accounted for\

If the cannabis is not accepted by the retail location, than it is to be returned to the original cultivation facility. If the cannabis has been contaminated it is to be incinerated or destroyed. If the cannabis needs to be returned for quality reasons and has not been contaminated, the facility should be able to resell the product to another retail location.

It is possible to track and manage this entire process manually, or applications like Quantum 9 have proprietary technology to streamline the process from cultivation to the consumer purchase. Tracking should include the ability to attach unique identification numbers so that users can track cannabis. Plant identification should follow the plant from transport to point of sale. Tracking could also include the ability to identify which customers purchased a specific plant so that at any time a purchase history can be queried to identify whether a recalled product was consumed. When a recall happens the label will contain the plant ID and consumers may be notified. The consumer's contact information will be stored within the application that will be pulled directly off the customer's identification card during their first visit. A bar code scanner is an easy method to allow for quick population of this information for the first time visitors of the retail location.

The approach permits business owners to have full governmental oversight into what is going on within the facility. The oversight will happen at all levels including video surveillance integration to reporting that will be made available to the Washington State Liquor Control Board. Sales numbers, inventory levels, production numbers, and all supply chain management aspects will be tracked and submitted to the governing body to comply with all regulations that are determined from the final policy that is enacted in December of this year.

e. How Marijuana should be destroyed if overproduced, contaminated, or recalled

Destruction and removal of waste product, whether contaminated, recalled or over-produced is a delicate matter. The process must be secure from the diversion of cannabis and cannabis related material, ensuring access to its contents are securely outside of the reach of non-certified personnel. Furthermore the process must take place in a manner which does not adversely impact the community or disposal facility through fumes, unauthorized access to cannabis, or possibility of otherwise intoxication of the people and eco system it's disposed in. Several main disposal methods currently exist, some better suiting for regions than other. Some of the current methods in place include incineration, disposal as biohazardous material, and the mulching of material, which may be used for cultivation or removed to a waste facility.

The first safeguard for any disposal method's security is the camera and security system which record the initial destruction at the point of departure (grow facility) as well as its initial departure for transport. This, accompanied by a state issued manifest allowing licensed personnel to transport X amount of X waste product; on X roads, during X hours will be executed. When the waste product is received at this disposal facility it will be signed in upon each copy of the manifest and recorded in the waste facilities logs.

As to which approved method of disposal is in place for which facilities, it is important to take into consideration the location of the facility. It does not make much sense legally or fiscally to enforce burning procedures upon urban facilities, and likewise is not logical to force rural facilities to truck waste through populated areas for its disposal. Thus, the exact method of disposal should be a decision left up to city and county officials, who are in a position to apply which approved method of disposal, will best fit the needs of its residents as well as its production facilities.

2. **Experience.** In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.

The Quantum 9 team has been engaged on over one hundred consulting engagements as an organization, and its members have collectively and individually been involved in countless projects that span the globe and push the standard for scientific rigor and laboratory testing since the very beginning of the legal cannabis industry.

Business Compliance Solutions

The Quantum 9 team's flagship application offer the first total automated grow room technology and application, allowing unprecedented data stream collection and analysis. Within the stream, data point compilations take place on a second by second basis, and their record and analysis provides reliable and concrete -data based solutions- to all aspects of cannabis production, transport, sale, and quality control. The application also enables control over any hardware or software feature remotely via computer or cell phone. From remote camera and data stream access, or data dump downloads compatible with the full Microsoft technology stack, to total control over facility equipment; the remote capabilities of the Quantum 9 application make all aspects of quality control accessible from anywhere in the globe.

Quality Control

Cannabis should only be grown in licensed cannabis production facilities that are inspected on predefined as well as random (surprise) schedules. Trained state representatives should inspect the facility for infractions of the legal guidelines for cannabis production, the presence of banned chemicals, presence of pests or pathogens, (such as mold, mildew, or insects that may contaminate cannabis or cannabis products), and use of cannabis or other controlled substances while within the production facility; just to name a few. If engaged, Quantum 9 will use its proprietary data acquisition, recording and analysis technology to track all cannabis production, from seed to sale, on a second-by-second basis. The data collection software will ensure quality measures are met at every step of the way from production, transport and sales to storage, third party testing, and data management verification.

Integrated Pest Management

One of the biggest issues large scale cannabis production facilities face are pest and pathogens, whose damage can be responsible for the destruction of entire crops. Though the protection of production facilities is not the responsibility of the state of Washington, it is important to keep in mind that it is indeed possible that these facilities are using dangerous chemicals to protect their crops, chemicals that could possibly be passed on to the consumer. That being understood, the Quantum 9 data application tracks all information

on chemical use and recommends in IPM program that relies on other, non-chemical means of pest control. In any case, the presence of dangerous chemical "residues" within cannabis intended for ingestion is obviously a significant problem, and we recommend mandatory, random product testing for contaminants (both chemical as well as biological contaminants such as mold or mites,) in conjunction with the quantum 9 data point tracking system to ensure a quality control system with multiple safety checks in place.

Internal Controls

Quantum 9 stays at the cutting edge of Microsoft's technology stack and will employ SharePoint 2013 as its document repository and content management system. All engagement documents will be stored within the portal. All team events will be stored in team calendars, and it will be required that all team members use Microsoft products. Approval workflows will be used to manage policy documents with the final approvals being at the State level. When the project is over the entire SharePoint instance can be turned over to the State, and that portal can be integrated into the States systems. Sites will be created to help manage critical aspects of the project that will later be turned into divisions. Department sites such as Policy, Quality Control and Retail Location Management can be used to streamline the entire process. The task force that is assembled to carry out the policy can utilize the social capabilities of SharePoint in My Sites. Social My Site profiles can be created to manage the responsibilities and allow accountability to be viewed, but everyone involved.

From the project management angle, Microsoft Project 2013 will be used to manage all projects to help assign and manage accountability. Due to the deep integration with SharePoint 2013 document management and workflows will be integrated together into the Project Server instance. The project will be tightly managed with several project managers to help keep the project on track. Collectively, at the State level and at the Quantum 9 level, milestones and due dates will be set during the project start to make sure that the most important pieces are in place.

Since Quantum 9 plans on using a fair amount of consultants for this engagement, a timekeeping application will be used to give the State full visibility into all time spent on the project. At all times, the project owners at the State level can access the time keeping portal to see what tasks have been completed and what actual time has been spent on which tasks. The time keeping application will be linked directly into the invoicing application so that everyone that is a part of the project can see time that has been logged, billed and unbilled. Consultants will be required to submit their time into this time keeping application every Monday before close of business.

3. **Team Structure and Internal Controls.** In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.

The quantum 9 team is staffed with many of the world's leading experts in the fields of agriculture, horticulture, cannabis production, laboratory analysis of biological materials, computer programming and hardware design, just to name a few. Collectively, the team members represent over 100 years of experience in the field of legal cannabis production within nearly every nation or state with legislation allowing the legal production of the cannabis plant. It's members are published in journals and books including new your times best sellers as well as recipients of awards ranging from cannabis cups to a life time achievements. Quantum 9 provides a scientific and concrete alternative to old models of cannabis propagation based on the use of extensive data acquisition, collection, and analysis techniques developed by the Quantum 9 team and referred to as the Quantum 9 Data Stream.

If hired for the implementation and oversight of the Washington state recreational cannabis system the Quantum 9 team looks forward to working hand in hand with the Washington State Liquor Control Board to

design, execute and oversee a system that meets the specifications and desires of the state, the needs of the people, and provides a stable platform for producing substantial tax revenue for the state while responsibly providing safe, legal cannabis to the citizens of Washington state.

4. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Michael Mayes (Project Owner)

Michael is the founder of Quantum 9. Michael has over six (6) years of application development oversight experience and has dedicated over a year and a half into the application development of the cannabis application Quantum 9. Michael sits on the executive board of Critical Mass Industries since 2009; a Colorado based medical Cannabis organization, for over four (4) years. As a business owner and an application development lead Michael has done years of research into the compliancy requirements of one of the most tightly regulated Cannabis states in the nation, Colorado.

Michael has previously worked at the world renowned information technology firm, IncWorx Consulting, a Microsoft gold managed partner. There Michael has led enterprise engagements with fortune 100 companies such as General Motors, DELL, Rubbermaid and Unilever.

Kristi Kelly (Project Lead)

Kristi has led strategic planning efforts to launch Association of Cannabis Trades (ACT) for Colorado, an association to support independent Cannabis businesses through education and advocacy, and serving on the board of directors in the role of community outreach and legislative affairs, where she was appointed co-chair in 2012. She serves on the executive board of Cannabis Business Alliance (CBA), a chamber for cannabis business professionals. Kristi graduated with a full academic scholarship from the University of Maryland College Park in Journalism/Advertising/American Studies Honors program, with a current focus on social enterprise and ethical efficacy. She worked in marketing and advertising for over 16 years, and managed and led government, non-profit, B2B, pharmaceutical, retail, association/trades, and real estate, representing local, regional, national and international clients for both new and mature brands.

Her commitment to developing a strong framework for the safe and regulated environments translates into being one of the prominent faces in the regulated cannabis industry in Colorado, participating in policy development at the local and state levels on issues such as advertising regulation, legal driving limits, rules and regulation, and most recently, a self-regulatory model. She has testified on behalf of the industry as a business owner, association leader, and patient advocate, and been featured as one of the cannabis industry's "trailblazers" by The Hemp Connoisseur, as well as interviewed on 60 Minutes and local television affiliates.

Kristi joined the leadership team at the Denver-based Critical Mass Industries in 2010, initially as the company's first investor and currently leading Operations, Retail, Marketing and Compliance. The company's three successful medical Cannabis centers, as well as an infused products (edibles and concentrates) manufacturer thrive under her leadership, as well as all compliance and regulation for the entire supply chain (including multiple warehouse operations & cultivation to retail sale).

Sébastien Béguerie (Lead Consultant)

Sébastien will work directly under Michael and Kristi and is a Master Gardner Level III at Quantum 9. The bulk of the cultivation policy effort will be led by Sébastien Béguerie of Marseille, France. Sébastien holds a Masters in Plant Science and majored in Plant Tissue Culture. Sébastien performed his Master Thesis at the Laboratory of Plant Physiology of Wageningen University, under the supervision of Professor Harro

Bouwmeester and in collaboration with Bedrocan B.V. Wageningen in the Netherlands. His subject of study was production improvement of medicinal cannabis flowers using organic enhancer. Sébastien's bachelor thesis was performed under the supervision of Doctor Gianpaolo Grassi in the field of study cloning of medicinal Cannabis. Sébastien is the co-founder and coordinator of The International Association of Cannabinoid Medicine (IACM) in France and is revered as one of the most knowledgeable French cultivators in the country. Sébastien has performed hundreds of controlled laboratory tests on cannabis and has aided the French government in many policy outlines. Sébastien has over nine (9) years of experience within the cannabis industry and has specialized in product infusion and product safety.

Justin DeAngelis (Consultant under Sébastien Béguerie)

Justin has over fifteen (15) years of experience in the cannabis industry. Justin has owned, overseen, managed, designed, built, operated, and consulted for over fifty (50) large scale commercial facilities. His education, scientific approach, and experience in overseeing each and every facet of the medical Cannabis industry place him in the unique position of being Quantum 9's Head of Plant Nutrient. Justin has been instrumental in the Quantum 9 application development project and sits as the lead consultant of the Cannabis consulting practice. Justin is the founder of Silverton Hash Works, a Colorado medical Cannabis company. Before founding his own operations he worked as the Head of Quality Control and Grow Master at Sante Alternative Wellness. Justin has performed many cannabis tests during his time at Colorado Plant Nutrition Laboratories where his major interest of study was in cannabinoid development, and plant nutrition. Justin holds a BS in Agriculture and Horticulture from Rockhurst University.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Please answer the questions listed below, attaching additional pages as necessary:

5. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or expertise in Product Quality Standards and Testing, including but not limited to the following:

Colorado is the most regulated industry in which to operate a cannabis business; the testing laboratories of Colorado are subject to strict oversight as compared to other testing facilities in other states. Colorado is also the only state to currently offer licenses for testing facilities. CannLabs is one of two licensed operations in the state, and the only brick and mortar lab.

CannLabs offers full-service analytical cannabis testing facilities and consulting services. Operating by the philosophy that good science translates to good data, informed manufacturers and retailers, well-formulated products, and an accurate way to translate dosing to healthcare professionals, CannLabs has established the most credible cannabis laboratory practice in Colorado. Ten percent of the Colorado marketplace for cannabis testing is conducted by CannLabs. The standards of quality reflect a commitment to accuracy and consistency - from using the most widely-accepted methodologies, to maintaining tightly calibrated equipment with low tolerance ranges.

It is critical to employ high standards of laboratory testing in a controlled commercial laboratory environment. Cannabis' progression from being a black market commodity to legal in some states has led to some unqualified early adopter basement entrepreneurs and "scientists" trying to capitalize on the opportunity. These unregulated operations cannot adhere to scientific protocols and may be subject to inaccuracies as well as environmental and human contaminants. A similar analogy is that of the home brewer who wants to push product into the general marketplace. Absent assurances that proper production, consumer safety, security measures have been addressed, the product itself should not find its way into the marketplace.

- a. Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations

The state should review credentials, audit operations and issue licenses to testing laboratories. Laboratories should employ the following good practices:

Safe & Healthy Work Environments

- *Chemical Safety Protocols:* (proper storage, handling, disposing of toxic chemicals, appropriate safety gear (including but not limited to eyewear, gloves, protective clothing), waste disposal plans.
 - Samples, standard preparations and solutions are not to be stored longer than necessary. Samples need to be discarded promptly in accordance with existing laws.
- *Safe Environment:* Stations for emergency protocols including eyewash, spill kits and fire extinguishers, clearly labeled exit strategy
- *Employee Training:* Education about Safety, Testing and Emergency Protocols
- *Zoning:* Laboratories must be located in properly zoned commercial/industrial or mixed-use facilities, which would protect residential areas. All laboratories must comply with local ordinances.

Laboratory Instrument & Equipment Maintenance, Upkeep and Record Keeping

There are many steps to ensure that the testing is accurate which includes maintenance and upkeep to ensure proper function and quantitative output. Calibration of all instruments and equipment (pipettes, scales, etc.) should be completed by a third party vendor. Instrument calibration curves should have *at least* 3 points on the calibration curve.

There are several main components of cannabis that are commonly tested:

- Cannabinoids
- Terpenes
- Molds/Fungus/Powdery Mildew
- Pesticides
- Residual solvents (in concentrates)

Verification of testing reagents should be done using reference standards. Standards are materials containing a known concentration of an analyte. They provide a reference to calibrate analytical instruments or determine unknown concentrations. Third party standards can be acquired from several commercial vendors, or they can be produced internally if they can prove the purity and concentration. Standards and calibration curves need to be produced routinely, and documented to ensure that no systematic errors are occurring. Analytical instrumentation should also be tested for their limit of detection and scientifically validated for all methods/extraction protocols. Calibration curves established on all instrumentation should bracket the concentration range of unknown samples.

Record Keeping:

- Labs should keep records of all upkeep and maintenance of all instrumentation.
- All solvents should be dated upon entry into laboratory.

Sample Handling

Sample handling includes bio-sampling, intake, handling, amounts, paperwork, disposal, and production of internal standards. Cannabis samples should follow a strict chain of custody (manifest) in which trained lab technicians follow standard intake protocols including, but not limited to, sample documentation (weight/amount, type, date, identification, origin/source). Samples intended for testing should be kept in secure, cold, dark and air-tight conditions. Laboratories require safe and sterile

microbial testing (e-coli, salmonella), as well as safe and sterile locations for sample storage, including sample jars or bags that can be sealed and closed until analyzed.

Samples intended for contaminant analysis require additional measures to prevent cross-contamination. As evidenced in the experience section (following), CannLabs has a long history of collaborating with local and state governments and national groups to educate nascent cannabis communities about the necessity of testing to maintain a baseline for safe consumption of cannabis.

b. Assisting the WSLCB with establishing quality standards for testing Marijuana

Quality Standards

1. Data: Record-Keeping, Processing, Handling and Storage
 - Records should be maintained in a secure manner for at least 5 years
 - Transparency: Lab reports given to clients must maintain: date of analysis, sample type (flower, concentrate, edible), sample ID, and results.
 - Error values (+/-), limits of detection, limits of quantification
2. Training/Education for Staff

Laboratory personnel should have appropriate qualifications to fulfill their analysis/testing responsibilities.

 - Laboratory personnel including technicians, supervisors, directors, consultants, and managers should be required to meet minimum qualifications for competency, and should have relevant background/education requirements for high-complexity testing.
3. Security, Sanitation, Disposal

Adequate security measure should be provided for all labs that hold raw and processed cannabis materials and products.

 - Secure product in a safe or a locked, secured room for all unprocessed (waiting to be tested) samples.
 - In labs that test for contaminants such as molds, pesticides, etc., routine tests (i.e., swipe test) are needed to prevent contaminants from reaching detectable levels in the laboratory environment.
 - Workspaces, instruments, biological tests need to be cleaned/sterilized between use and documented in a maintenance log.
4. Contingency

Cannabis science is still evolving. The State should build flexibility into quality control practices and testing standards to allow for incorporation of new technology and methods.

6. **Experience.** In two (2) pages or less, please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.

The CannLabs team possesses the credentials to implement I-502 with a focus on cannabis health, safety and laboratory practices, with an experienced and science-driven approach that incorporates accepted laboratory practices from the American Herbal Products Association (AHPA), Federal Drug Administration (FDA), Drug Enforcement Agency (DEA) and the United Nations (UN). CannLabs also implements Good Laboratory Practices (GLP).

At CannLabs, High Performance Liquid Chromatography (HPCL) is used to identify and quantify the measurement of the constituents of all medical plants, including that of cannabis sativa. It is the world standard for cannabis potency testing to avoid chemical modification to the plant cannabinoids, and the plant constituents are kept in their naturally-occurring forms. This provides true data for both acidic (e.g. THCA, CBDA) and neutral (Delta 9-THC, CBD, CBN) cannabinoids.

When HPCL is partnered with calibrated instrumentation (i.e., scales and pipettes) and third party standards, which ensure proper calibration for consistent and accurate test results, CannLabs is able to deliver accurate testing outcomes. Finally, CannLabs uses proper waste removal for hazardous substances such as lab solvents and residual cannabis sample material. Adherence to the highest quality of standards that has garnered the respect of the community and established CannLabs as a leader. CannLabs is a member of the National Cannabis Industry Association, partners with various physicians for patient education via literature and seminars, as well as representing Colorado in collaboration with laboratories in other medical marijuana states. The laboratory team has been in operation since April 2010. The CannLabs laboratory team includes chemists, microbiologists, electrical engineers and laboratory technicians.

The CannLabs Consulting team consists of a team of subject matter experts who are retained as demand requires.

- BS Biochemistry from Leiden University, Netherlands
- MS of Science (Natural Product Chemistry) Leiden University, Netherlands
- PhD Chemistry from University of Southern California

CannLabs' team has had the unique honor of participating in the development of the medical marijuana and Amendment 64 (Campaign to Regulate Marijuana Like Alcohol) in an advisory capacity in rulemaking as well as legislation.

7. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Genifer Murray, CEO, Founder, CannLabs

Genifer's prominence at the state and national level as a respected subject matter expert regarding cannabis testing makes her an ideal team leader for Product Quality Standards and Testing.

In addition to starting CannLabs, the gold standard cannabis testing facility in Colorado, and managing the laboratory and science team, Genifer has long been an advocate for responsible testing. Genifer founded Colorado's Medical Marijuana Enforcement Division's Medical Cannabis Testing Coalition, which was responsible for developing analytical testing standards for the State of Colorado, and she sits on the board of the Women's CannaBusiness Network, an affiliate of National Cannabis Industry Association. Genifer was recently selected to participate in the landmark Colorado Governor's Task Force to implement Amendment 64, Colorado's initiative to regulate cannabis like alcohol.

The National Marijuana Business Conference invited Genifer to be a panelist in the recent October 2012 conference, and she co-authored an article about good laboratory practices in MMJ Business Daily in October 2012. Genifer has a BS in Microbiology from Colorado State University.

8. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminants, and Product strain.

Variables including budget, human resources, and degree of measurement required, combined with the State's objectives, inform the most appropriate approach and methodology. CannLabs would develop a recommended approach based upon the State's needs regarding the instrumentation and deployment methods and needs. The solutions range from simpler testing options available for an upstart cost of \$50,000 to upwards of half a million dollars for gas and liquid chromatography. The protocol methodologies identified by the state entail the use of different instrumentation for different measurement, and will be expanded below:

Method

All of the tests below can be done using chromatography (liquid or gas) using specific detectors, budget permitting. Whether liquid or gas is used is contingent on a variety of factors, although other methods are also available that can yield results for a more achievable cost. For testing of potency, pesticides and residual solvents, a chemist is required. For microbial testing, a biologist is required.

Potency of Cannabinoids

The chosen analysis method must be capable of reporting cannabinoid acid (TCH/CBD) components such as liquid chromatography.

- **CBD:** Cannabidiol is a cannabinoid that shows great medicinal promise. There are countless clinical tests being conducted using this medicine. Typical amounts in bud are less than 1%; an "enriched" strain may contain 4% CBD or more. For non-CBD strains typical amounts in bud are less than 1%. However growers have been breeding for high CBD and we are starting to see more and more CBD in flowers. We have seen 7% all the way to 20% in flowers and up to 85% in hash oils.
- **THC:** Delta-9-tetrahydrocannabinol is the principal psychoactive constituent of the cannabis plant. Typical amounts in the flower are between 8% - 20%, depending on the strain. These values are much lower in tinctures and creamery butter, and can exceed 80% in hash oils.
- **CBN:** Cannabinol is the natural degradation byproduct of THC, and is non-psychoactive. Levels in flower are typically less than 1%. Usually when there is more CBN in the product the older it is.
- **THCA:** Tetrahydro-cannabinolic acid is the biosynthetic precursor of THC and naturally occurs in fresh, undried cannabis plants. Once it is dried and heated (decarboxylated) it converts to THC.
- **CBDA:** Cannabidiolic Acid is the biosynthetic precursor of CBD and naturally occurs in fresh, undried cannabis plants.
- **THCV:** Tetrahydrocannabivarin is a homologue of THC having a propyl (3-carbon) side chain. It is found naturally in Cannabis. Once a chemical reference standard is available CannLabs will be testing for this molecule.
- **CBG:** Cannabigerol is non-psychoactive cannabinoid found in the cannabis plant. It is found in higher concentrations in hemp. It also has been shown to relieve intraocular pressure, which may be of benefit in the treatment of glaucoma.
- **CBC:** Cannabichromene is a cannabinoid found in the cannabis plant. Evidence has suggested that it may play a role in the anti-inflammatory and anti-viral effects of cannabis, and may contribute to the overall analgesic effects of medical cannabis.

Pesticides

There are thousands of available pesticides and it would not be practical to test for them all. Each test requires its own independent testing standard. It is strongly recommended that as a part of the regulatory process, the State identify permissible pesticides for cultivation for commercial use. By limiting the list, the

approved pesticide standards may be obtained by testing laboratories to identify source chemicals. For pesticide testing, the analysis method would include gas chromatography mass spectrometer with an acceptable detector or liquid chromatography mass spectrometer, and residual solvents, among others.

- **Microbial testing:** The most common method of identifying the presence of microbial agents is to swipe a plate and wait seven days to see an result, although there are other means of testing.

Microbial testing can be done looking for colony-forming units. These tests have a broad standard of measurement (poor/fair/good) in terms of categorizing contamination.

- **Concentrates:** Residual solvent testing identifies the presence of remaining solvent (butane, propane, hexane, alcohol) in parts per million. It's important to understand how much solvent remains, vs. what has been purged. This form of testing is achieved with gas chromatography headspace, which lights the sample and analyzes the gas remaining at the top of the sample vial. This could also be done with GC mass spectrometry. GC mass spectrometry identifies every element, and the concentration of each element in a sample.
- **Terpine Testing:** Terpine testing is mandated in states like Connecticut. It tests the flavor and fragrance components of the cannabis, and can be beneficial because certain terpenoids have medicinal benefits. The synergy of terpine and cannabinoids are most useful in providing solutions to cancer, epilepsy and other known medical ailments facilitated by cannabis. Budget permitting, terpine testing is useful. Washington is not focusing on the medical benefits in A501, therefore this may be a future consideration.
- **Product Strain Testing:** With today's science, there is not a practical way to do product strain testing. The reason is that even within a single strain in a single cultivation facility, the variations within one garden could produce genotypical or phenotypical variations that could, depending on the test, look like a slightly different strain. Amplify this effect by many and strain-specific identification becomes somewhat challenging, particularly as different growers and regions produce variations of the same strain, like vintages of a wine or fingerprints for a human. The more important consideration is potency testing, because it works like a proof system in alcohol.

Methods for Different Samples

- Proper extraction methods are critical. For example, when prepping a flower sample, a different amount of solvent is required than for an edible or concentrate. There are different extraction methods for topical such as lotions, salves, lip balms, etc. When submitting products for sampling, proper labeling and management should be used.
- Flower Testing: The sample should be properly cured, as water weight from a wet sample affects testing. Ideally the sample weight would be approximately .5g, which requires 40ml of solvent
- Edible & Tincture Testing: A full unit is required for testing. You cannot take a part of an edible; the complete edible needs to be tested to allow for the most homogenous test. With edible testing, there is no standard amount of solvent as the unit of testing varies by recipe and item. Dissolve the edible until the cannabinoids are extracted
- Base oils, hashes, wax and butters: A minimum .5g sample is required
- Cooking oils: 1-2 g sample is required

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Please answer the questions listed below, attaching additional pages as necessary:

9. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise to estimate Product Usage and Consumption levels by geographic areas in Washington State.

Product usage and consumption levels need to be properly anticipated to create an appropriate supply chain for the demands of the regulated market. This will be accomplished with two concurrent approaches. The first approach relies heavily on statistical data that is derived from live sales data. The other approach will consist of market research analysis. The market research component will be handled by Fieldwork, Inc. The Fieldwork team will assign six (6) project managers that will categorize the state into six sections. The locals will be county specific and each individual project manager will be responsible for their respective territory. During the statistical analysis phase from engagement start until the end of the year, the entire product usage and consumption validation will be handled by these six project managers. In this time, the project managers will derive a plan that is zone specific to their territory that will set the usage totals for the next year. The usage totals will be reviewed every two years to ensure accuracy.

This approach is very "hands on" and will include focus group sessions, online surveys, direct mail and phone campaigns.

The Analytical Approach

The Quantum 9 technologist group has been engaged to perform enterprise information technology consulting for some of the largest companies in the nation. The use of technology makes the Quantum 9 approach sound since statistical analysis utilizes heavier upfront costs and less expensive after the programs are developed and implemented. If engaged, Quantum 9 recommends the use of Microsoft technologies to store and display data. Microsoft SQL Server 2012 will be used as the database to store all data. This database was selected due to its always on features ensuring reliability. Availability of the application and the data it contains can only be ensured by having failover databases that stand ready if the production database goes down. This is due to the database failover architecture that supports the application utilizing Microsoft's SQL 2012 always on feature set. The reliability and security of data is only one piece of this puzzle, the second half is rendering that data with usage and production numbers that will help state official's monitor and review numbers quickly to determine outcomes. At a glance the user can see the following:

- All grams on shelf at all retail locations
- All sales made between any period of time from any area
- Year to year sales charting, with calculated projections
- Facility profiles that track all grams created
- Revenue earned

The possibilities of what can be tracked are only limited to the end users need to make decisions. For product usage Quantum 9 would architect a page that clearly shows the consumption totals with drill down ability. The drill down ability could start as high as the state level and drill down to each county. This could tie hand in hand with the amount of licenses that are provisioned.

The In-Market Approach

The above analytical approach will be coupled by in-market teams that will conduct focus groups to validate the statistical analysis against key stakeholders. The goal will be to obtain a statistical subset of the target demographic of cannabis users and stakeholders. The Fieldwork team will deploy their market research team several times within the year. Fieldwork is an expert partner in online research. They have a dedicated employees trained to ensure, quality recruiting, and great hosting staff at Fieldwork facilities. Fieldwork offers the following:

- Virtual Facility
- Synchronous video and audio discussion
- Webcams
- Presentation and Collaboration Tools
- Discussion Boards
- Asynchronous Discussion Board
- Flexible Security
- Video Diary style uploads Cameras provided
- MROCs
- Dedicated Online Communities
- Short term and Long term projects
- Online Surveys
- Hosted Satisfaction Surveys
- SiteDrop Exit Interviews

Between the statistical quantitative approach and the in-market approach both methods will have tremendous results since one relies on the other for data to validate or debunk a theory.

10. **Experience.** In two (2) pages or less, please describe your firm's experience in statistical research, specifically related to determining demographic and/or psychographic segmentation, preferably related to the use of Cannabis.

Quantum 9's experience and dedication to the seamless integration between information technology and industrial cannabis production is exemplified by the hardware and software application of their creation. The application was created in an effort to maximize data acquisition throughout the entire industrial process, (tracking not only seed to sale, but also consumption and post consumption data,) in order to acquire a complete data matrix capable of extrapolating demographic and psychographic cannabis consumption paradigms with scientific exactitude. Through the use of In-market teams, social media, and post production laboratory testing the Quantum 9 application is able to take data finalization far beyond simple correlation between production and consumption. The ability to track data points beyond the point of sale enables accurate predictions about future business, appropriate production rates, product placement, inventory location, and annual taxation.

A few examples of Quantum 9's experience in cannabis usage and consumption demographic and psychographic segmentation analyses:

Quantum 9 was hired to analyze the target demographic and psychographic data for a large scale cannabis production facility for the purpose of target marketing. Upon the analysis of the company's historical data, correlated with the Quantum 9 applications social media component and Fieldwork market research; Quantum 9 was able to align each store's inventory with the market demographic of its geographical location. As a result the company saw a 37% increase in sales across the board.

Quantum 9 was hired to stream line the distribution chain for a multi-location cannabis corporation. Due to the tracking features of the Quantum 9 application the cannabis production facility was able to receive up-to-the minute notifications on the supply levels of each product at each one of its retail locations. Furthermore, the tracking system automatically estimated the duration each product would be available at each location enabling the production facility to not only fill orders prior to their depletion, but institute a production schedule that was in synchronization with its patient's consumption.

Quantum 9 was hired by a prospective investor to analyze the profitability of a specific production facility for the purpose of purchase and operation. Using the virtual facility application the Quantum 9 team created an investment prospectus that enabled the analyses of many different build out procedures; grow methods and varietal species selections. In each case detailed reports were generated which highlighted enumerated comparisons between various equipment packages, grow methods, and techniques. The prospectus reports generated by the Quantum 9 application, (which include start up, operation and overhead costs, as well as gross and net profit generation break downs for each configuration of each facility) made the appropriate procedure for profit maximization clear to our client.

Aside from these examples of the Quantum 9's teams experience in the field of cannabis consumption's demographic and psychographic segmentation analyses, our team members have individually been contracted to participate in countless ground-breaking projects all across the globe.

Case Study

Company: Good Meds Englewood

Project Duration: 12 Months

Quantum 9 was engaged by a licensed medical marijuana company in Denver, CO that currently runs and manages three (3) medical marijuana centers (MMC), two (2) optimal premise centers (OPC) and a manufacture of infused products facility (MIP). The main focus of the engagement was to clearly manage supply and demand while managing facility upgrades and employee acquisition. Trending, supply chain management, historical analysis and cultivation upgrades were all focuses within the engagement. The main focus however was to meet the needs of demand from each of the MMCs and supply enough products from the OPCs and MIP. Due to the added complexity of electrical upgrades and seasonality Quantum 9 had to deliver a supply and demand matrix that clearly depicted all cultivation supply scenarios that met the needs of the all three locations.

11. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Michael Mayes (Project Owner)

Michael is the founder of Quantum 9. Michael has over six (6) years of application development oversight experience and has dedicated over a year and a half into the application development of the Cannabis application Quantum 9. Michael sits on the executive board of Critical Mass Industries since 2009; a Colorado based medical Cannabis organization, for over four (4) years. As a business owner and an application development lead Michael has done years of research into the compliancy requirements of one of the most tightly regulated Cannabis states in the nation, Colorado.

Michael has previously worked at the world renowned information technology firm, IncWorx Consulting, a Microsoft gold managed partner. There Michael has led enterprise engagements with fortune 100 companies such as General Motors, DELL, Rubbermaid and Unilever.

Sammy Dev (Lead Technologies Quantum 9 Chief Technology Officer)

Sammy has been engineering software solutions for the last 20+ years ranging from C++ in embedded device environments to C#/.NET. Sammy specializes in Silverlight/WPF/WCF technologies and all aspects of SharePoint administration, architecture and development. Sammy holds a Masters in Computer Sciences with a Bachelor in Mechanical Engineering from California State University. From Quantum 9 Sammy performs daily activities including executive management, application development, security and infrastructure consulting. He has been engaged in over hundred consulting engagements to perform

application development ranging from Java to .NET and specializes in Microsoft technologies including SharePoint 2013 and SQL 2012.

12. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firm's proposed approach and methodology to be used for Product Usage and Consumption validation as requested in this RFP, to estimate demographic and psychographic segmentation, specifically related to the use of Cannabis.

Quantum 9 performs statistical data acquisition and analysis as an offering to clients in order to streamline the supply chain management of cannabis from seed to sale. Product usage and consumption levels are paramount in the supply and demand matrix and the Quantum 9 application has the ability to track data from sales and consumers that will provide the foundational framework for understanding a production model that will be profitable as well as safe and regulated.

If engaged, Quantum 9 teams begins their initial study of all historical supply and demand statistics available to the State, after the local historical data has been digitized, it is analyzed along with the rest of the Quantum 9 database (an ongoing data collection center fully integrated and compatible with the Quantum 9 application as well as the entire Microsoft technology stack) and initial understandings of market curvatures, logistics, integration, consumption and initiation of a virtual model that will track implications or consequences of possibility actualization for the state of Washington.

Quantum 9's analytical approach when addressing usage and consumption validation is derived from analyses of this raw data acquisition. There are 6,897,012 people in Washington State. There are an estimated 99,943 patient card holders in the State as of December 2012. The approach Quantum 9 would take, if engaged, would be to maximize tax revenue from taxing the consumption of the plant. The proposed regulatory system would require business owners to record all purchases made across all retail locations to better understand the consumption habits of consumers. Concurrently, as a safe guard against error and fraud, the Quantum 9 application system would track each piece of meta-data pertaining to the production, transport, sale, consumption, payment, and taxation of this entire logistical process. These numbers can be tracked in the Quantum 9 master database, in real-time, and on a continual basis in order to allow the State to both monitor regulatory system proficiency, as well as industry compliance. In addition to this, the data stream analyses will also provide the basis for a scientifically grounded management system that will have the ability to regulate supply and demand for the optimization of maximum taxation revenue.

The use of case studies, focus groups and round tables during the first year are just a start. To estimate the product usage of the general public, all tools will prove invaluable data in establishing an altitudinal baseline for key stakeholders. Our approach would blend analyses of baseline trends identified by the case studies, focus groups and round tables, then, layer and refine findings through the analysis of a state database that tracks inventory, retail demand, customer and, transit manifest history, including any and all aspects of production and sales. The goal is to use market demand and production analyses for the market stabilization of cannabis in production to allow the maximization of tax revenue for the State. However, this does not always mean selling the most amount of cannabis. If the State does not address the supply chain management properly, lost revenue can be in the millions. The analytical data that is collected through the Quantum 9 application will clearly depict (through real-time data stream acquisition and analyses,) the following:

Buying Trends: Which months are the most popular for cannabis sales? Which months are the slowest for cannabis sales? When has the cannabis supply been historically low? When has cannabis supply been historically high?

Demand Trends: How much cannabis needs to be produced to keep prices high, usage low and tax revenue the highest possible? How many cultivation centers are needed to keep supply and demand from becoming unprofitable?

Buying Habits: How do we keep cannabis out of the hands of minors? How do we prevent people from not operating heavy machinery or automobiles under the influence of cannabis?

Demographic Trends: Which audience segments are heavy adopters? Where are the growth areas?

Buying habits will fluctuate especially in the first year due to the novelty of purchasing cannabis at the retail level. There is a possibility that these customers will not be repeat customers and data usage could very likely be skewed. This is why the goal is to avoid simply taking a subset of the population and systematically guess as to what usage trends "could be." Instead, the acquisition of concrete data will allow for swift, reliable, decisive action that has the capability of circumventing potentially problematic issues prior to their actualization. For example, if the State ties licensing approval to inventory levels at retail locations (data points continuously tracked and reported by Quantum 9 software), then in real-time, licenses can be granted per district so that cultivation center licensing coincides perfectly with market demand.

It would be a grave injustice to over supply the market and drive consumption numbers up due to ease of access from inexpensive product. To extrapolate the licensing approval metrics one could analyze the production numbers by facility and historical demand to see if an additional cultivation facility is needed. The amount of cannabis that can be produced from a facility can be acquired via meta-data collection, including space, equipment, plants numbers and harvest tracking. To keep cannabis prices high the State has to delicately balance the amount of supply that is available. If too many licenses are given than too much supply will flood the market. Demographic and psychographic segmentation can be achieved by tracking pieces of meta-data about each customer pertaining to sex, gender, age, purchasing habits and other psychographic data within the Quantum 9 application. In addition, this can correlated with cultivation data which can be analyzed to help the State ensure that the amount of regulated cannabis being introduced into the market is compatible with producers, retailers, consumers, consumption and a stable marketplace- in real time.

All of this data can be analyzed, processed and benchmarked within the Quantum 9 application. Trends can be monitored to help dictate the sales tax that can be charged for cannabis at any given time. Once the analytics are captured Quantum 9 will engage Fieldwork to better understand the analytical trends. This will prevent the State from sequestering the help of extraneous personal until concrete data has been obtained. Fieldwork is a leader in world-class marketing research services for over 30 years. Fieldwork offers seventeen (17) world class facilities located in twelve (12) markets coast to coast including Seattle. Each is superbly equipped to provide the latest technology, award-winning recruiting, and hospitality. To streamline the fielding process, Fieldwork offers Fieldwork Network, a team dedicated professional analysts to managing multi-market studies from start to finish; both in Fieldwork offices and in non-affiliated facilities.

In conjunction with the Fieldwork team, the consultants at Quantum 9 will help the State understand and implement the best way to address each and every management aspect of this new legislation, while at the same time optimize the amount of tax revenue that can be generated from industry commerce. Although the team is intimately familiar with cannabis regulatory systems, and has many ideas for both implementing working structures from current global legislation, as well as ideas for improvements upon old systems; if hired, they will take an agile approach to this project - in that - they will let both the desires of the Washington state liquor control board as well the acquired data act as the primary guides for the design and implementation of Washington states recreational cannabis regulatory framework.

Quantum 9 provides the most scientific and reliable means of data acquisition, storage and analysis in the field of agriculture and cannabis production. Through the use of our proprietary hardware and software it is

possible successfully overcome any problematic situation that could arise with the utmost confidence and reliability. It would be our most profound pleasure to work hand-in-hand with the Washington state liquor control board, as well as the people of Washington State, in order that we may play a role in the creation of the United States very first legally regulated recreational cannabis system. With great anticipation we look forward to better understanding how we can design and implement a hardware and software package to meet the specific needs of both the Washington State Liquor Control Board, as well as the people of Washington State during such a monumental moment in our nation's history.

CATEGORY 4 – PRODUCT REGULATION

Please answer the questions listed below, attaching additional pages as necessary:

13. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise in Product Regulation, including but not limited to, the following:

The primary objective with developing a statewide framework that emphasizes strong regulation is to preserve the tenuous balance between state's rights and Federal domain in an environment where the Federal Government maintains cannabis as a Schedule 1 illegal narcotic.

Kristen is the principal at Thomson Public Affairs, LLC, a specialty political consulting and lobbying firm that caters to clients in regulated industries.

In the 2010 Colorado General Assembly, Kristen was one of two lead lobbyists that passed the country's first, and only law for the state-regulated for-profit regulation of the dispensing of medical marijuana, representing the two largest cannabis business associations Colorado, Cannabis Business Alliance and Medical Marijuana Industry Group. This ground-breaking legislation had never been attempted, let alone achieved, in other states and gave birth to a new industry that has added tens of thousands of jobs and over \$20 million in new revenue to the state.

The sensitivities of negotiations were vast:

- Prevention of diversion and abuse, not only within the state to non-medical patients and youth, but also a larger concern across state lines, from individuals, groups and organized crime.
- Keeping organized crime and illegally-sourced financing out of legitimate medical enterprises
- Establishment of a controlled and regulated environment for growers, retailers, caregivers, patients, and the ancillary businesses that would grow from the community
- A licensing framework for businesses, as well as a medical framework for patients
- Navigating the concerns of local communities: safe and practical distribution channels that would not corrupt communities
- Establishing parameters to which aspects of regulation fell under state demand and local authority
- Engaging stakeholder audiences such as law enforcement to consider the nuance of illegality vs. medically permissible use

- a. Experience with State, local or Federal government processes and procedures

Regulatory Framework & Creating/Modifying Rule

Through Thomson Public Affairs, Kristen has represented a pragmatic viewpoint with regulation. This viewpoint has worked well in close conversations with the forefathers of Colorado's regulation via the Medical Marijuana Enforcement Division who developed an ambitious framework that had never been road-tested and was evolving day by day, rule by rule, in the early days of regulation, as well as the pragmatic successors who were able to benefit from the lessons of time, distance and regulation. Kristen coalesced

with the 4 largest medical marijuana markets (soliciting input from local business owners and employees, authorities, law enforcement, and patients) in the state and submitted a draft revision of the rules reflective of real world input after a full year of implementation had been afforded to Colorado's Medical Marijuana Enforcement Division.

This cross-section of perspectives is critical knowledge to impart upon Washington as the state grapples with many of the same issues in a legalization environment.

b. Experience in crafting system regulations

Kristen's work was essential in the implementation of modifying Colorado's pivotal state law, HB-1284, with what is known on familiar terms as the "medical marijuana clean up bill", SB-1135. Again representing the responsible business owners within the cannabis community who were actively working to exist within a framework of complete legal compliance, issues that were presented with the real life execution of the bill became addressed and "fixed".

14. **Experience.** In two (2) pages or less, please describe your firm's experience in working within the confines of a regulatory system, and experience in creating and/or modifying rule, law, ordinance, and/or guidelines.

Since the passage of this law, the revisions of the original law and 3 years of rule-making, Kristen has developed a comprehensive knowledge of the interaction between the needs of local communities, law enforcement, marijuana producers and retailers, and enforcement agencies. Through this work, Kristen has become known for being a collaborator and coalition-builder in ensuring balance is struck between the needs of the various interests as well as meeting the political goals of the legislature and governor.

15. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Kristen Thomson, Regulatory Team Lead

Kristen brings over 14 years of policy expertise, evolving a practice area in highly-regulated industries. Legislative relations, grassroots organizing, community outreach, public policy, political campaigns, business development, policy analysis and coalition-building are incorporated in the diverse skill set that Kristen brings to Thomson Public Affairs.

Kristen has worked in Washington, DC, and focused the majority of her time in Colorado seamlessly navigating the varying interests of local and state legislators, governors, enforcement agencies, and more, while also building grassroots support for her clients' initiatives through industry trade groups. This has parlayed into a successful track record in terms of cannabis regulation. Kristen's objective position on cannabis has made her

Kristen possesses a BA in Political Science from Colorado State University.

16. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB with developing rules and a regulation strategy for the state of Washington's new Marijuana System.

Sections 9 and 10 of Initiative measure 502 deal with the design of the regulations necessary for the implementation of the measure that must be met in a short time frame. While fairly specific to the regulatory questions that must be answered, these sections closely mirror the requirements specifically

contained in Colorado's Medical Marijuana regulatory framework. A number of the questions to be addressed have been contemplated by Colorado lawmakers, regulators, law enforcement, and local governments, and are currently being achieved by marijuana producers and growers in the state. No regulatory structure is perfect, but three years of implementation and identification of problems and solutions, and massaging of the law and rules is a good place to start from building a regulatory framework.

At the basis of this proposal is combining the expertise achieved and relationships built by a team of growers/retailers and policy experts from Colorado with drug policy analysts from California to build an advisory committee spearheaded by the regulatory agencies in Washington tasked with the implementation of Initiative Measure 502.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ <u>150</u> p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ _____ p/day

Norton, Melissa K

From: Bailey, Aaron Duane <aaron.d.bailey@email.wsu.edu>
Posted At: Friday, February 15, 2013 1:49 PM
Conversation: RFP-K430, Reel Line Business Services
Subject: RFP-K430, Reel Line Business Services

Washington State Liquor Control Board,

This is a submission for I-502 implementation proposals by Reel Line Business Services.

Thank you for your considerations.

Aaron D. Bailey

President Reel Line Business Services

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / **are not submitting proposed Contract exceptions.**
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Aaron D Bailey
 Proposer Signature
 President/Owner

 Title

Reel Line Business Services
 Company Name
 February 15, 2013

 Date

Remark regarding Proposer's Authorized Offer signature page

We would like to reserve the right to propose contract exceptions if and when contract negotiations begin regarding #6 on the Proposer's Authorized Offer signature page.

PROPOSER INFORMATION

Proposer Profile:

Firm Name	Reel Line Business Services
Street Address	406 Benham St.
City, State, Zip	Richland, WA 99352
Federal Tax ID Number	PersonallInfo
UBI	603272646
Website URL	N/A

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name:	Aaron D Bailey
Telephone:	509-438-4426
Email:	aaron.d.bailey@email.wsu.edu

Payment Options:

YES x NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount _____% _____ days, net 30 days.

YES x NO Will you accept the State's Purchasing Card (P-Card)?

x YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	x
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 2

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 3

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 4

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

LETTER OF SUBMITTAL

February 15, 2013

Washington State Liquor Control Board
Olympia Washington

Dear Board Members and Others involved with the implementation of I-502:

It is our intention to help facilitate the implementation of I-502 with ideas, evaluations, analyses, case studies, and other research methods to ensure the most beneficial and safest outcome with the least amount of concerns for the public. I am confident that my background, knowledge, and current involvement in education will allow Reel Line Business Services insights and networks to make connections with available and relevant information, helping the State of Washington and the Washington State Liquor Control Board to develop a model appropriate to the consumer demand, safety to the public, and to the consumers. Another aspect that we intend through this contact, is to help develop or catalyze the development of research throughout the State's University system in various methods and points of interest and concern regarding marijuana and I-502.

- **Reel Line Business Services**
- Aaron D. Bailey
President/Owner
- **Phone:**
(509)438-4426
- **Address:**
406 Benham St.
Richland Washington 99352
- **Email:**
aaron.d.bailey@email.wsu.edu
- Reel Line Business Services solely operated and located at 406 Benham St. Richland Washington 99352 and is the location of the facility from which the Proposer would operate. A new location, if the contract were to commence, would be filed and changed appropriately.
- Reel Line Business Services is responding to the following Categories:
 - Category 1: Product and Industry Knowledge
 - Category 2: Product Quality Standards and Testing
 - Category 3: Product Usage and Consumption Validation
 - Category 4: Product Regulation

Aaron D Bailey
Authorized Representative Signature

President/Owner
Title

Reel Line Business Services
Company Name

February 15, 2013
Date

Abstract

As the implementation of I-502 is a large challenge in a short time, it is important that we define the type of markets that we want to develop and how we want to develop them while remembering that it is similar to agriculture products as well as the tobacco and the liquor industry. Also, too many regulations and strict manufacturing protocols could keep the industry from satisfying demand by restricting product differentiation, which will be key for this industry. We also need to foresee problems between the relationships of the producers, processors, and retailers. An equal splitting price tier may cause future problems due to the differences in inputs from the different areas of producing and processing as well as operating a retail store.

With the country and world watching, we are motivated to ensure that the market and industry be developed to ensure the public and consumer safety while allowing for growth in the industry as well as other industries such as tourism, seed production, and manufacturing of other consumer goods related to this industry.

NON-COST PROPOSAL

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

1. Ability, Capacity and Skills.

Our firm has knowledge on how Marijuana is produced in several different methods of indoor and outdoor cultivation such as soil, rockwool, hydroponics, deep water culture, airoponics, aquaponics, and several aggregates. As there are many ways to produce marijuana, there are just as many ways to cure it, but the basic principle of growing, cultivating, and drying is the same as products similar that are also a majority water at harvest, and have the need to be propagated through seeds or cloning. Marijuana can be treated like most agriculture products. They have variations on specific needs for distinct differences in genetics of the plant such as time to maturity, nutrient ratios, and amount of light needed with cannabis genetics differing in 3 major categories of Sativa, Indica, or a mix of the two, in which different qualities and attributes will be yielded. The plant must be dried fast enough to not spoil (mold and other forms of the degradation of plant matter), and slow enough to go through the remaining processes and breakdown of chlorophyll, the green nitrogen containing pigment. This process will vary depending on water content in the plant and the humidity of the environment as well as desired differentiations from processes (Fast cure, Slow cure, Hang cured, Wood Box cured, or Glass jar cured just to name a few). Hard and improper handling will decrease the value of the marijuana, as the flowers are sensitive and will lose potency and attractiveness. Clean air environments benefit the plants health and minimize the exposure to contaminants during growth and curing. Flushing or feeding nothing but water for the last 10 to 14 days is necessary to rid the plant of nutrient residues for esthetics and safety, no matter what products are used for feeding.

There are some concerns about different types of pesticides and through the evaluation of residues and chemical breakdown rates, we will find that some pest controls will be more viable, and as usual, there are natural variations of pest control which include predatory bugs. Limits of acceptable levels of chemicals if any and bug poop if any should be determined as Marijuana does not rinse well unless being processed for ingestible consumption. The active ingredients are not water soluble but chlorophyll and other water soluble substances can be soaked out of the plant matter.

Marijuana is infused into food products though solvents and non-polar substances that extract the cannabinoids and other resin from the plant matter: Marijuana can be extracted from with a variety of substances, in which some are not suitable for human consumption. Heat activates the THC when using non-polar substances such as butter or oil (some form of fat), while activation occurs with contact from solvents. Solvents are generally flammable. Ethyl alcohol and food grade glycerin are the only solvents that we know of that are safe for human consumption. This process can be done with the various parts of the Marijuana plant (stem, leaf, and flower). Seeds can be used also, but there are some quality issues because of the difference in makeup of the seeds to the other plant matter (bitter). Generally because of the extraction and limited dissolvability of THC and other cannabinoids (CBD's and CBN's) into solvents and non-polar substances, higher quality parts such as the flower or bud would be a more expensive differentiation that someone would be less likely to use due to cost and effectiveness using lower grade parts and shake (crumbs that fall of the plant either leaf or flower) assuming that the industry allows for the brake-down of how the harvesting of the plants yields different grades and usability of the different parts of the marijuana plant. Only seedless (Sinsemilla) product is desired unless in the business of producing seeds or growing from seed. The seed industry will also need to be addressed as it will be a vital part of this industry.

Security will be a priority in regards to shipping and product locations and can be done similar to alcohol and tobacco or put on a higher security priority where armored transports and guards will be involved, but packaging can be handled in various ways depending on the States priority's and management on allowances of variation and differentiation between products. Marijuana containing food products can be packaged like other food products unless there are other containment factors to be considered for public safety. Marijuana becomes brittle and fragile when dried all the way and is generally considered harsh and not as desirable as something that was left with 5-10 % residual moisture, so packaging of flowers should have some breathability or residual moisture control. Moisture content will need to be negotiated to determine what packaging will be appropriate. Something 25% moisture is usable but highly likely to mold.

Marijuana can use a lot and batch system similar to other industries such as agriculture and alcoholic beverages. Records of the various stages of the process to account for water loss during drying, plant matter loss for food product extractions, and or contamination can be done with data collection of weight and pictures showing condition and volume of products through the stages. It may be appropriate to have oversight for disposals. Incineration can be done for excess, recall, and contamination, but it may be more productive to compost products not dangerous to the environment. Plants can produce a broad amount from very little, to several pounds, partly by technique and partly by genetics. With this variation we believe it would be better to set plant limits and then direct excess of demand into processing of secondary products such as food, beverages and tinctures. This will insure progress and quality because businesses will have to get better to reduce marginal costs instead of getting bigger (by number of plants).

We believe that first-comers to the production, processing, and retail of marijuana be for the first two years while developing the industry, Washington businesses. We also believe that large scale outdoor farms with machine processing would damage the market and leave for the currently well-developed illegal market to fill demand gap for quality. These large farms may be something that could help the eatables industry but with caution of what a large scale production approach will do to the market prices and quality.

2. Experience.

Our staff has several years of experience understanding how quality marijuana is grown, propagated, harvested, and cured. We also understand many of the variations in those processes with nutrients, lighting, ventilation, and safety as well as curing, packaging and consumer behavior regarding price, quality, and attributes of the marijuana. With hands on experience and knowledge of many other approaches and techniques, our firm has a broad understanding of the qualities and attributes that the different market segments would prefer along with a strong understanding of how the illegal trade and its infrastructures have been keeping consumers with marijuana for decades. With our understanding of human behaviors and our awareness of the marijuana industry, we have studied and analyzed many aspects of the industry from a psychological, sociological, and business perspectives.

3. Team Structure and Internal Controls.

As the sole team member with the firm, it will be my duties to define the parameters through working with the Washington State Liquor Control Board and develop research methods and data collection to effectively model and plan the implementation of the production, processing, and retail sales of marijuana to fit the needs and wants of the people of Washington State and the Washington State Liquor Control Board under the guidance of I-502's intent, and parameters. If necessary the firm will acquire other team members and or solicit specialists for specific knowledge if we find ourselves in need of more personnel or out of answers. Reports will be regular as needed either weekly, bi-weekly, or monthly on progress and goals to maintain an effective focus and open communication with the Washington State Liquor Control Board.

4. Staff Qualifications and Capabilities.

Aaron Bailey, President and Owner of this firm, is the sole Staff at this point in time. Mr. Bailey is currently working on a Bachelor's degree in Business Administration with a background in sociology and psychology as well as two, two-year degrees; one in Business Administration and the other a general transfer degree. With this being the second to last semester at an accredited University, Mr. Bailey has excelled at statistical analysis, economics, marketing analysis, research, technical writing, international business components, as well as aspects of accounting and managerial accounting, management operations, and organizational behavior. The firm also has experience for over 4 years' growing, cloning, harvesting, and curing medical marijuana, and about 15 years of experience extracting from marijuana and infusing baked goods and candy, as well as almost 20 years with the consumption of various types of marijuana and connectivity with other consumers and consumer behaviors.

NON-COST PROPOSAL

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

5. Ability, Capacity and Skills.

As we do not have a degree in chemistry with our firm, we have a strong understanding of basic chemistry and biology as a general field and how it relates to marijuana in a more specific and acute manner. Standards and tests on food and other substances have come a long way in the last several decades with new equipment and better understanding of biological processes of plants. Almost any laboratory will have the equipment and understanding to test chemical makeup such as ratios for cannabinoids, residual chemicals from pest control or nutrients, as well as contaminants like mold, dust, and other diseases. Laboratories set up for food and agriculture product analysis would be ideal candidates because they would only need to modify for a few added tests such as for ratios of THC, CBD and CBN. As we compile the list of necessary analysis for consumer, public safety, and awareness for varying attributes of different marijuana strains, we must also have in place a database compiling information for analysis so as to learn more about the products and industry as we progress.

The key to quality and safety will be a clean well filtered and ventilated growing, drying, and storing environment. Carefully monitoring growth environments and processing cleanliness all the way to the package will help ensure quality and safety. Tests can be conducted through contractors that the various companies would solicit.

I would suggest that since that Liquor Control Board must have staff and equipment to be able to test locations and products for quality, safety, and content, it would be prudent to offer services as a contracting lab to expedite assurance for producers and processors as well as to generate revenue and maintain close oversight. They can pay a private lab and have a check through the State or pay a State lab and have it certified in a one-step process (not commenting on amount of tests but number of times to be put through a battery of tests).

6. Experience.

Our firm's staff experience comes from a long history of product awareness, and experiencing and researching affective and safe methods of production and quality assurance. We have over 4 years of experience monitoring products through the growth and harvesting process and experimenting with

different ways to cure marijuana as well as over a decade of experimenting with various extraction methods and food infusing techniques.

7. Staff Qualifications and Capabilities.

Aaron Bailey, President and Owner of this firm, is the sole Staff at this point in time. We have a general background in chemistry and biology with more acute knowledge regarding marijuana, which will allow us to be able to understand the different tests that can be done to arrive at the necessary battery of analysis that products will need to go through to prove safe, and provide information on chemical makeup and ratios for labeling. Our firm's staff has experience with product awareness, and experiencing and researching affective and safe methods of production and quality assurance. We have over 4 years of experience monitoring products through the growth and harvesting process and experimenting with different ways to cure marijuana as well as over a decade of experimenting with various extraction methods and food infusing techniques.

8. Approach and Methodology.

Our firm will submit and confer suggestions, ideas, and data with the Washington State Liquor Control Board acquired through knowledge, experience, and research to design all of the elements that will need to account for in the assurance of quality and safety. We will communicate with the lab communities to make sure that the model can be accommodated for in the testing of ratios and contaminants. Product strain should probably be measured through the process and incidents encountered by producers and processor and should be documented and dealt with accordingly before test process as it will be noticeable.

NON-COST PROPOSAL

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

9. Ability, Capacity and Skills.

Our firm is skilled at various types of data collection and consumer analysis achieved through surveys, meta-analysis, field research, observations, and focus groups. We are highly capable to do statistical analysis, and use various software to process data and findings such as Excel and POM for windows. We are also proficient at generating reports and proficiently communicating and analyzing our findings.

Product usage and different participation levels and segments of identity with the products will shift greatly over the first several years. We anticipate more participation than expected and believe that there will be various tiers of average consumptions ranging from a tenth of a gram a day to possibly an ounce a day between the different consumer segments.

We understand many of the subcultures that have developed and have deep understandings of the various qualities, attributes, and attitudes that consumers look for, and have towards marijuana.

10. Experience.

We have an experienced history dealing with consumers of marijuana. We understand different types of users and consumptions from them as far as psychological preferences to when, where, how much and what kind. As we have not done any formal data collecting due to the previous standing of marijuana,

there are trends and profiles that can help guide the research process and information gathering and analysis.

11. Staff Qualifications and Capabilities.

Aaron Bailey, President and Owner of this firm, is the sole staff at this point in time. Mr. Bailey is currently working on a Bachelor's degree in Business Administration with a background in sociology and psychology as well as two, two-year degrees, one in Business Administration and the other a general transfer degree. With this being the second to last semester at an accredited University, Mr. Bailey has excelled at statistical analysis, economics, marketing analysis, research, technical writing, and multinational business components. We have almost 20 years with the consumption of various types of marijuana and connectivity with other consumers and awareness of various consumer behaviors and motives. We have access to a University for research and its resources as well as knowledge of social media to collect data and demographic information.

12. Approach and Methodology.

We will use various types of data collection and consumer analysis achieved through multiple research methods such as surveys, meta-analysis, field research, observations, and focus groups. We will also utilize social media to obtain data and demographic information as well as having access to a University for research and its resources.

NON-COST PROPOSAL

CATEGORY 4 – PRODUCT REGULATION

13. Ability, Capacity and Skills.

Our firm has a longtime interest in the laws and regulations relating to marijuana from the Federal Controlled Substance Act defining Marijuana as a Schedule I drug alongside heroin and LSD and the consequences and outcomes from the politics and drug laws particularly in consideration to marijuana and the development and incentives for the illegal trade. We also have an acute awareness of the history and enforcement policies of the marijuana laws along with the current shifts and the effects of those shifts on markets and potential effects on the legal and illegal marijuana markets as reacted by consumers and legislative bodies.

14. Experience.

As a student and a citizen, our firm is constantly working within the confines of a regulatory system as stakeholders that are being affected by the process and outcomes of the different regulatory systems that we function under, around, and in. Also as a father, I constantly have to adapt rules and make rules from ideals, to reality and functionality within my household. There is a certain increase in awareness of causal relationships as one gets older and experiences more life.

15. Staff Qualifications and Capabilities.

Aaron Bailey, President and Owner of this firm, is the sole Staff at this point in time. Mr. Bailey is currently working on a Bachelor's degree in Business Administration with a background in sociology and psychology as well as two, two-year degrees, one in Business Administration and the other a general transfer degree. With this being the second to last semester at an accredited University, Mr. Bailey has excelled at statistical analysis, economics, marketing analysis, research, technical writing, international

business components, as well as aspects of accounting and managerial accounting, management operations, and organizational behavior. We have a strong understanding of the influence of regulation on culture and the reaction of culture on regulations.

16. Approach and Methodology.

Our firm's approach will be to clearly outline rules defined in I-502 and coordinate with the State Liquor Control Board to use data analysis and research achieved through surveys, meta-analysis, field research, observations, focus groups, and comparisons of models to help establish appropriate regulations and business culture as desired by the people of Washington, the State of Washington and the Washington State Liquor Control Board.

Other information and issues

One of the intents to I-502 is to take marijuana out of the hands of the illegal drug organizations. We believe that the illegal market is fed by things other than criminal organizations as well. We believe that acquiring the excess medicinal marijuana before it goes to the streets will get the data collection going for quantities, qualities and demographics as well as taking it off the streets and acquiring product before industry has it available. It will take several months once people get licensed before there is product could be made available.

Most of the infrastructure for marijuana is small circles of friends that overlap, either acquiring it legally and distributing it illegally or acquired illegally and distributed illegally.

We would strongly urge the development of research and data collection through the University system.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ ____ p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ <u>347.00</u> p/day

Norton, Melissa K

From: William Kushner <will@wmkushner.com>
Posted At: Friday, February 15, 2013 1:30 AM
Conversation: RFP- K430 -- SHAHAHAN CAPITAL VENTURES, LLC
Subject: RFP- K430 -- SHAHAHAN CAPITAL VENTURES, LLC

Please see the attached cover letter and bid submittal document, which contains all of the required sections, plus Curriculum Vitae for each principal of the proposer.

Sincerely,
Will

--

will@wmkushner.com
415-225-3110 -- cell

Shanahan Capital Ventures, LLC
251 Post Street, Third Floor
San Francisco, CA 94108
www.shanahancv.com

February 15, 2013

WSLCB
3000 Pacific Avenue S.E.
Olympia, WA 98501

Re: I-502 Implementation

Dear Sir/Madam:

We are pleased to submit the enclosed response to RFP in relation to the above. Our firm is comprised of veteran attorneys who have worked extensively for Fortune 50 companies in the specialty pharmacy, specialty distribution and pharmaceutical industries (both generic and branded). Between us, we have nearly 50 years of legal experience in designing and implementing solutions relating to specialty drugs. Our programs have promoted patient access, while also balancing the safe handling of controlled substances consistent with DEA requirements and state pharmacy laws. We have been awarded numerous Federal and State contracts, which we have administered consistent with all compliance requirements. Last, we have been active in rule-making processes at both the Federal and State levels.

We understand the sensitivity surrounding the WSLCB's I-502 mandate, and share your hope for the launch of a program that is tailored to the extent possible to the requirements of other affected constituents. While we have scrutinized I-502 and are prepared to help WSLCB to develop a regulatory and licensing program consistent with law, we share Washington's desire to "get it right" with a best-in-class program. We hope that WSLCB will consider our suggestions to incorporate regulation for wholesale distribution, mail order and other program attributes not addressed directly by I-502. We are confident that doing so will help to facilitate a cannabis program that is competitive, stable, consistent and transparent.

The undersigned officers of Shanahan Capital Ventures, LLC ("SCV") propose to serve WSLCB from our San Francisco, CA office. As set forth in the enclosed Response to RFP, we are proposing to respond to all four substantive categories. We certify that no current or former employee is employed or engaged by SCV.

Should you have questions, do not hesitate to contact us at the numbers listed below.

Sincerely,

/s/
William M. Kushner

/s/
Rebecca Shanahan

WILLIAM M. KUSHNER
PRINCIPAL
(415) 225-3110
will@wmkushner.com

REBECCA SHANAHAN
PRINCIPAL
(407) 808-8176
rebeccashanahan@shanahancv.com

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to lcbids@liq.wa.gov.
- Clearly mark the subject line of the email: RFP- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the lcbids@liq.wa.gov inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

- | | |
|--|--------------------------|
| Proposer's Authorized Offer (see page 2) | <input type="checkbox"/> |
| Proposer Information (see page 3) | <input type="checkbox"/> |
| Subcontractor Information (see page 4) | <input type="checkbox"/> |
| Letter of Submittal (see page 5) | <input type="checkbox"/> |
| Non-Cost Proposal (see page 6) | <input type="checkbox"/> |
| Cost Proposal (see page 8) | <input type="checkbox"/> |

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

WILLIAM M. KUSHNER

Proposer Signature

AUTHORIZED REPRESENTATIVE

Title

SHANAHAN CAPITAL VENTURES, LLC

Company Name

February 15, 2013

Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name Shanahan Capital Ventures, LLC

Street Address 251 Post Street, Third Floor

City, State, Zip San Francisco, CA 94117

Federal Tax ID Number PersonallInfo

UBI _____

Website URL N/A

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name: William M. Kushner, Esq.

Telephone: 415-225-3110

Email: will@wmkushner.com

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount _____ % _____ days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input checked="" type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 2

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 3

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 4

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

LETTER OF SUBMITTAL

The Proposer's Letter of Submittal must be signed by the individual within the organization authorized to bind the bidder to the offer. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Proposer and any proposed subcontractors:

- Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.
- Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)
- Location of the facility from which the Proposer would operate.
- Statement of which of the following Categories Proposer is responding to:
 - Category 1: Product and Industry Knowledge
 - Category 2: Product Quality Standards and Testing
 - Category 3: Product Usage and Consumption Validation
 - Category 4: Product Regulation
- Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Proposer's organization. If following a review of this information, it is determined by the WSLCB that a conflict of interest exists, the Proposer may be disqualified from further consideration for the award of a contract.

NON-COST PROPOSAL

Please refrain from using company name or other information that will identify your company while preparing your response for the Non-Cost Submittal. The Washington State Liquor Control Board (WSLCB) reserves the right to modify proposals in order to eliminate company names or any other information that may identify a specific company brand.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:
 - a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
 - b. How Marijuana is infused into food and beverages
 - c. How Marijuana should be packaged, labeled, transported, and sold at retail level
 - d. How wholesale and retail Product should be recalled and accounted for
 - e. How Marijuana should be destroyed if overproduced, contaminated, or recalled

Our principals intend to draw on their experience in the manufacture of pharmaceuticals and their distribution through wholesale and pharmacy/retail channels. Specific experiences include:

- *Legal, medical and regulatory review of new oncology product launch*
 - *Manufacturing and quality assurance standards*
 - *Labeling requirements (scope of efficacy claims, adverse effects, etc)*
 - *Scope of advertising*
 - *Prescribing instructions and warnings*
- *Review of standard operating procedures for the manufacture of pharmaceuticals*
- *Sole-source distribution arrangements for pharmaceutical products*
- *Design, construction and operation of DEA-approved facilities in which controlled substances and other pharmaceuticals are received, stored and shipped*
- *Negotiation and implementation of open- and closed-formulary arrangements with health plans*
- *Label design and approval per FDA requirements*
- *Design of data retention programs*
- *Periodic reporting of pharmaceutical sales to State, Federal and internal constituents (including tax-related reporting)*
- *Implementation and audit of Sarbanes-Oxley controls*

With respect to cannabis products, our personnel have conducted extensive interviews of cannabis cultivators, processors and retailers. Through such interviews, we have developed recommendations with regard to the following:

- *Growing, harvesting, curing and processing*
 - *Attributes of facilities for indoor and outdoor producers*
 - *Scope of production and post-production procedures ("flower")*
 - *Scope of production procedures ("extracts" i.e. product used for edible and other products)*
 - *Inventory control, records and reporting*

- *Infusion into food and beverages*
 - *Range and attributes of approved extracts*
 - *Range and attributes of finished goods containing extracts*
 - *Application of other regulatory schemes for finished goods*
 - *Department of Public Health standards*
 - *Packaging and labeling*
 - *Packaging requirements – wholesale (flower & extracts)*
 - *Units of measure*
 - *Seals and stamps*
 - *Approved packaging*
 - *Approved labeling*
 - *Packaging requirements – retail (flower & extracts)*
 - *Units of measure*
 - *“Compounding”*
 - *Seals and stamps*
 - *Approved packaging*
 - *Approved labeling*
 - *Distribution -- Brokers & Wholesalers*
 - *Physical plant (security, signage, personnel)*
 - *Inventory control, records and reporting*
 - *Product pedigree*
 - *Terms of sale*
 - *Security*
 - *Transportation exemptions*
 - *Mail order specifications*
 - *Returned goods*
 - *Distribution -- Retail outlet*
 - *Physical plant (security, signage, personnel)*
 - *Product Pedigree*
 - *Inventory control, records and reporting*
 - *Terms of sale*
 - *Returned goods*
 - *Restrictions on repackaging*

2. **Experience.** In two (2) pages or less, please describe your firm’s experience in Product and Industry Knowledge as it relates to Marijuana.

Our firm is comprised of professionals with deep industry knowledge of prescription and over-the-counter pharmaceutical product. Our experience includes all aspects of FDA clinical trial design and implementation, manufacture, packaging, shipment, storage, destruction and the like.

Our firm’s professionals have no direct experience with regard to the cultivation or manufacture of marijuana and related products. Rather, our approach will be to provide anecdotal information and make recommendations to the WSLCB that are based on interviews of cannabis cultivators, processors, packagers and retailers.

To date, we have conducted extensive interviews with cannabis cultivators, processors and medical dispensary operators in Washington and California. We are prepared to share our findings with WSLCB as requested. We are confident that the cannabis product bears significant similarities to generic and branded pharmaceutical products (oral, infused and injectable), and are prepared to recommend manufacturing and processing programs consistent with industry specifications.

3. **Team Structure and Internal Controls.** In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.

Our principals will devote substantial time and energy to the project, and engage its employees on an as-needed basis. This will insure high-caliber work product and streamline its delivery.

4. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Our principals William Kushner and Rebecca Shanahan intend to take lead responsibility for all aspects of the WSCLB assignment. They each possess vast experience in the health care and pharmaceutical industries, and have implemented complex business lines for major corporations based on novel regulatory schemes. They have also been primarily responsible for compliance (testing, reporting and remediation) related to health care initiatives involving public entity payors. Our experience is set forth on our CVs, which follow this bid document.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Please answer the questions listed below, attaching additional pages as necessary:

5. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or expertise in Product Quality Standards and Testing, including but not limited to the following:
- Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations
 - Assisting the WSLCB with establishing quality standards for testing Marijuana

See reply to Item 1 above.

6. **Experience.** In two (2) pages or less, please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.

Our professionals intend to provide recommendations that derive from their experience with the laws governing pharmaceutical manufacturers and compounding pharmacies.

7. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

See reply to Item 4 above.

8. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminants, and Product strain.

Testing laboratories using either high-pressure liquid (HPLC) or gas chromatography (GC) have managed to generate results that are within a range of accuracy within 10%. This is due to numerous factors, most relating to naturally-recurring variations in the plant sample itself.

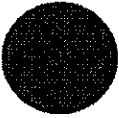



We will provide recommendations regarding the testing of two product categories: (a) flower and its related family of products, and (b) goods containing extracts. Such testing is ideally suited for the point of sale; however, due to practical limitations (size of samples, finished goods packaging, among others), we will recommend a range of acceptable parameters for product testing by producers, processors or other authorized intermediaries.

We believe that for the following reasons, it will be in the public interest to simplify the scope and certification in relation to testing:

- Testing using either HPLC or GC devices is effective to determine the presence of specified biological and chemical agents
- API content by weight can vary significantly, and are probably accurate to 10% variability
- There is minimal potential for "adverse drug event" from the cannabis plant's naturally-recurring agents

Thus, we recommend that lots of cannabis flower and extract be screened solely for the presence of specified biological and chemical agents. Lots would be rejected should a representative sample exceed

specified tolerances. Thereafter, the percentage (by weight) of active pharmacological ingredients (THC and CBD) would be determined. Each product package sold at retail would reflect such information. We will recommend that products sold at retail carry “warning labels” that indicate a straightforward grading scale, as follows:

	<ul style="list-style-type: none"> • THC level below 5% by weight
	<ul style="list-style-type: none"> • THC level between 5% and 10% by weight
	<ul style="list-style-type: none"> • THC levels above 10% by weight
	<ul style="list-style-type: none"> • THC levels above 20% by weight • Extract-laden product containing multiple servings

In addition to the above, we will recommend and develop testing procedures that address the following:

- Approved testing protocols and equipment
- Required fields
- Sample sizes, sample handling and destruction
- Reporting
- Privacy
- Record-keeping

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Please answer the questions listed below, attaching additional pages as necessary:

9. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm’s ability, capacity, and skills and/or expertise to estimate Product Usage and Consumption levels by geographic areas in Washington State.

We have developed statistical analyses and product pricing models for a variety of healthcare-related initiatives on a national and regional scale. These have included the United States Center for Medicare & Medicaid Services Competitive Acquisition Program for pharmaceuticals, among others.

This Medicare initiative required us to develop a statistical model regarding a large, nation-wide outpatient clinic customer base. The model we developed incorporated factors that were intended to calculate each customer's likelihood to accept vendor-owned inventory in lieu of acquiring inventory under the prevailing "buy-and-bill" model. This data was fundamental to the development of product pricing determinations and resulting financial commitments to the CMS program.

10. **Experience.** In two (2) pages or less, please describe your firm's experience in statistical research, specifically related to determining demographic and/or psychographic segmentation, preferably related to the use of Cannabis.

See above discussion of the Medicare CAP program. We can cite to numerous other assignments for health care payors and other clients in which demographic data was incorporated into complex distribution and pricing schemes.

11. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

*In addition to the work of our principals, we will utilize the services of Robert Town, Ph D. in relation to **Category 3**. Dr. Town is Associate Professor within the University of Pennsylvania's Healthcare Management Department. His list of publications has covered a range of topics related to healthcare economics. Dr. Town has agreed to recommend the parameters for the determination of cannabis usage, by region. We will remain responsible for the data collection, development and review of the statistical model.*

Dr. Town is not identified as a subcontractor; however, should we be awarded the contract and should WSCLB require it, Dr. Town may be willing to subcontract, provided his employer the University of Pennsylvania will permit such activity.

12. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firm's proposed approach and methodology to be used for Product Usage and Consumption validation as requested in this RFP, to estimate demographic and psychographic segmentation, specifically related to the use of Cannabis.

There is significant uncertainty surrounding potential demand for recreational cannabis in the State of Washington following legalization. See, i.e. RAND Report Examining the Impact of Marijuana Legalization on Marijuana Consumption, Pacula et. Al, July 2010.

... [R]egular use of marijuana will increase both in prevalence and in terms of average level of use with a fall in the monetary price of marijuana and a reduction in the enforcement risk of using marijuana. The precise increase in use, particularly in terms of average quantities consumed among users, remains unclear because of inadequate analyses of conditional demand. However, it is clear that the number (prevalence) of regular users will rise in response to both.

Pacula, et al

We propose to develop a statistical model that comprises data from the following sources:

- Washington population data, by county

- Washington election returns data, by county
- Washington demographic data, by county
- National statistics on cannabis utilization (source: HHS Substance Abuse and Mental Health Services Administration)
- Estimates of cannabis production for U.S. (source: US HHS Reports)
- Survey of available retail pricing, (US and ex-US) (source: Pacula report)
- Medical cannabis sales data for California, by county (source: Pacula Report)
- Medical cannabis sales data for Colorado, by county

We believe that within 12 months following program implementation, consumer participation will exceed current estimates for medical cannabis acquisition in Washington (c. 100,000 patients, of 14 patients per 1,000 residents). This number is derived from Oregon's mandatory patient registration program. This conclusion is consistent with that reached in the Pacula report, and is corroborated by numerous other sources. Inevitably, there are too many independent variables at play for WSLCB to calculate anticipated demand with precision. We propose to work with WSLCB to generate a demographic model for each county within Washington State and tailor such model to likely-case utilization projections.

CATEGORY 4 – PRODUCT REGULATION

Please answer the questions listed below, attaching additional pages as necessary:

13. Ability, Capacity and Skills. In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise in Product Regulation, including but not limited to, the following:

- Experience with State, local or Federal government processes and procedures
- Experience in crafting system regulations

A. State, local or Federal government processes and procedures.

- Pharmaceuticals.** *For the past 15 years, we have developed and been engaged in implementing and auditing processes and procedures relating to all aspects of pharmaceutical product labeling, purchasing, provision of health care services. Clients have included Fortune 50 firms engaged in pharmaceutical manufacture, pharmaceutical distribution and specialty pharmacy industries, as well as health plans.*

Examples of our work include processes relating to product pedigree maintenance, state and federal pharmaceutical price reporting, returned goods programs, patient assistance programs, adverse drug events, approvals and modifications to product label (FDA and State) and others.

- Telecommunications.** *We have been responsible for the development, implementation and modification of processes and procedures in relation to consumer protection developed by trade groups within the United States (CTIA, California PUC and others), as well as pursuant to State, Federal and EU regulatory schemes.*

Examples include regulation pursuant to the Telecommunications Act and the Telecommunications Consumer Protection Act, wireless carrier-mandated programs for the approval of content provider marketing programs, online advertisement, privacy and security protocols and reporting obligations regarding the same.

B. Experience in crafting system regulations. *OUR personnel have been involved in the development of CMS regulations for pharmaceutical price reporting.*

14. **Experience.** In two (2) pages or less, please describe your firm’s experience in working within the confines of a regulatory system, and experience in creating and/or modifying rule, law, ordinance, and/or guidelines.

We have developed, implemented and operated business lines and the regulatory framework for such business lines. Specific instances include:

- *Developed and updated internal compliance infrastructure for sales of pharmaceuticals consistent with OIG and State guidelines*
- *Created guidelines for self-reporting of program attributes and proposed changes*

15. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals’ particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

See reply to Item 4 above.

16. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms’ proposed approach and methodology to be used in assisting the WSLCB with developing rules and a regulation strategy for the state of Washington’s new Marijuana System.

We advocate a regulatory scheme for the State of Washington that has inventory control and product pedigree at its core. By mandating a virtual inventory control system, WSLCB will position itself to (a) develop a licensing strategy that matches demand fluctuation for cannabis, and (b) address Federal concerns as they arise.

We also advocate utilizing a mail-order program for Washington state residents. We interpret the statute as permitting retailers to serve in such capacity. We believe that there is a compelling public interest in passing regulations that permit a “direct to consumer” model of cannabis distribution similar to that utilized by pharmaceutical manufacturers. This would have the potential to significantly reduce the retail price for cannabis products, which is the most effective way to stop black market activity on the part of non-licensees and licensees alike.

A mail-order program will be especially responsive to the needs of rural communities where the geographic placement of dispensaries is an issue. Furthermore, a mail-order program has the potential to foster transparency and accountability between WSLCB, on the one hand, and law enforcement and the general public, on the other hand. Such a program would enable WSLCB to engage other state agencies (including, for example, the Washington State DMV) and enable successful law enforcement and smoking cessation campaigns.

A mail order program has the potential to capture significant demand for cannabis products, which we contend will lend themselves to “generic” characterizations. Furthermore, a mail order program will increase product consistency and quality, and stabilize prices. One of the most significant challenges facing a successful mail order program relates to transportation of ordered product. We will make recommendations to WSLCB in relation to this important challenge.

We recommend regulation in the following areas:

Product-related.

- *Label requirements*
 - *Ingredients*
 - *Unit of measure*

- API (% by weight)
- Nature and scope of product claims
- Content and size of warning
- Ban on flavoring and other modifications
- Pedigree requirements
- Personnel and facilities requirements
- Sales reporting requirements
 - Frequency
 - Price per unit of measure
 - Unit of measure per carton or other packaging
 - Basic cost
 - Delivery Charge
 - Maximum wholesale
 - Minimum retail
- Cash receipts management reporting requirements
 - Authorization to chartered banks
- Audit and document retention
- Modification to ancillary law and regulation
 - Banking
 - Smoking ban in public places
 - Health and safety
 - Access restrictions
 - Advertising on the Internet
 - Warnings
 - Naming rights and sponsorships
 - Restrictions on product sampling
- Smoking prevention

Vendor-related (Including Wholesalers)

- Regulation of applicants (producers)
 - Surety bond
- Regulation of applicants (processors)
 - Surety Bond
 - Stamp requirements
 - Drop shipment
- Regulation of applicants (retailers)
 - License display
 - Location of premises
 - Employee screening
 - Customer authentication
 - Valid usage of premises
 - Presentation and storage of goods
 - Refrigeration

- Ventilation
- Security
- Regulation of applicants (general)
 - License display
 - Inspections
 - Records
 - Penalties

- Regarding transportation
- Regarding interstate commerce
- Scientific advisory committee
- Protecting children

WSLCB

- Other authorizing
- Creation and operation of research fund
- Administrative procedures
- Penalties and sanctions

APPENDIX
CURRICUM VITAE OF OUR PRINCIPALS
WILLIAM MARTIN KUSHNER

77 Buena Vista Terrace · San Francisco, California 94117 · 415-225-3110 ·

1 PROFESSIONAL EXPERIENCE

MBLOX, INC., *Sunnyvale, CA & London, UK*

2010 – 2012

EVP & General Counsel

Head attorney and executive team member for SMS network and billing services provider with three business lines, revenue in excess of \$150M, 350 employees and operations in 15 countries.

- *Corporate finance and M&A.* Developed and presented investment thesis to numerous VCs and completed \$25M mezzanine financing and acquisition of Sweden-based mobile software developer.
- *International.* Managed corporate formalities for operating subsidiaries throughout EMEA, AIPAC and Americas; developed tax-driven arrangements; negotiated commercial contracts globally.
- *Intellectual Property.* Prepared and submitted numerous patent claims to USPTO and PCT; developed pre-launch processes and FTO studies with respect to patentable technologies.
- *Sales & Marketing.* Managed re-write of customer-facing documentation and launch of online contract management solution; managed negotiations and closed deals with mobile content and media customers; assisted product marketing teams to develop collateral for new product launches.
- *Litigation.* Successfully brought £4M commercial claim through judgment and collection in UK arbitration; defended consumer protection and antitrust class action suits in US Federal courts; responded to subpoenas; handled multiple infringement claims by NPEs.
- *Privacy & Security.* Developed global compliance infrastructure for SMS business in key markets, addressed data protection practices consistent with EU safe harbour requirements.

- *Department Management.* Managed global legal and compliance staff 4 and outside counsel consistent with budget for external legal spend of approximately \$1.5M.

TORREYA PARTNERS, *New York, NY and San Francisco, CA*

2008 – 2010

Principal; Chief Administrative Officer

Investment banker providing strategic, financing and M&A advice to public and private information technology and biopharma clients. Originated, positioned and executed M&A transactions for buyers and sellers. Also developed compliance infrastructure and managed FINRA registration process.

BRISTOL-MYERS SQUIBB/ONCOLOGY THERAPEUTICS NETWORK, *S. San Francisco, CA* 2004 - 200

General Counsel

Managed legal and corporate development groups at pharmaceutical services company with four P&Ls and combined revenue that grew from \$2.0B to \$3.5B. Company was acquired from BMS in 2005 for \$210M by private equity firm One Equity Partners and was sold in for \$575M Q4 2007 to McKesson.

- *General corporate & finance* – Advised board and board committees on governance matters, sourced and negotiated private securities offerings and \$300M revolving line of credit; managed IPO and M&A preparation; served on 401K investment committee; addressed HR matters.
- *Commercial* – Developed and negotiated commercial arrangements and JVs (including with government agencies); launched numerous new products (branded & private label pharmaceuticals; enterprise software; financial products); served as senior executive assigned to key accounts.
- *Corporate development/Private Equity* – Ran multiple \$50M+ acquisitions and facilitated all aspects of deal integration. Managed divestiture by BMS to private equity fund (2005); worked with private equity sponsor; conducted sale to McKesson (2007). Handled auctions among Fortune 50 bidders.
- *Intellectual Property* – Filed patent applications and developed licensing/SaaS strategy for “LynxMobile” inventory control application that grew to over 500 installations in 18-month period; worked extensively with outside IP counsel on IP acquisitions; managed trademark portfolio.
- *Regulatory compliance* – Developed SOX controls and certification processes; managed periodic reporting under Regulation S-K; developed and delivered global compliance program; conducted Federal and state lobbying effort; coordinated privacy and security programs.
- *Litigation & Investigation* – Defended class-action affecting largest pharma manufacturers; negotiated with AGs on product pricing and promotions; managed IP, HR and commercial disputes.

Perkins Coie, LLP, Menlo Park, CA

1996 – 2004

Corporate Attorney

Senior attorney at firm’s Silicon Valley and San Francisco offices. Led teams of attorneys handling M&A, private & public securities offerings and periodic reporting under Regulation S-K. Corporate clients served included software, hardware, life sciences, medical provider, information technology and media companies, capital equipment lessors, investment banks and venture capital funds.

Richmond & Quinn, Anchorage, AK

1992 – 1996

Litigation Attorney

Litigation associate in civil defense firm. Representative clients included DeHavilland Aircraft, Alaska Air Group, ERA Aviation, vessel owners, insurance carriers, seafood processors and individual defendants in Exxon Valdez litigation. Responsible for all aspects of discovery, pre-trial motion practice and pre-trial hearings. Handled pre-settlement matters, took depositions of expert witnesses, economists and non-expert witnesses.

Commercial Fisherman, Bristol Bay, AK

1984 - 1992

Worked as chief mate on numerous vessels throughout Alaska.

2 EDUCATION

University of Colorado School of Law, Boulder, Colorado (JD, 1992)

University of Washington, Seattle, Washington (BA International Studies, 1987)

Pomona College, Claremont, California -- general studies (1982-1984)

Rebecca M. Shanahan

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2223 Via Tuscany

Home: 407-599-0056

Winter Park, Florida 32789

SHANAHAN CAPITAL VENTURES

2008 to Current

President

A Company dedicated to providing proven health care business resources to the Health Services, Health Plans and Pharmacy Channels. OUR serves as a catalyst for growth and strategic investments, including Retail & Specialty Pharmacies, Disease Management, Drug Development, Manufacturers and Information Technology companies. Client engagements include:

- Shoppers Drug Mart
- Rite Aid
- Cardinal Health
- US BioServices
- Reliant Rehabilitation
- Bayer Healthcare
- Bristol Myers Squibb
- Inspirational Biologics, Inc.
- Med Solutions
- Avella/The Apothecary Shops
- Rip Road Mobile Health
- Cancer Centers of Excellence
- Oncology Plus
- Foundation for Managed Care, Inc.
- Private Equity Firms

EXECUTIVE CONSULTANT

2011 to present

CARDINAL HEALTH SPECIALTY SOLUTIONS

Interim Head and GM of each of CHSS 3 Divisions (>\$.5 billion) over a 2 year period: *Provider Solutions* (GPO, Distribution and 3PL); *Payor/Pathways Solutions* (Managed Care Contracts, Pathways, IT Provider Decision Support, Disease Therapy Management Programs and Specialty Pharmacy Dispensing); *Pharmaceutical Manufacturer Solutions* (Healthcare Economics, Analytics, Marketing and Scientific Communications, Comparative Effectiveness and Outcomes).

Engaged to work collaboratively with Senior CAH Leadership to execute on the following:

- Manage and grow P4 Pathways – Health System and Provider Network Pathways Programs with 10 Health Plans, 2 State Societies and 15% of national community oncologists covering more than 20 million lives in our Clinical Pathways; 20M insured lives.
- Milliman actuarially validated savings model of **16%** for Care Pathways in selected disease categories, enhanced through therapy selection, formulary management, lines of therapy and cost management.
- Program Development and Partnerships, including Retail and Specialty Pharmacies, PBMs, Health Plans, and Physician Provider Networks;
- Build and deploy FMV and Pricing Algorithms, as well as ROI models for CHSS products and services in Drug & Supplies Distribution, Physician and Provider GPO drug and services rebate contracting,
- Built and deployed field sales force into physician offices to successfully grow revenues for Drug Distribution and Group Purchasing Organizations,
- Structure, recruit, train, and deploy sales, including product messaging, presentations, and communications in Pharmacy Manufacturer Solutions, Drug Distribution, Care Pathways;
- Revenue growth in the midst of changing management teams, customer segments and product development ;
- Implementation of operational excellence and best practices infrastructure build.

Contracted Senior Executive and Head of Healthcare Solutions, engaged to drive Strategic Business Formation and Acceleration in Shoppers Drug Mart Health Services, including Specialty Pharmacy, PBM and Preferred Provider Network Formation, Consumer Directed Clinical and Benefits Informatics and Pharmacy Operations.

Shoppers Drug Mart Outsourced Compounding and Mixing Capabilities

- Define program for compounding and admixing, develop and implement facilities planning, staff hiring, training and certification. Establishment of new business processes and linkage to hospital inpatient, outpatient, home nursing and pharmacy.

Shoppers Drug Mart Health Solutions – Benefits Canada Large Employer Award Winner 2011

- Provided leadership of Shoppers Drug Mart Executive Team, External Actuaries and Health Plans to build consensus, strategic vision and implementation of Shoppers Drug Mart Health Solutions – a Preferred Provider Network and Pharmacy Benefits Management Division. Initiated pharmacy benefit management for Shoppers Drug Mart employees and “first wave” covered lives, including ~500,000 university students and several small broker-managed benefits plans.
- Developed and deployed PBM “Lite” offering of Formulary with P&T Committee, Preferred Tiers, Step Therapy, Prior Authorization, Benefit Design, Pricing, Health and Wellness, Drug Card, Disease Therapy Management for Employers and Health Plans in Canadian marketplace.
- Strategic selling and strategic ventures with customer segments including Adjudicators, Carriers, Plan Sponsors and Business Coalitions, including leadership of preparation and presentation of consultative sales meetings.
- Hiring and integrating of key team members and existing SDM resources into a cohesive Payer Strategies and Services team.
- Development & implementation of integrated disease management across web, text and telephone applications for SRx diseases. Deployment of Diabetes Management Program at Retail.

Shoppers Drug Mart Specialty Health Network

- Acquisition, Business Integration and Development for Specialty Health Network (“SHN”), a specialty and infusion pharmacy, manufacturer and therapy management services company. More than 100% increase in top line in 24 months. Installation of Siebel CRM & operational systems improvements. Deployment of Specialty Health Pharmacy, Distribution, Clinical and Nursing Disease Therapy Management.
- Integration of Retail Pharmacy Operations and Specialty Pharmacy Operations to establish “hub and spoke” model to deploy clinical and fulfillment resources across 1400 stores in Canada.
- Design and implementation of Clinical Informatics Platform. Worked with members of leadership at Shoppers Drug Mart, Siebel, and Specialty Health Network to establish specialty pharmacy operating platform, with reimbursement, disease, drug and patient persistence and compliance information.

Shoppers Drug Mart Drugcoverage.ca & Plasmid

- Acquisition and integration into SDM of Manufacturer Sponsored Reimbursement Hub Business to drive web-based reimbursement support services across Canada.

Shoppers Drug Mart Alberta Health Systems Initiative

- Development of Staffing Model, Training and Roll Out of Outsourced Admixing and Compounding of Complex Therapies with Hospital and Outpatient Services in Alberta Canada.

President, OTN Specialty Services

- Member of OTN Executive Management Team responsible for selling OTN to McKesson, delivering a ~15% return on private equity investment in 2 ½ years, building from a ~\$2 billion to a ~\$4 billion top line revenue company.
- Restructuring and growth of Specialty Pharmacy Operations to enhance profitability. Recruited and integrated all-star Specialty Team, including Payor, Physician Sales & Marketing, Operations and Finance.
- Secured United Healthcare Oral Oncology Carve-Out Contract positioned to drive 20% annual growth in top line oncology revenues. Run rate at time of sale on target to drive ~50% annualized top line growth. Secured 5 additional Payor contracts in 9 months, driving additional upward growth potential in the Payor segment by more than 15%.
- Oncology Benefits Management Services, PPO and Network Development, including integrated tools for oral oncology, anemia and side-effects management, large tumor case management, teaming arrangements with the nation’s largest PBM and several middle market blues.

- Built SRx infrastructure, including Disease Therapy Management Tools, interactive patient education and consent, Clinical Informatics Platform and linkage amongst sales activities with physician, payor and pharma manufacturers.
- Growth in Manufacturer and Physician Services, including Limited Distribution Drug Networks, Reimbursement Hubs, Clinical Studies, Persistency and Compliance, data reporting and new drug roll out.

AETNA SPECIALTY PHARMACY

2005-2007

Executive Vice President & General Manager

- Chief Executive Officer of the Aetna Specialty Pharmacy, going from \$0 and 0 patients in March 2005 to \$535 million in 2006, with 2007 run rate at \$650 million. 2006 EBITDA at \$14 million.
- Specialty Pharmacy Operating Metrics at 5.3 sigma out of 6.0 sigma in Lean Six Sigma Management.
- Member of Aetna PBM leadership team, including negotiation of manufacturer and distribution contracts to drive preferred formulary placement & provider pull through.
- Lean Six Sigma Management Tools to every worker, including 10 black belts, 20 green belts and 200 plus yellow belts in Lean Six Sigma Continuous Improvement.
- Call Center and Pharmacy Operating Key Performance Indicators at best-in-class. More than 85% of all calls answered within 30 seconds, less than 1% abandonment rate, 99.98% dispensing accuracy and 91% Customer Satisfaction in 2005-2006.
- Responsible for all aspects of operation, sales, marketing, revenue growth, profitability & corporate development.
- More than 100 biotech manufacturers to specialty drug vendor relationships, including limited distribution product access, reporting & analytics, rebates and service fees, persistency, compliance, reimbursement, PAP, web portal tracking of prescriptions and other coordinated clinical study programs.
- Achieved 50% savings for SRx Patients when comparing Episode of Care costs for SRx versus Retail.

PRIORITY HEALTHCARE CORPORATION (EXPRESS SCRIPTS)

2002-2005

A \$2.4 billion publicly-held specialty pharmacy, infusion and healthcare distribution company, acquired in late 2005 by ESI.

Executive Vice President, Strategic Ventures (2004-2005)

- **President, Aetna Specialty Pharmacy LLP** – Sold & Managed Project & Implementation, adding ~\$250 million in additional Priority Healthcare revenues and moving share price \$1.67 upon announcement of joint venture.
- **Strategic Customer Relationships, Mergers and Acquisitions** - Developed & Implemented Wal- Mart Specialty Pharmacy; PBMs and Payor Relationships, Limited Distribution Drug Roll Out Services with Biotech Manufacturer and Wholesalers; Government Programs with state Medicaid, Medicare and third party payors. Matrix Oncology GPO. Centric Health Finance, a revenue cycle management company and Matrix Oncology, a PPO and GPO. Acquired & Integrated 9 healthcare services businesses into Priority Healthcare.

1.1.1.1.1.1 Executive Vice President, Administrative Services, General Counsel and Secretary (2002 to 2004)

- **Managed Care Sales & Contracting.** Established 75 new Payor Agreements in 12 months, adding access for PHC to an additional 100 million lives with \$5 billion in potential revenues. New business growth of \$150 million in first 18 months of responsibility, with pipeline revenue opportunities projected to increase 50%. Overall Payor Revenues growing at 70% over initial 18 month period.
- **Business Development, Strategies and Acquisitions** – Lead for strategies, corporate development, mergers and acquisitions, including responsibility for all aspects of acquisitions. Negotiated Revolving Credit facility for \$140 million to support acquisition activities.
- **Clinical Services** – Structured Clinical Services Department to support PHC activities across diseases and customers. Directed development of a successful Oncology Pharmacy Management Program and Disease Management Services called CaringPaths for 16 disease states.
- **Reimbursement** – Managed integration of reimbursement into operational processes. Implemented non-contracted referral “rescue” process.
- **Legal Services and Corporate Secretary**

OTHER WORK EXPERIENCE

1.1.1.1.1.2 UNIVERSITY OF CHICAGO HOSPITALS & HEALTH SYSTEMS

1997 to 2002

Vice President, Managed Care, Business Development & Program Planning

- Moved University of Chicago Health Care System from 3d worst payor reimbursed to third highest managed care revenue structure among all national academic teaching health care systems in the country: Rated as performing "Above the Rim" by University Health System Consortium.
- Managed Reimbursement Systems Transition & Business Development referral and joint venture relationships amongst Hospitals, Practice Plan and Referring Physicians & Hospitals. Grew referral business from primary and secondary specialty providers in the greater Chicago region to the University of Chicago Practice Plan and integrated delivery system.

1.1.1.1.1.3 METHODIST HEALTH GROUP

1991-1996

Senior Vice President, Methodist Health Group & CAO, Methodist Medical Group

- Chief Administrative Officer of Integrated Physicians Network (IPA) of 700 plus physicians with more than \$100 million in revenues and 85,000 globally-capitated lives. Built and implemented sub-capitation model with specialty and primary care physicians. Built an Accountable Care Organization with global capitation, clinical pathways for each medical specialty and aligned incentives amongst Hospitals, Physicians and Outpatient Services.
- Acquisitions of more than 50 primary care medical practices and start up of 25 practice locations integrated into consistent service and clinical offerings across central Indiana. Establishment of profitable physician practice and ambulatory outpatient campus management services organization, including all operational infrastructure, revenue cycle management, marketing, etc.
- Build and manage 6 Methodist ambulatory outpatient campuses in joint venture with physicians and hospitals, featuring 20 plus outpatient operative suites, 6 radiation/oncology suites and community health and wellness facilities.

COMMUNITY HOSPITALS OF INDIANA

1986-1991

3 ***Vice President, General Counsel & Secretary***

RCA CONSUMER ELECTRONICS

1980 -1986

International Business Transaction, Intellectual Property & US/Canadian Trade & Sales Counsel

BURGER CHEF SYSTEMS, INC.

1978-1980

Business Transactions, Securities Compliance & Real Estate Counsel

4

5 **EDUCATION & PROFESSIONAL ACTIVITIES**

JD, Cum Laude, Indiana University School of Law, Bloomington, IN,
Member, Moot Court Board; Admitted to the Illinois and the Indiana Bar
BS, Magna Cum Laude, Indiana University, Bloomington, IN,

Current Board of Director Memberships:

- Apothecary Shops/Avella (privately held specialty compounding pharmacies),
- Aesyntix (privately held GPO for dermatology and plastic surgery)
- Manatee Wound Care, Inc. (start up wound care management)
- Oncology Plus, Inc. (outsourced MD and Hospital admixing and compounding)

Prior Board of Director Memberships:

- Sanovia, Inc. (Privately-held SRx Utilization Management Software Company),
- Naryx, Inc. (privately held drug development company),

- Priority Healthcare (publicly traded specialty pharmacy & distribution) and
- Indiana Medacom (Private Joint Venture Physician Electronic Medical Records Company).

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 **or** Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate **or** Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ ____ p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$500 p/day

Norton, Melissa K

From: Robert Saberi <rsaberi18@gmail.com>
Posted At: Friday, February 15, 2013 12:51 PM
Conversation: RFP-K430, Societas Consulting
Subject: RFP-K430, Societas Consulting

Thank you.

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to lcbids@liq.wa.gov.
- Clearly mark the subject line of the email: RFP- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time received at the WSLCB's mail server in the lcbids@liq.wa.gov inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

- | | |
|--|-------------------------------------|
| Proposer's Authorized Offer (see page 2) | <input checked="" type="checkbox"/> |
| Proposer Information (see page 3) | <input checked="" type="checkbox"/> |
| Subcontractor Information (see page 4) | <input checked="" type="checkbox"/> |
| Letter of Submittal (see page 5) | <input checked="" type="checkbox"/> |
| Non-Cost Proposal (see page 6) | <input checked="" type="checkbox"/> |
| Cost Proposal (see page 8) | <input checked="" type="checkbox"/> |

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.


Proposer Signature

PRESIDENT
Title

SOCIETAS CONSULTING
Company Name

2.15.13
Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name SOCIETAS CONSULTING
 Street Address 8312 EAST MILL PLAIN BLVD
 City, State, Zip VANCOUVER, WA 98061
 Federal Tax ID Number PersonallInfo
 UBI 603-270-251
 Website URL www.societasconsultants.com

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name: ROBERT SABERI
 Telephone: 360.904.6885
 Email: rsaber18@gmail.com

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount _____ % _____ days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input checked="" type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

RE : Letter Of Submittal

Thank you for reviewing Societas Consulting as a potential marijuana consulting partner. We act as an industry expert related to the coordination of people, knowledge simplification, internal and external communication, staffing, sales management, business operations, new business development and strategic planning, regulatory guidelines, marketing, public relations, book-keeping and financial management.

Societas Consulting

8312 East Mill Plain BLVD

Vancouver, WA 98664

360-904-6885 (P)

971.271.7642 (F)

societasconsulting@gmail.com

Robert Saberi – President

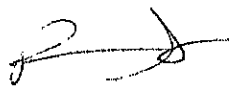
407 NE 41st Ave

Portland, OR 97232

360.904.6885

Location of operations will occur in numerous areas to adhere with company philosophy.

Societas Consulting is responding to all four categories of this RFP.



Robert Saberi

2.15.13

Date

RE: Non-Cost Proposal

Thank you for your time in reviewing us as a potential partner in the implementation of Initiative 502. Our proposal will begin with an introduction on our firm's philosophy on consulting, our practical experience and then on the uniqueness of I-502.

The approach we will share in this report strays slightly from the template of the RFP question and answer format related to specific sub-contractor sections. Instead, we hope to share with you our philosophy in the most efficient way to build a team. In our analysis the team's ability, combined with the team members' motives and enthusiasm will dictate the success or failure of the consulting aspect of I-502. In less vague terms our first recommendation as your potential consultant is applicable to all four categories of this proposal:

- 1.) Hire a consultant and/or industry liaison to help you build your team from the best professional leads available in conjunction with the WSLCB vs. the current format of pre-built teams coming to you. However, we understand the terms of the RFP are set and we are not implying to redo the rules set forth in this RFP but take into consideration the approach of this team development strategy when you do your final evaluation of consulting proposals for reasons identified throughout this text.

Our philosophy of consulting fits the definition of what a society means; "A society is a group of people related to each other through persistent relations, or a large social grouping sharing the same geographical or virtual territory, subject to the same political authority and dominant cultural expectations. Human societies are characterized by patterns of relationships between individuals who share a distinctive culture and institutions... A given society may be described as the sum total of such relationships among its constituent members; a voluntary association of individuals for common ends.

Our approach to I-502 is to choose the best of the best of our current society members instead of choosing a subculture (subculture in this text refers to pre-established teams) developed from necessity, time constraints or hidden agendas. This approach would entail recruiting within current established subcultures. Subcultures are very important to a society but only represent a fraction of the talent available to the overall society at large. The agendas of a subculture are more likely isolated to what benefits the particular subcultural first vs. the society overall.

Our firm's belief of consulting is that it plays an important role in business, politics and life. Our firm's belief with the opportunity to help implement I-502 is that it falls under a civic duty. We believe many other industry professionals/society members of the State of Washington feel the same way. Finding subcontractors with this mindset is how the implementation of I-502 will be done with success and with the spirit in which Washington voters intended for legalized marijuana and will allow for any approved budget to be successful.

The RFP asks for a team to come prepackaged by the consulting group. However, in this instance the best talent has been split amongst numerous consulting groups in rush preparation for this proposal. In our professional opinion it is an impossibility to create the best consulting team without using the best lead source for talent; which is the WSLCB's ability to organize an open interview process for those already committed as a subcontractor or confused on how to join a team. Based on our early research many committed experts are open to changing their named consultant if their pre-committed firm does not get the state contract for the 'Marijuana Consultant' position.

Category One - Product and Industry Knowledge:

- 1.) Our firm acts as an overall business consultant for small to mid-sized companies in this portion of the industry. Our clients have over 10 years of experience in all the subcategories listed in the RFP, A - E.
- 2.) We have intimate and propriety knowledge on how a successful business should be managed in this sector. From startup businesses to established businesses we have helped develop successful protocols that have raised revenue, productivity and efficiency in this sector and a legal understanding in correlation to day to day and then long-term business operations.
- 3.) Our philosophy on team structure and internal controls is to recruit individuals with the right attitude first off. In our experience there are numerous individuals with a strong knowledge base in this category. We know from experience when someone who is capable and is given an exceptional opportunity for the betterment of their own reputation and society they will rise to the challenge. Based on mutual respect for one's peers, organized direction and objectives, a quasi-democratic process to involve the specific expert(s) in the creation of the controls forms an environment of self-accountability and enforceable mentorship. Once agreed upon team created controls, if violated, result is a less traumatic separation and the replacement process is quick and far less painful to any egos involved. It allows the team to move forward quickly with an appropriate replacement without impacting the mission negatively. We also believe in more than one expert to double check validity and to send a message no one person is irreplaceable.
- 4.) Since our approach is to create a team through an interview process in conjunction with the WSLCB the answer to this sub-sector will appear inadequate. Our firm does have direct access to professionals and our portfolio retains clients in all aspects of this sector. These clients will request an interview in this process if this stage is accepted by the WSLCB. Our firm's belief is uniform to all sections of this RFP; just because we have established relationships does not mean they are the best fit for the team environment being established to accomplish the implementation of I-502.

Our firm represents, Green Future Garden and Hydroponics, Green Future Indoor Home Builders and Medi-Brothers Collective. Due to our selective nature and policy of not over-saturating a certain sector as to protect our clients' business strategies and trade secrets we limit only one professional per specific field at this time. Our firm has regular strategic meetings regarding all aspects of the RFP items A-E in this category. The understanding of all aspects of a company's business is essential to our firm's ability to consult long and short term business strategy successfully.

Category Two - Product Quality Standards and Testing:

- 1.) Our firm's approach to this is evolving. The science of testing is highly unpredictable and ranges widely in end results depending on the technology and the human operator. Our goal is to interview in-state and out-of-state centers. Many have already shown interest to participate with any firm awarded the contract of 'Marijuana Consultant'.
- 2.) Our firm's experience in this sector is with the reported end results from other of our current clients. Highly unpredictable depending on who administers the test and no consistency between testing centers. At this point based on our firms own accord we have decided to not consult for a business in this sector.
- 3.) Our goal is to subcontract this portion to a firm chosen through the interview process in conjunction with our firm and the WSLCB.
- 4.) Similar to the approach and methodology philosophy used in the entirety of this RFP. We will interview numerous testing centers in one day and work within the successful confines of the hired testing center adapting protocol to the state's comfort level.

Category Three - Product Usage and Consumption Validation:

- 1.) Our firm represents the largest smoking utensil company in the State of Washington, possibly in the nation. Our firm has in-depth insight and access to the foot traffic of eight retail locations in Washington State and one in Portland Oregon. These retail locations are located in numerous counties in Washington State and give our firm very good insight between the political and cultural differences throughout Washington State.
- 2.) Our firm has access to 12 years of 'buying trends' for the State of Washington with regards to the necessary items needed to smoke marijuana. We believe this will act as a strong indicator for consumption rates. Also, through in store surveys we can isolate the consumption rate even more narrowly.
- 3.) Our firm represents Mary Jane's House of Glass a retail business operator for over 12 years in usable functional glass, apparatus, growing guides, and educational items.
- 4.) In conjunction with an undetermined polling company, the tremendous 'street credibility' of our current clients and the access to the established foot traffic; that is also our target demographic, we feel our firm will produce the strongest educated guess on this topic. In addition, we will ask for the assistance of the state legislature with polling and determining and accurate perspective of their constituents.

Category Four - Product Regulation:

1.) Over the years our firm has attended many city and county meetings regarding this particular issue. Our firm has participated on the Government Affairs Committee for Mortgage Banking and Lending in the State of Oregon and acted as a go between and point of contact between the Department of Justice and the financial institution.

2.) We are familiar with the regulatory system involved in mortgage financing; and a rapidly changing and contentious environment, due to the mortgage collapse, between regulatory bodies and the state legislature. Our firm feels there are parallels on this divisive topic in Washington State. This experience included input, participation and observation in the writing and predictable out comes of proposed legislation and rule making. We focused on strategic development and understanding on the importance of the finite details in proposed legislation and how they affect the natural progression of the business environment.

Our firm worked on the campaign for Republican nominee for Oregon State Attorney General James Buchal in 2012. We worked with Paramount Equity in this capacity from 2007 – 2010.

3.) Our firm intends to use its own ability in conjunction with the WSLCB to work with legislatures and all state entities involved to adhere to the 'will of the people' and the passed Initiative 502. Our goal is to set meetings in different legislative districts alongside those district representatives to intake accurate information. Our intent is to also consult with historians, economists and anthropologists in addition to the stated industry professionals required in this RFP

4.) Our approach for product regulation is similar to how communication is typically done between a regulatory body and the state legislator. Through a bipartisan effort we feel the initiative voted on by the people for the people can be regulated to satisfaction.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) <u>Hourly</u> Rate for I-502 Consulting Services as stated in this RFP	\$ <u>200</u> p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) <u>Daily</u> Rate for I-502 Consulting Services as stated in this RFP	\$ ____ p/day

Norton, Melissa K

From: Ryan Kroll <rkroll@ssjlaw.com>
Posted At: Friday, February 15, 2013 9:19 AM
Conversation: RFP - K430, Solomon, Saltsman & Jamieson
Subject: RFP - K430, Solomon, Saltsman & Jamieson

Please find attached the completed submittal document by Solomon, Saltsman & Jamieson for RFP K-430 in order to assist the Washington State Liquor Control Board with Category #4 - Product Regulation. If you have any issues with opening or viewing the attached document, please do not hesitate to contact me. Thank you.

--

Ryan M. Kroll, Esq.
* Licensed in Oregon, Washington, and California
Solomon, Saltsman & Jamieson
121 SW Salmon St., Suite 1103
Portland, Oregon 97204
(503) 236-8050
(503) 296-2105 - fax
rkroll@ssjlaw.com



LAW OFFICES OF
SOLOMON SALTSMAN & JAMIESON
A Partnership of Professional Corporations

February 14, 2013

via e-mail: lbbids@liq.wa.gov

Washington State Liquor Control Board
3000 Pacific Ave. S.E.
Olympia, WA 98501

Re: RFP – K430, Solomon, Saltsman & Jamieson – Category #4

Dear Madam or Sir,

Please allow this letter to serve as a Letter of Submittal by the law firm of Solomon, Saltsman & Jamieson (“SSJ”) to provide its expertise in the regulation of age-sensitive products (Category #4) at no cost to the State of Washington, except for reimbursement of any costs or travel. SSJ is generally considered the standard bearer representing licensees and potential licensees for alcohol licensing and regulation in the State of California and has been practicing in this area for over 40 years. SSJ has been retained by countless clients to assist with issues related to alcohol licensing including, but not limited to, a major league baseball team, major sporting and entertainment venues, an international resort and hotel company, and numerous global corporations. SSJ has also been hired by various municipalities to represent local governments on similar issues.

As ten-time recipients of the Southern California SuperLawyer distinction, partners Stephen Solomon, Ralph Saltsman, and Stephen Jamieson have earned the respect and praise of their peers. Bruce Evans and Ryan Kroll, also partners in the firm, are each multiple year recipients of the Southern California SuperLawyer “Rising Star” distinction. SSJ’s recognition in the field of alcohol regulation is not just limited to practicing attorneys, but, in fact, both Stephen Solomon and Ralph Saltsman were asked by the State of California Department of Alcoholic Beverage Control to serve on task forces created to draft proposed regulations for that agency.

As the State of Washington seeks to enforce the production and sale of marijuana in a manner similar to the production and sale of alcohol, we believe that we can provide a unique expertise to assist the Washington State Liquor Control Board (“WSLCB”).

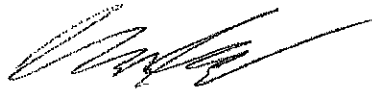
SSJ is also well versed in representing clients in other fields of administrative regulatory schemes including tobacco and cigarettes, Indian Gaming Licenses, food stamp retailer licenses, and child care licenses. Recently, SSJ expanded so that it now practices law in both Washington and Oregon, and recently opened an office in Portland, Oregon. Partner Ryan Kroll is licensed in both of these states.

Washington State Liquor Control Board
February 14, 2013
Page 2 of 3

We are happy to provide our services in conjunction with any other consultants that are selected. Since we are offering our services at no cost to the WSLCB, we believe we can add value whether we are used primarily or as a back-up to other consultants. We are happy to serve the State in whatever manner it believes is most effective whether that be with taking the laboring oar in assisting with the drafting of regulations or as a final check on drafted regulations before they are presented for adoption.

Attached to this Letter of Submittal is the information requested by the Submittal Document. Thank you for your time in reviewing this submission. Enclosed with this letter are also our Proposer's Authorized Offer, Proposer Information, Non-Cost Proposal and our Cost Proposal. If you have any questions or concerns, please feel free to contact me. Thank you.

Very truly yours,
SOLOMON, SALTSMAN & JAMIESON



RYAN M. KROLL

Encls.

cc: Partners

ATTACHMENT CONTAINING REQUESTED INFORMATION

Contact Person:

Ryan Kroll, Esq.
Solomon, Saltsman & Jamieson
121 SW Salmon St., Suite 1103 in Portland, Oregon 97204
(503) 236-8050 – phone
(503) 296-2105 – fax
rkroll@ssjlaw.com

Partners of Solomon, Saltsman, & Jamieson:

- 1) Stephen Solomon – 426 Culver Blvd. Playa del Rey, California 90293; (310) 822-9848
- 2) Ralph Saltsman – 426 Culver Blvd. Playa del Rey, California 90293; (310) 822-9848
- 3) Stephen Jamieson – 426 Culver Blvd. Playa del Rey, California 90293; (310) 822-9848
- 4) Bruce Evans – 426 Culver Blvd. Playa del Rey, California 90293; (310) 822-9848
- 5) Ryan Kroll – 121 SW Salmon St., Suite 1103 Portland, Oregon 97204; (503) 236-8050

Location of Facility:

We will operate out of both our offices at 121 SW Salmon St., Suite 1103 Portland, Oregon 97204 and 426 Culver Blvd. Playa del Rey, California 90293.

We are applying for Category 4: Product Regulation.

There are **no** state employees or former state employees employed or on the firm's governing board as of the date of the proposal.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430
Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Proposer Signature

Partner – Ryan Kroll

Title

Solomon, Saltzman & Jamieson
Company Name

2/13/2013

Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name Solomon, Saltsman & Jamieson
 Street Address 121 SW Salmon St. Suite 1103
 City, State, Zip Portland, Oregon 97204
 Federal Tax ID Number PersonallInfo
 UBI _____
 Website URL www.ssjlaw.com

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name: Ryan Kroll
 Telephone: 503-236-8050
 Email: rkroll@ssjlaw.com

Payment Options: Pro Bono basis. Will only seek reimbursement of all costs and travel.

N/A YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.
 Prompt Payment Discount _____ % _____ days, net 30 days.

N/A YES NO Will you accept the State's Purchasing Card (P-Card)?

N/A YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	ALL Categories (1-4) listed below	<input type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input checked="" type="checkbox"/>

NON-COST PROPOSAL

Category 4 – Product Regulation

13. Ability, Capacity and Skills

This law firm has a combined legal experience of over 130 years in the field of regulation of age-sensitive products such as alcohol and tobacco in both State and local regulatory schemes. This firm has represented clients of every caliber from global corporations to “mom-and-pop” liquor stores to both obtain and protect their licenses to sell age-sensitive products. Additionally, this firm has represented clients within the context of many other regulatory schemes including, but not limited to, Indian Gaming Licenses (Federal and State regulatory scheme), food stamp retailer licenses (Federal regulatory scheme), and child care licenses (State regulatory scheme).

This law firm is generally considered the standard bearer for alcohol licensing in the State of California and has been practicing in this area for over 40 years. This law firm has been retained by countless clients to assist with their alcohol licenses including, but not limited to, a major league baseball team, major sporting and entertainment venues, an international resort and hotel company, and numerous global corporations. To date, we have tried well over a thousand administrative hearings, have appeared hundreds of times in front of the California Alcoholic Beverage Control Appeals Board (appellate body reviewing decisions by administrative agency that regulates alcohol licenses), have represented numerous clients before the California Court of Appeals regarding issues with administrative regulations, and have a unanimous California Supreme Court decision in our client’s favor regarding ex parte communications by a California administrative agency in *Department of Alcoholic Beverage Control v. Alcoholic Beverage Control Appeals Board (Quintanar)*, 40 Cal. 4th 1 (2006).

We have made our reputation by finding creative solutions to difficult problems. We believe that this approach will be highly beneficial in this endeavor since no other State has ever attempted to regulate the production and sale of marijuana for adult consumption. We are excited about the possibility of being involved in this project and believe our over 130 years of experience tackling complex issues within the field of product regulation will serve a great benefit to the State.

This law firm’s expertise in the field of alcohol regulation has been noted by the State of California Department of Alcoholic Beverage Control itself, as this Department asked two of the firm’s partners to serve on task forces to draft proposed regulations for that agency. This experience provided an opportunity for our firm to gain a full perspective on the issues created by drafting and implementing regulations. As the State of Washington seeks to enforce the production and sale of marijuana in a manner similar to the production and sale of alcohol, we believe that we can provide a unique expertise to assist the Washington State Liquor Control Board (“WSLCB”).

Additionally, one of our partners is also a licensed Certified Public Accountant. As one of the main issues will be the State's ability to maximize the tax it receives from the sale of marijuana without causing "legal" marijuana to become cost prohibitive as compared to "illegal" marijuana, we believe that this will also provide the State with a great benefit.

14. Experience

As the preeminent law firm in California concerning alcohol retailers' licenses, we have a strong background in working within a well defined regulatory scheme. Within the State of California, a complex and overlapping regulatory scheme exists to regulate the sale of alcohol. Retailers of alcohol must not only be licensed by the California Department of Alcoholic Beverage Control but must also obtain permission from the local municipality. Often, both regulatory bodies place conditions or restrictions on a retailer's ability to operate, and therefore it is our responsibility to assist the client in ascertaining and understanding its responsibilities based upon the overlapping scheme.

Our experience in defending alleged violations of various regulatory schemes provides us with a unique perspective. As it is often our obligation to create and assert arguments of compliance that are contrary to the administrative body asserting a violation, we have a strong understanding of how unintended results may occur from regulations and the need for clear and concise regulation. We believe that the Washington Liquor Control Board could greatly benefit from a firm with such experience when drafting regulations to ensure that the effect of the regulations is what is intended.

Additionally, this firm has published numerous scholarly articles concerning the fields of marijuana regulation and alcohol regulation based upon our knowledge and experience. Below is a list of these articles:

Marijuana:

1. A State of Denial About Pot – Feb 6 '12 LA Business Journal
2. Riverside Banning Medical Marijuana Dispensaries – Dec 5 '11 – SSJlaw.com
3. California Constitution Prohibits Banning Medical Marijuana Dispensaries from Any City in the State
4. Identity Swap: California Amsterdam – Daily Journal '09

Alcohol Regulation and Licensing:

1. Alcohol Problem – Native American Nations Should Set Their Own Liquor Licensing Rules – Daily Journal – Jun 10 '03
2. Protesting Reservation Casino Liquor Licenses: Racism or Real Estate
3. Lost in the Application Maze
4. Narcotics Paraphernalia: The New ABC Dagnet
5. Serving the Obviously Intoxicated: Can You Be Sued for Serving that Drunk?
6. Sue the Minor and Parents of the Minor Who Uses False ID to Buy Alcohol
7. The Consultant as Criminal
8. Alcoholic Beverage Control Licensee's Handbook

9. Court of Appeal forbids ABC to communicate in secret in precedent setting decision
10. Court of Appeals Holds against ABC in finding that Rule 141 must be applied in all cases
11. Panel Tosses Liquor Control Board Action, Los Angeles Daily Journal, March 17, 2005
12. Who's the Judge? Or, How Those Bathroom Decisions are Made California Beverage News, February 2004
13. Playing "Who's the Buyer", California Beverage News Dec '03
14. Help! What can be done to make applying for a license fair? California Beverage News Nov 2003
15. Is organized Crime Buying ABC Licenses? California Beverage News May 2003
16. Alcopops, Malternatives and Favored Coolers: The ABC's of Kiddy Alcohol – California Beverage News Aug 2003
17. Thirty-Two Questions on Buying a Hospitality Business California Beverage News, July 2003 pg. 22
18. Tobacco Boondoggle, Now You'll Need a License to Sell a Cigarette California Beverage News, April 2004 pg. 10
19. Here Comes the Judge, When Does a Licensee Get to See a Real Judge? California Beverage News, March 2004 pg. 10
20. Lost In The Application Maze, California Beverage News, May 2003 pg. 22
21. Narcotics Paraphernalia: The new ABC Dragnet, California Beverage News, April 2003 pg. 18
22. Pleading Your License Away, California Beverage News, March 2003 pg. 18
23. ABC Appeals Board: Court of Last Resort, California Beverage News, February 2003 pg. 18
24. Conditional Use Permits and ABC Licenses, California Beverage News, January 2003 pg. 18
25. The World of False Identification, California Beverage News, December 2002 pg. 18
26. ABC Judges : Justice Denied, California Beverage News, June 2000 pg. 1
27. Minor Decoys: Multiple Liabilities, California Beverage News, November 2002 pg. 18
28. Judging the Judges, A Study of the Administrative Law Judges of the Alcoholic Beverage Control Board
29. California Forms of Pleading and Practice, Alcoholic Beverage Licensing, (Co-Editorial Consultant) Matthew Bender, Chapter 18, 1996
30. Los Angeles Liquor Retailers' Struggle with Local Politicians & Morality Issues, LIT No. 5, 6 & 7 Beverage Bulletin, Part I 5/95, Part II, 6/95, Part iii, 7/95
31. Los Angeles Riot of 1992, Earthquake of 1994, Nude Entertainment, Local Politics and Moralities, 1994-1995 Article
32. Annual Updates, ABC Licensee Handbook
33. Matthew Bender Chapter 18, Administrative Law, Alcoholic Beverage Licensing, Contributing Editors, Chapter 18, 1994
34. Handling Transients in Your Restaurant, California Restaurant Association

35. When Restaurants Go Bad (and How You Can Stay Good), California Restaurant Association

15. Staff Qualifications

The team assigned to this project will include the firm's five partners listed below:

- 1) Stephen Warren Solomon – licensed attorney for over 48 years, ten-time recipient (2004 – 2013) of Southern California SuperLawyers distinction, Rated “AV Preeminent” by Martindale-Hubbell, sitting Pro Tem Judge in Los Angeles County Superior Court, and profiled in Southern California’s Top Rated Lawyers 2012 edition. Mr. Solomon has personally appeared hundreds of times before state and local administrative agencies and is credited with obtaining a unanimous California Supreme Court decision in his client’s favor regarding ex parte communications by a California administrative agency in *Department of Alcoholic Beverage Control v. Alcoholic Beverage Control Appeals Board (Quintanar)*, 40 Cal. 4th 1 (2006).
- 2) Ralph Barat Saltsman – licensed attorney for over 38 years, ten-time recipient (2004 – 2013) of Southern California SuperLawyers distinction, Rated “AV Preeminent” by Martindale-Hubbell, sitting Pro Tem Judge in Los Angeles County Superior Court, and profiled in Southern California’s Top Rated Lawyers 2012 edition. Mr. Saltsman has personally appeared hundreds of times before state and local administrative agencies and is credited with obtaining a unanimous California Supreme Court decision in his client’s favor regarding ex parte communications by a California administrative agency in *Department of Alcoholic Beverage Control v. Alcoholic Beverage Control Appeals Board (Quintanar)*, 40 Cal. 4th 1 (2006).
- 3) Stephen Allen Jamieson – licensed attorney for over 28 years, ten-time recipient (2004 – 2013) of Southern California SuperLawyers distinction, Rated “AV Preeminent” by Martindale-Hubbell, and profiled in Southern California’s Top Rated Lawyers 2012 edition. Mr. Jamieson has personally appeared numerous times before state and local administrative agencies.
- 4) R. Bruce Evans – licensed attorney for over 11 years, three-time recipient (2006 – 2008) of Southern California “Rising Star” distinction, and profiled in Southern California’s Top Rated Lawyers 2012 edition. Mr. Evans has personally appeared numerous times before state and local administrative agencies.
- 5) Ryan M. Kroll – licensed attorney for over 8 years, licensed by the State of Florida as a Certified Public Accountant, licensed attorney in the States of Washington and Oregon, two-time recipient (2011–2012) of Southern California “Rising Star” distinction, profiled in Southern California’s Top Rated Lawyers 2012 edition, and is credited with obtaining a unanimous California Supreme Court decision in his client’s favor regarding ex parte communications by a California administrative agency in *Department of Alcoholic Beverage Control v. Alcoholic Beverage Control Appeals Board (Quintanar)*, 40 Cal. 4th

1 (2006). Mr. Kroll has personally appeared numerous times before state and local administrative agencies.

16. Approach and Methodology

Our firm intends to utilize its expertise in the regulation of alcohol and other fields to assist in creating the regulatory scheme for marijuana in the State of Washington. Since we are offering our services on a pro bono basis (except for reimbursement of any costs or travel), we understand that the Washington State Liquor Board may use our firm either as the primary expert on Product Regulation or in conjunction with other experts since our assistance comes at no additional cost to the State. We are happy to serve the State in whatever manner it believes is most effective whether that be with taking the laboring oar in assisting with the drafting of regulations or as a final check on drafted regulations before they are presented for adoption.

We will be able to travel in person when necessary and have a partner located in our Portland, Oregon office, who will be working on the project. Additionally, since our firm has offices in two different states, we are readily familiar and up-to-date with video and phone conferencing and can be included in discussions in that manner.

Per Initiative 502, the State is to create a three tier structure of licenses for the production, processing, and retail selling of marijuana, which is similar to the structure for the sale of alcohol that generally separates the production and handling of alcohol into manufacturing, wholesale, and retail. Section 9 of Initiative 502 lists twelve specific areas that the Board is empowered to adopt rules regarding, and each of these areas has a counterpart within the field of alcohol regulations. It would be our initial intent to rely upon the framework in place for alcohol regulations, as well as medical marijuana, to serve as guidelines for the regulation of marijuana for adult consumption. Given our over 130 years of experience with alcohol regulation, we believe we can provide insight and understanding that is not commonly possessed by others.

While likely more issues will be presented throughout the process of creating the regulatory strategy for marijuana, initially some areas have caused some concerns. We believe it will be important to craft regulations that carefully track the growth and production of each particular plant to ensure no shrinkage of the product occurs, which will require specific documentation for each plant. It will also be important to create regulations that control the transportation of marijuana between the different licensees and discourages the possibility of theft, which may include "no fault" suspension/penalties for those licensees involved in order to provide additional incentive to ensure theft/shrinkage does not occur.

Moreover, we believe it will be important to determine whether "Key Employees" will need individual licenses in order to be employed by licensees. We envision these regulations could be similar to the regulations concerning "Key Employees" for Indian Tribes engaging in Indian Gaming in California and could use our experience with these regulations to assist the State.

Another area of concern is the State's ability to maximize the tax it collects from the production and sale of marijuana without creating too high of a tariff so that "legal" marijuana is disfavored to illegal marijuana. An area of potential concern is the ability of producers and processors to have a financial interest in one another, which could cause the sale price between the two entities to not reflect market value and thereby diminish the amount of tax revenue to the State. We believe it will be important to carefully define how the two licensees may negotiate the price of marijuana and may suggest utilizing the cost plus tax method implemented in California that regulates the price of alcohol to create a floor for the market value of alcohol.

Another area that may need to be addressed is the definition of "general public," which term is used to define where marijuana may be legally consumed. Given the possible ambiguity of this term, we believe it would be important for the Board to consider further defining this term.

As the production and sale of marijuana for adult consumption is a new area for regulation, there will certainly be other issues that arise during the course of creating its regulatory framework. We believe that our combined experience of over 130 years in regulating age sensitive products will be invaluable for the State to draw upon as it endeavors to create regulations for an area never previously regulated in United States' history. Again, we look forward to hopefully assisting the Liquor Board in whatever fashion we can.

COST PROPOSAL

We will provide a minimum of 300 hours a year of free legal consulting to the Washington State Liquor Control Board with regard to the drafting of rules and regulations concerning the production and sale of marijuana for adult consumption for a period not to exceed two years. If Liquor Board wants more than 300 hours of legal consulting in any one particular year, then we will be happy to discuss providing further free consultation but will not be obligated to provide such free further consultation. We only ask that all costs and travel expenses we incur for this project be reimbursed by the State of Washington.

NTE Hourly Rate: \$0 p/hour.

NTE Daily Rate: \$0 p/hour.

PROPOSED CONTRACT EXCEPTIONS

We respectfully take exception to the proposed Model Contract provisions regarding indemnification of the State, insurance requirements, and publicity restraints.

If selected, we would like to then negotiate reasonable bounds for these provisions based upon the actual role for which the Washington State Liquor Control Board ("WSLCB") will utilize our firm. We would like to include a provision that consent for advertising or publicity cannot be unreasonably withheld by the WSLCB.

Norton, Melissa K

From: Donald Marshall <sunriseanalytical@gmail.com>
Posted At: Friday, February 15, 2013 1:51 PM
Conversation: RFP -K430, Sunrise Analytical
Subject: RFP -K430, Sunrise Analytical

Attached are all sections of this Submittal Document for Sunrise Analytical LLC
Thanks again,
Pat Marshall (503)625-6593 Sr. Chemist

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

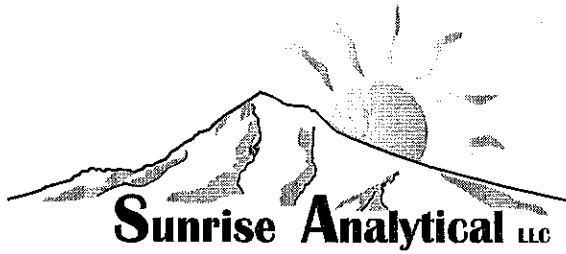
Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) <u>Hourly</u> Rate for I-502 Consulting Services as stated in this RFP	\$ <u>110</u> p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) <u>Daily</u> Rate for I-502 Consulting Services as stated in this RFP	\$ _____ p/day



9755 SW Commerce Circle Suite B-3
 Wilsonville, OR 97070
 503-625-6593

Date: 1/8/13

Company Name
 Attn:

Salem, OR 97302

RE: Results for the samples received on 1/3/13.

Blackberry						
Sample Name:	Jam	Niceness	Batch QC	Batch QC		
Lab ID:	13A004-01	13A004-02	13A001-02	13A001-02dup	130001-BLK	
Water (% moisture)	7.9%	5.8%	7.2%	7.2%	NA	±0.2%
delta-9-THC	14.5%	17.1%	14.8%	14.5%	0.0%	
Cannabidiol (CBD)	0.3%	2.2%	0.5%	0.4%	0.0%	
Cannabinol (CBN)	0.0%	0.1%	0.2%	0.1%	0.0%	
Analysis by GC/MS (Mod 8270)						Detection Limit
delta-9-THC	145	171	148	145	ND	0.2 mg/g
Cannabidiol (CBD)	3.0	21.9	4.6	4.3	ND	0.2 mg/g
Cannabinol (CBN)	0.4	1.1	1.5	1.4	ND	0.2 mg/g
*Cannabichromene (CBC)	ND	ND	ND	ND	ND	
*Tetrahydrocannabivarin (THCV)	1.2	2.0	4.0	4.0	ND	
*Cannabigerol (CBG)	3	5	5	5	ND	
Surrogate % Recovery:	85%	95%	99%	95%	82%	
d6-Phenol						
Extraction Date:	1/4/13	1/4/13	1/3/13	1/3/13	1/3/13	
Analysis Date:	1/5/13	1/5/13	1/4/13	1/4/13	1/4/13	

NOTES:

NA = Not Applicable

ND = Not Detected

Detection Limit is based on the dry weight equivalent.

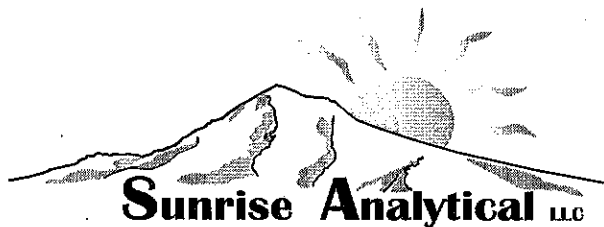
-BLK = The method blank associated with this batch.

-dup = The method duplicate associated with this batch.

*Compound concentration is estimated.

Analyst: Pat Marshall
 Sr. Chemist

Date: 1/8/13



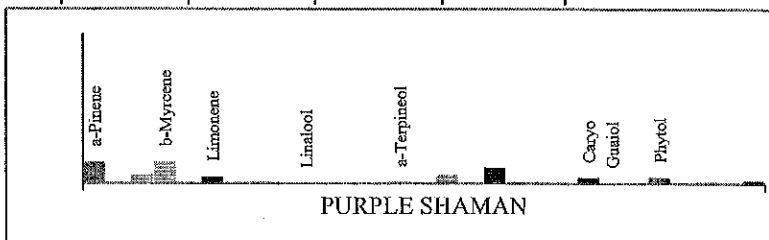
Date: 2/15/13

9755 SW Commerce Circle Suite B-3
 Wilsonville, OR 97070
 503-625-6593

Company Name

Terpene results for the sample received on 2/13/13. Analysis by GC/MS (Mod 8270)

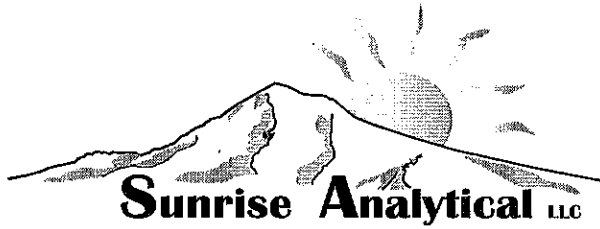
	Purple						
Sample Name:	Shaman						
Lab ID:	13B005-03					130010-BLK	Detection Limit
alpha-Pinene	4.3					ND	0.2 mg/g
Camphene	ND					ND	0.2 mg/g
beta-Pinene	1.7					ND	0.2 mg/g
beta-Myrcene	4.4					ND	0.2 mg/g
p-Cymene	ND					ND	0.2 mg/g
Limonene	1.3					ND	0.2 mg/g
3-Carene	ND					ND	0.2 mg/g
2-Carene	0.4					ND	0.2 mg/g
Eucalyptol	ND					ND	0.2 mg/g
Linalool	ND					ND	0.2 mg/g
beta-Terpineol	ND					ND	0.2 mg/g
Borneol	ND					ND	0.2 mg/g
Terpinen-4-ol	ND					ND	0.2 mg/g
alpha-Terpineol	0.2					ND	0.2 mg/g
gamma-Terpineol	ND					ND	0.2 mg/g
?*-3-Carene	1.7					ND	0.2 mg/g
?*unknown1	ND					ND	0.2 mg/g
?*-2-Carene	3.2					ND	0.2 mg/g
?*-triMeHeptanol	0.3					ND	0.2 mg/g
?*-cis-2-Pinanol(v)	0.2					ND	0.2 mg/g
?*-Butanoic acid,hex es	ND					ND	0.2 mg/g
?*Total Monoterpenes	22.1					ND	0.2 mg/g
Caryophyllene	1.2					ND	0.2 mg/g
Guaiol	ND					ND	0.2 mg/g
alpha-Bisabolol	ND					ND	0.2 mg/g
Phytol	1.2					ND	0.2 mg/g
?**beta-Caryophyllene	ND					ND	0.2 mg/g
?**alpha-Caryophyllene	0.4					ND	0.2 mg/g
?**alpha-Farnesene	0.2					ND	0.2 mg/g
?**2-Azulene	0.6					ND	0.2 mg/g
**?Total Sesquiterpenes	9.1					ND	0.2 mg/g
Water (% moisture)	6.2%					NA	±0.2%
Surrogate % Recovery:	96%					89%	d6-Phenol
Extraction Date:	2/13/13					2/13/13	
Analysis Date:	2/14/13					2/14/13	



NA = Not Applicable ND = Not Detected
 Detection Limit is based on the dry weight equivalent.
 -BLK = The method blank associated with this batch.
 -dup = The method duplicate associated with this batch.
 *Compound concentration is estimated based on linalool.
 **Compound concentration is estimated based on caryophyllene.
 ? Compound has not been verified by standard.

Analyst: Pat Marshall
 Sr. Chemist

Date: 2/15/13



Date: 2/15/13

9755 SW Commerce Circle Suite B-3
Wilsonville, OR 97070
503-625-6593

Company Name

Cannabinoid results for the sample received on 2/13/13.

Analysis by GC/MS (Mod 8270)

Sample Name:	Purple Shaman					130010-BLK	Detection Limit
Lab ID:	13B005-03						
THC	131					ND	0.2 mg/g
CBD Cannabidiol	7.5					ND	0.2 mg/g
CBN Cannabinol	0.8					ND	0.2 mg/g
*CBC Cannabichromene	ND					ND	0.2 mg/g
*CBC2 Cannabichromene	ND					ND	0.2 mg/g
*THCV Tetrahydrocannabivarin	1.1					ND	0.2 mg/g
*CBG Cannabigerol	10					ND	0.2 mg/g
*CBDV Cannabidivarinol	ND					ND	0.2 mg/g
*delta-8-THC	ND					ND	0.2 mg/g
*CBP ?Cannabipat	0.9					ND	0.2 mg/g
*CB1 ?Cannabi-one	ND					ND	0.2 mg/g
*CB2 ?Cannabi-two	0.4					ND	0.2 mg/g
*CB3 ?Cannabi-three	0.5					ND	0.2 mg/g
*CB4 ?Cannabi-four	5.8					ND	0.2 mg/g
*CB6 ?Cannabi-six	ND					ND	0.2 mg/g
*CB7 ?Cannabi-seven	ND					ND	0.2 mg/g
*CB8 ?Cannabi-eight	ND					ND	0.2 mg/g
*CB9 ?Cannabi-nine	0.3					ND	0.2 mg/g
*CB10 ?Cannabi-ten	ND					ND	0.2 mg/g
Water (% moisture)	6.2%					NA	±0.2%
Surrogate % Recovery:	96%					89%	d6-Phenol
Extraction Date:	2/13/13					2/13/13	
Analysis Date:	2/14/13					2/14/13	

NA = Not Applicable

ND = Not Detected

Detection Limit is based on the dry weight equivalent.

-BLK = The method blank associated with this batch.

-dup = The method duplicate associated with this batch.

*Compound concentration is estimated based on CBD.

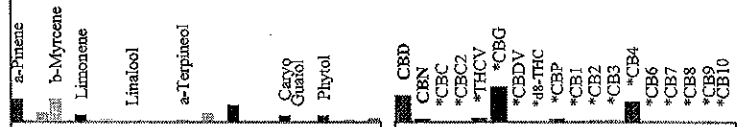
?Compound has not been verified.

Analyst: Pat Marshall
Sr. Chemist

Date: 2/15/13

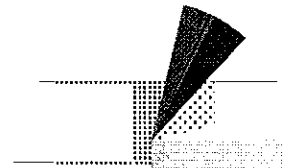
PURPLE SHAMAN

Analysis Date: 2/14/13



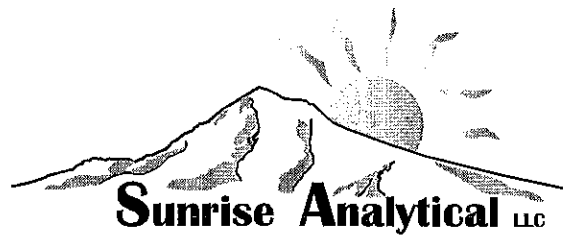
13B005-03

THC 13.1%
 CBD 0.8%
 CBN 0.1%
 CBC 0.0%
 THCV 0.1%
 CBG 1.0%
 Monoterpenes 2.2%
 Sesquiterpenes 0.9%
 Other CB's 1%
 Water 6.2%



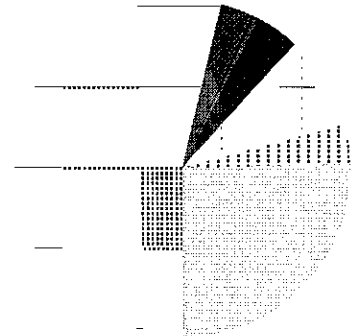
PURPLE SHAMAN

Analysis Date: 2/14/13
 UV Inspection: Mold Free
 Method 8270:

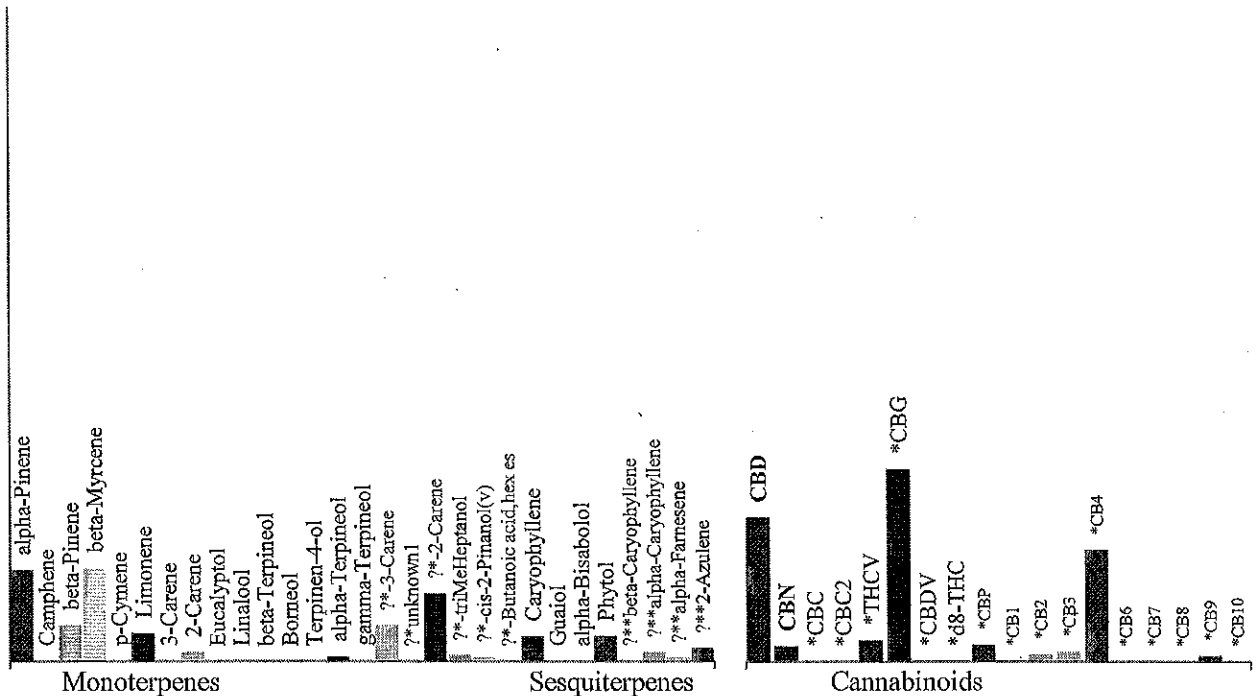


13B005-03

THC	13.1%
CBD	0.8%
CBN	0.1%
CBC	0.0%
THCV	0.1%
CBG	1.0%
Other CB's	1%
Monoterpenes	2.2%
Sesquiterpenes	0.9%
Water	6.2%



Pie Chart based on Total Extractables



Analyst: Pat Marshall
 Sr. Chemist

Date: 2/15/13

Management Team Meeting

Date: March 12, 2013

Place: Conference Room 201

Time: 1:30 PM

Persons Attending: Division Directors

Allotted Time	Subject (Presenter)	Desired Outcome	Actual Outcome (Decisions Made)	Assignments (Who, What & When)
1:30 To 2:00	Strategic Plan Update Randy Simmons	Update, Discussion		
2:00 To 2:30	Legislative Update Karen McCall	Update		
2:30 To 3:00	Information Sharing Directors	Informational, Update		
3:00 To 4:00	1 – 502 Meetings			

Contract Number K430 For Initiative 502 Consulting Services

Sunrise Analytical LLC

9755 SW Commerce Circle B3

Wilsonville, OR 97070

503-625-6593

Sunriseanalytical@gmail.com

Donald "Pat" Marshall, Owner and Sr. Chemist

21325 SW Edy Rd, Sherwood, OR 97140

Location of Facility – 9755 SW Commerce Circle B3

Category 2: Product Quality Standards and Testing

No state employees or former state employees are employed.

Contract Number K430 For Initiative 502 Consulting Services

Sunrise Analytical LLC

9755 SW Commerce Circle B3

Wilsonville, OR 97070

503-625-6593

Sunriseanalytical@gmail.com

Donald "Pat" Marshall, Owner and Sr. Chemist

21325 SW Edy Rd, Sherwood, OR 97140

Category 2: Product Quality Standards and Testing

5. Ability, Capacity and Skills,
6. Experience,
7. Staff Qualifications, and
8. Approach and Methodolgy can all be in 2 pages.

25 years of experience in many organic environmental laboratories has given me the knowledge of the laboratory infrastructure necessary to ensure quality. Please see the attached Resume. My experience includes

16 years of Drinking Water analysis experience achieving certifications by the Oregon Laboratory Accreditation Program. This certification process is rigorous and thorough. I was the Drinking Water Department Manager at Test America, Beaverton, OR and Organic Technical Director at another lab. I have been certified for organic analysis in nine western states and foreign soils. As with all certifications come audits. I have been audited over 50 times by government agencies (EPA, WDOE, ORLAP, ODEQ, etc.) or companies. I am well versed in EPA Methodology and know what it takes to have a quality laboratory.

I have written methods for the DOD, Dental Industry, and ODEQ. While at Lauck's in Seattle, I wrote an explosives method using GC/Dual ECD for the DOD. It replaced the HPLC method, doubled the compounds reported and lowered the detection limit. Also at Lauck's, I wrote a HPLC method to analyze the degradation of epinephrine in gum packings over time. While at OAL in Beaverton, I wrote a PAH method using GC/MSD Selected Ion Monitoring for the Oregon DEQ reporting lower detection limits. I was also awarded for my part in developing a Recycling / Reclaiming program for laboratory solvents. OAL sent me to PittCon in 1994 and 2 Hewlett-Packard GC/MS classes in Atlanta.

Setting up 4 laboratories from the beginning has allowed me to stream line the process. The fourth laboratory currently analyzes marijuana for the OMMP industry, leading the way with the verifiable EPA Method 8270 (modified).

This is very serious, and I recommend a CHEMIST with experience that actually knows EPA Regulations and Methodology. Additionally, experience in medical marijuana analysis could make this a very easy process. I have the experience necessary. I have worked with GC and LC both with different detectors and know that there are too many cannabinoids to use anything less than a mass selective detector for accurate low level analysis.

I am currently reporting 47 different compounds, 28 terpenes and 19 cannabinoids, found in medical marijuana. I am tracking many other compounds so that I can increase the number reported soon. CBD, CBN, and THCV, three of the more prevalent compounds found in medical marijuana, all have interfering cannabinoids. Only by using a GC/MSD can a laboratory actually differentiate the compounds of interest from another compound. Some Strains have so many cannabinoids that the chromatogram looks like a picket fence. Again the Gas Chromatograph is the only way to achieve separation of compounds necessary and the Mass Selective Detector is the only way to achieve accurate quantitation. The Method followed needs to be rigorous and well tested, ie EPA Method 8270. I have modified this method to better suit the analysis of medical marijuana and use less hazardous solvents.

I also analyze samples for pesticides by GC/MSD. Currently, the computer method looks for over 130 different pesticides that I have standards for. I look at the chromatogram for anything else that should not be there, and utilizing a NBS 75,000 compound library I can identify most compounds. This is mainly due to my experience analyzing many samples (water, soil, waste, and plant) for pesticides and other hazardous compounds.

Sunrise Analytical is a small laboratory with more than 30 routine clients analyzing over 1200 samples a year. Current capacity is about 400 samples per month, this could be doubled easily within 2 weeks. I have a spare GC without the MSD. I have achieved certifications within six weeks from ordering equipment, and could achieve almost any sample load per month. Sunrise Analytical is located within 2 minutes of I-5 and has plenty of room to grow.

I would very much like to be your consultant for Quality Standards and Testing. My background is chemistry and I have been doing Medical Marijuana analysis for more than 2 years. I can ensure that both my methodology is accurate, and many other "testing facilities" that have experience in this industry are not.

No state employees or former state employees are employed.

Proposed Contract Exeptions: Sunrise Analytical representatives reserve the right to refuse service to anyone at any time for any reason. Any actions occurring behind Sunrise Analytical doors are accountable.

PROPOSER INFORMATION

Proposer Profile:

Firm Name Sunrise Analytical, LLC
 Street Address 9755 SW Commerce Circle B3
 City, State, Zip Wilsonville, OR 97070
 Federal Tax ID Number PersonalInfo _____
 UBI _____
 Website URL _____

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name: Donald P Marshall
 Telephone: 503 625 6593
 Email: Sunrise Analytical@gmail.com

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount 10 % 5 days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input checked="" type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Donald P Marshall
 Proposer Signature
owner / Sr Chemist
 Title

Sunrise Analytical, LLC
 Company Name
2/13/13
 Date

Donald "Pat" Marshall

21325 SW Edy Rd
Sherwood, OR 97140
(503) 625-6593

POSITION OF INTEREST

GC/MS Specialist

QUALIFICATIONS

I have operated and maintained HP GCs (Models 5890 and 6890) and HP MS Detectors (Models 5970, 5971, 5972, and 5973) for 18 years, analyzing drinking water, wastewater, and soil samples for both volatile and semivolatile compounds. I have setup instruments and written documentation to receive certifications for different analyses in Oregon plus other states. Other instruments include GC/dual ECD, GC/FID-NPD, GC/HALL-PID, and HPLC. I have supervised and trained chemists for 15 years.

EDUCATION

Bachelor of Science in Chemistry, University Of Oregon
Hewlett-Packard courses: GC/MS Operator, GC/MS Advanced Operator

EMPLOYMENT

9/07-1/10 Drinking Water Department Manager, Test America

I was responsible for supervising and training staff, data checking, maintaining instruments (4 GC's and 1 GC/MSD), writing procedures (4 for the State of Oregon Drinking Water Program), daily extraction and analysis of volatile and semivolatile compounds, and developing efficient methodology. I also helped with building maintenance.

4/00-5/04 Organic Technical Director, Alexin Analytical Laboratory

As the only organic analytical chemist for 2 years, I was responsible for setting up and maintaining instruments (3 GC's and 3 GC/MSD's), writing procedures (2 for the State of Oregon Drinking Water Program), daily extraction and analysis of volatile and semivolatile compounds, and developing efficient methodology.

3/97-10/99 Semivolatiles Program Head, AGRA Earth and Environmental

I was responsible for the certification of semivolatile organic compounds through the States of Arizona, Utah, and Washington. Responsibilities included daily analysis of semivolatile compounds, trained personnel, procedural advisor semivolatile group, writing technical methodology, maintaining instrumentation, and developing efficient methodology.

1/91-1/96 GC/MS Program Head, Oregon Analytical Laboratory

Awarded for my support on a team project to develop an efficient solvent recycling extraction laboratory. Responsibilities were the same as AGRA. In 1994, I was able to double the analysis capacity for both the volatile and semivolatile mass spectrometers.

8/88-1/91 Organic Chemist, Northwest Testing Laboratory

I was responsible for all the organic related analysis on 4 GC's and a GC/MS. This included designing and constructing a workable and profitable organic laboratory.

2/86-8/88 Chemist, Lauck's Testing Laboratory

I was responsible for operating a GC/MS after just 3 months of employment. Developed new methods for GC/MS, GC/ECD, and HPLC. Studied CLP procedures to successfully analyze EPA-CLP samples.

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 2

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 3

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 4

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Norton, Melissa K

From: Sarah Hill <sarah@synergywellnessconsulting.com>
Posted At: Friday, February 15, 2013 1:57 PM
Conversation: RFP K430, Synergy Wellness Consulting
Subject: RFP K430, Synergy Wellness Consulting

Please find attached our Proposal for K430. Thank you

Norton, Melissa K

From: Sarah Hill <sarah@synergywellnessconsulting.com>
Posted At: Friday, February 15, 2013 2:07 PM
Conversation: RFP K430, Synergy Wellness Consulting
Subject: RFP K430, Synergy Wellness Consulting

Please find attached our Proposal for K430.
Thank you

**Proposal Submitted in Response to RFP for
Contract Number K430 for Initiative 502 Consulting Services
for the
Washington State Liquor Control Board**

SYNERGY WELLNESS CONSULTING

672 CR 230

DURANGO, CO 81301

Sarah@Synergywellnessconsulting.com

(970) 403-5899

FEBRUARY 13, 2013

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PROPOSER’S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

- The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
- The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
- In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer’s Response.
- We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
- We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
- We are not submitting proposed Contract exceptions.
- The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
- By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
- Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation

Synergy Wellness Consulting

Proposer Signature

Company Name

Owner

02/13/13

Title

Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name Synergy Wellness Consulting
 Street Address 672 CR 230
 City, State, Zip Durango, CO 81301
 Federal Tax ID Number **PersonalInfo**
 UBI To be attained
 Website URL www.synergywellnessconsulting.com

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer’s Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name: Sarah Hill
 Telephone: (970) 403-5899
 Email: Sarah@synergywellnessconsulting.com

Payment Options:

X YES **NO** Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount 2% 10 days, net 30 days.

X YES **NO** Will you accept the State’s Purchasing Card (P-Card)?

X YES **NO** Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input type="checkbox"/>
1	Product and Industry Knowledge	X
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: _____
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: ___ Yes ___ No

Subcontractor 2

Name: _____
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: ___ Yes ___ No

Subcontractor 3

Name: _____
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: ___ Yes ___ No

Subcontractor 4

Name: _____
Services: _____
Address: _____
Telephone: _____
Email: _____
Fed ID: _____
UBI: _____
Work to be Performed: _____
OMWBE certified: ___ Yes ___ No

LETTER OF SUBMITTAL

February 13, 2013

John Farley
Procurement Coordinator
Washington State Liquor Control Board
3000 Pacific Avenue SE
Olympia, WA 98504

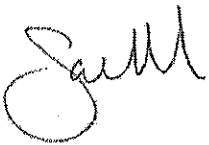
Dear Mr. Farley,

The present proposal is submitted in response to an invitation by Washington State Liquor Control Board to generate a plan to for Initiative 502 (I-502) Consulting Services, to assist the WSLCB with the implementation of the requirements of I-502.

Initiative 502 requires that cannabis be a tightly regulated, state-licensed system similar to that for controlling spirits. While this new Washington State system for growing, processing, retailing, and producing cannabis is unprecedented and must be built from the ground up, similar past experiences held by select individuals can only simplify, expedite, and improve the process. With the understanding that it is the intent of the WSLCB to enter into a single Contract for all Categories, because of the unparalleled nature of this work, specific teams formed by the best proposals would combine knowledge, skills, and abilities into one. By making multiple awards by Category as necessary, the operational and strategic objectives of the agency are better met. Considering the time line, December 1, 2013, to finalize rules and implement all requirements of I-502, the WSLCB will find experience in such a unique business of the highest worth. Detailed information on my experience in the cannabis industry is located in the Non-Cost Proposal, under Staff Qualifications and Capabilities.

Additional company information requested to be attached in the Letter of Submittal are found in Appendix A.

All the Best,



Sarah Hill

Owner

Synergy Wellness Consulting

NON-COST PROPOSAL

The proposal is a statement in response to Category 1: Product and Industry Knowledge of Initiative 502 Consulting Services – RFP K430. It was prepared in response to the request for proposal (RFP) entitled “ K430 INITIATIVE 502 CONSULTING SERVICES ” issued through The Washington State Liquor Control Board (WSLCB) to provide consulting services to assist the WSLCB with the implementation of the Washington State Initiative 502 (I-502) requirements.

The scope of the proposed project is defined as the criteria set out in the RFP. Initiative 502 allows for the WSLCB to enact rules that establish procedures and criteria for:

- The equipment, management and inspection of production, processing, and retail outlets.
- Books and records maintained by licensed premises.
- Methods of producing, processing and packaging of marijuana/marijuana infused products, to include conditions of sanitation.
- Standards of ingredients, quality, and identity of marijuana/marijuana infused products produced, processed and sold by licensees.
- Security requirements for retail outlets and premises where marijuana is produced and processed.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

1. **Ability, Capacity and Skills.** Our firm’s ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:
 - a) Cannabis grown in several mediums including soil and hydroponics. Started from seeds and clones in a variety of mediums. Indoor and outdoor growing with an emphasis on environmentally sound practices.
 - b) Cultivated and harvested
 - c) A variety of methods used to find the best cure
 - d) Unique long term storage used
 - e) Processed for wholesale and retail sale
 - f) Infused into food and beverages
 - g) Packaged, labeled, transported, and sold at retail level
 - h) Wholesale and retail Product accounting.

2. **Experience**

Category 1 Minimum Qualifications:

Proposers and/or associates responding to this Category must have at least three (3) years of consulting experience relating to the knowledge of the Cannabis industry, including but not limited to, product growth, harvesting, packaging, product infusion, and product safety.

We are fortunate to have run a medical marijuana center in Colorado allowing us experience in all area of the cannabis industry.

- a) Under Colorado amendment 20, in 2009-2012 opened, owned and operated the first licensed MMJ dispensary in central business district of downtown Durango, CO.
- b) 2009-2012 ran the only free MMJ hospice enhancement group in Durango, CO.
- c) 2009 worked with city and county government agencies to create the current local zoning and code enforcement laws in line with state HB1284.
- d) 2010 spoke to a joint three county health departments on the topics of health concerns, delivery methods, and food regulatory concerns.
- e) 2010 the 7th MMJ model in Colorado to be reviewed by the MMED helping to create the regulations for future reviewed models.
- f) In 2010 successfully had the temporary land use codes amended in La Plata county to allow for 1 acre of cultivation based on agricultural lot status.
- g) n 2010-2011 ran the only approved outdoor cannabis growing operation in Colorado.
- h) 2011 developed data and a formula for the amount of finished yield to expect to receive from fresh cut harvest weight.
- i) 2011 developed organic growing system with input costs resulting in below \$25 per pound of product yielded.
- j) 2011 1st MMJ to move its licensed premise location under regulation, to new address on Main Ave.
- k) 2011-2012 developed methodology to cure and store seasonal outdoor grown cannabis for distribution year-round.

2012 developed full seed line of 50+ cannabis genetics grown legally in Colorado.

3. Team Structure and Internal Controls

Proposed project team structure and internal controls to be used during the course of the project, are simplified with one responsible party no subcontractors. All authority for programs or functions of the firm are the sole responsibility of Sarah Hill.

4. Staff Qualifications and Capabilities.

Sarah Hill is the founder and current owner of Synergy Wellness Consulting. With a unique background largely coming from her experiences as an entrepreneur and a mother, she is well adapted to many tasks. Prior to Synergy Wellness Consulting, Sarah was a co-owner of Durango Wellness, LLC, a licensed medical marijuana dispensary in the state of Colorado. She spent 3 years with Durango Wellness, LLC actively working with citizens, law enforcement, and city, county and state officials. This was always a developing business, ever changing with the new laws being written and implemented. All areas of the cannabis industry were handled by Sarah, from seed to sale. Sarah has experience growing cannabis in several mediums, cultivating, harvesting, curing, and processing. She is well experienced with making infused products including topicals, medicated foods and drinks, and concentrates. All packaging, labeling, and most transportation was handled by Sarah. She was also the responsible party at the retail location. All reports and security had to be maintained as well as good relationships with clients and the community. A formal withdrawal was granted by the State of Colorado MMED to Durango Wellness, LLC in July, 2012.

A corporate background gave all of this a solid foundation with experience previous to Durango Wellness, LLC spent as a CFO for eight years. Work was subcontracted in rural areas of seven states from several Fortune 500 companies seeking a low cost solution for their guaranteed on-site services. Not only did Sarah work as the CFO, but also managed the Human Resources department in Durango, Colorado, an office where 38 employees worked virtually in seven states.

Sarah balances this with work to help others. Currently finishing her certificate in Wellness Consulting, Sarah has been committed to helping those around her achieve their goals. She lives on a 23 acre organic farm with

her family and enjoys sharing the bounty at Durango's Farmers Market. She also teaches a restorative yoga class in Durango, Colorado.

Summary

We have demonstrated in this section what makes Synergy Wellness Consulting uniquely qualified to support the WSLCB with the implementation of I-502 requirements. We have experience working in many areas of the cannabis industry as well as working with citizens, law enforcement, and city, county and state officials agencies. Our size allows flexibility while maintaining a depth of resources from past experiences in this unique industry.

COST PROPOSAL

As requested in the RFP Table 1 is provided for Initiative 502 Consulting Services.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in the RFP	\$ 50 p/hour

Total compensation for services rendered for the contract shall be at an hourly rate of \$50 per hour U.S dollars. All costs associated with the services provided are incorporated into this rate.

We accept the State’s Purchasing Card (P-Card), Electronic Funds Transfer (EFT), and offer a Prompt Payment Discount.

Appendix A

As requested in Submittal Document’s Letter of Submittal Proposer is to include by attachment the following information:

- Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.

SYNERGY WELLNESS CONSULTING
672 CR 230
DURANGO, CO 81301

(970) 403-5899

SARAH@SYNERGYWELLNESSCONSULTING.COM

- Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)

SARAH HILL
672 CR 230
DURANGO, CO 81301
(970) 403-5899

- Location of the facility from which the Proposer would operate.

672 CR 230 DURANGO, CO 81301

With today's technology much can be accomplished via a virtual office. Phone calls, emails, and many meetings can be held in a virtual environment, but there are times that a physical presence is necessary. It is anticipated that on site work will be required in the state of Washington. Appropriate travel costs have already been worked into the hourly rate. If found necessary, relocation to Washington is acceptable with cost incurred by Synergy Wellness Consulting.

- This proposal is a statement in response to Category 1: Product and Industry Knowledge of Initiative 502 Consulting Services – RFP K430.
- There are no state employees or former state employees employed or on the firm's governing board as of the date of the proposal. No conflict of interest exists.

Norton, Melissa K

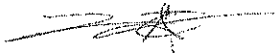
From: john@cannasseursinc.com
Posted At: Friday, February 15, 2013 1:13 PM
Conversation: RFP- K430, Tasker-Cannasseurs
Subject: RFP- K430, Tasker-Cannasseurs

To Whom It May Concern,
Thank you for your time and consideration.

It is with full confidence that I believe Tasker-Cannasseurs will make an integral and positive impact on this project. Tasker-Cannasseurs has dedicated itself to the progression of the Medicinal Cannabis Industry and responsible use advocacy, through educational facilitation and political action platforms.

I maintain extensive knowledge of Product and Industry Knowledge with regards to all elements of Cannabis Production and Use, have cultivated commercially, and managed Medicinal Cannabis Collectives. I have consulted to industry proprietors, have authored and assembled such educational guides as: "*Cannabis 101*", "*Bud-Tending 101- The Bud-Tender's Manual*", "*Political Action Petitions*", and have created the "*National Registry of Legitimate Cannabis Providers*" as a self-regulatory element for the Medicinal Cannabis Industry, along with an "*Education Center*" and several other elements as part of our web platform for "*GetLegit.org*".

Initiative 502 is an exciting challenge, and I look forward to helping maximize the benefit from Cannabis to the State of Washington, while minimizing the fiscal expenses to achieve it. Again, thank you for your time and consideration.



-John Tasker
Tasker-Cannasseurs
Educate Medicate Legitimize

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

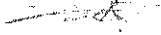
Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are /are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

John Tasker 

Proposer Signature
President

Title

Tasker-Cannasseurs

Company Name
02/14/2013

Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name	Tasker-Cannasseurs
Street Address	12552 Valley Meadows Dr.
City, State, Zip	Moreno Valley, CA 92553
Federal Tax ID Number	PersonalInfo
UBI	102-117305
Website URL	www.GetLegit.org

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name:	John Tasker
Telephone:	951-743-7411
Email:	John@CannasseursInc.com

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount 5 % 30 days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input type="checkbox"/>
1	Product and Industry Knowledge	<input checked="" type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 2

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 3

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 4

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Letter of Submittal

To Whom It May Concern,

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Again, thank you for your time and consideration.



John Tasker (Sole-Proprietor)

Tasker-Cannasseurs

12552 Valley Meadows Dr.

Moreno Valley, CA 92553

GetLegit.org

951-743-7411

John@CannasseursInc.com

Office located at:

12552 Valley Meadows Dr.

Moreno Valley, CA 92553 (Please Note: Proposer will relocate as necessary)

Proposal is in regards to Category 1: Product and Industry Knowledge

There are no current / former WA State employees employed by this firm nor on our governing board-

RFP K430 Submittal Document

NON-COST PROPOSAL: CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

ABILITY, CAPACITY AND SKILLS-

Proposer possesses expertise, and ability to provide working knowledge, instruction, and regulatory insight with relation to facilitation and procedure in all areas, from Indoor and Outdoor (including Greenhouse) aspects including:

a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed-

Life and Flowering Cycle-

- From Germination as Seeds (and/or 'Clones' from 'Mother Plants'), through Teen & Vegetative phases, Pre-Flower, Full Flower, and proper determination of Product Completion, based on genetic predetermination, environmental factors, trichome development and maturity.

Environmental Conditions-

- Photosynthesis and photo-period manipulation, photon absorption and relation to inverse square law.
- Temperature, wind circulation, intake / exhaust needs, carbon dioxide optimization, and humidity controls in relation to maximizing yield and preventing molds / fungi, and anticipation of environmental factors, seasonal changes.
- Growth medium, alternative growth techniques with regard to root oxygenation and beneficial microbe colonization in relation to metabolic function and maximization of plant potential.
- Nutrient / metabolic supply in relation to basic necessity, varying life cycle requirements and preferences, PH and PPM preferences, and maximizing yield and rate of growth while minimizing necessity based cost. Included is knowledge of carbon re-depositing and soil replenishment in outdoor applications.
- Genetic Inheritance & Reproduction- Strain family / sub-family characteristics and expectancies in relation to life cycle, yield potential, production of THC(s) / CBD(s) , Terpenes, and other Cannabinoids, along with knowledge of inherent reproductive cycles and potential manipulation, and alternative genetic sharing techniques.
- Preventative and / or plant recovery measures relating to molds, pests, chemical / nutrient deficiencies, lockouts, etc. and their impact on production.

Harvesting, Drying, and Curing-

- Procedures including proper and efficient harvesting / trimming techniques with relation to time / output expectancies.
- Knowledge of employment / cost variance potential in regards to automated trimming machinery vs. human labor.
- Expertise in drying techniques and moisture / weight loss expectancy.
- Full knowledge of drying and curing processes, and timeline pertaining to achieving high quality Cannabis and derivatives.

Processing-

- Familiarity with several production options including 'usable Cannabis' , edible infusion, concentrates (including Hashish, Hash Oil, Wax, Sand, Kief, Goo etc.) topical versions, tinctures, etc.

Environmental Consumption & Production Cost- Expected power, material, space, and cost consumption in regard to expected yield / output, and output potential per a given facility.

- Knowledge of yield and consumption variables for indoor, greenhouse, and outdoor applications.
- Insight toward regulatory / procedural code, and potential revenue increase from production / processing facility and staff certification.

(Please Note: it is believed that further revenue may be generated in multiple sectors by implementation of required training / handling requirements and facility inspections / codes at all three (production, processing, retail) proposed levels of inclusion, incurred at a nominal cost to the State of Washington)

b. How Marijuana is infused into food and beverages-

- Knowledge of infusion techniques including usable Cannabis and or concentrates, including lipid bonding with heat exchange, as well as infusion through absorption and/or straining techniques-
- Insight towards regulatory / procedural aspects regarding standardizing dosage/potency, facility, staff, handling, distribution, operation, and potential revenue generated by aforementioned certification, inspection, and training. Certain aspects related to the food and beverage industry may be combined into Cannabis industry regulation to achieve most sensible and beneficial effect with regards to public safety and revenue.

c. How Marijuana should be packaged, labeled, transported, and sold at retail level-

- Potential creation of an operational model which includes standardization of (and potential industry / overall revenue growth) packaging materials including secure plastic jars, foil bags, and / or alternative variations- (Note: Proprietors in Holland use cost friendly plastic bags. However, a more secure, sealed variation would likely be preferable, ie. a locking medicine jar, or sealed foil bag) Packaging will more often fall unto the Processor, which enables a more easily regulated packaging system.
- Labeling may be categorized by specific product, producer/processor, and include origin, contents, and potency (as per standardized potency system) which can then summed, tracked, and accounted for in a reasonable fashion.
- All materials available for retail should be allotted into a 'Batch' accountability system, as would be expected of a distiller or brewery.
- Transportation considerations must include security and public safety, the well being of a transporter, and overall liability. A sanctioned courier, or armed security officer program may need to be implemented for overall public safety. However, this provides alternative revenue options for the State of Washington, including special examination, insurance, and or licensing and application fees for drivers and security personnel.
- Many packaging and sales variations may be modeled after the Medical Cannabis Industry, which has (in California) had over 16 years of 'free market' development. Many tangible consumable items exist, which if applied to the retail level allows for maximum growth, and in turn revenue for the State of Washington.

d. How wholesale and retail Product should be recalled and accounted for-

- An implemented system of 'Batches' which can be categorized by specific product and quantity, then summed, tracked, and accounted for in a reasonable fashion (as would a bottle from a case of wine be tracked to the batch, barrel & vineyard)
- This 'Batch' system allots for quality controls, with regard to recall, destruction as necessary, and tax accountability in any quantity or product form, and can be applied to all product categories and suppliers,

e. How Marijuana should be destroyed if overproduced, contaminated, or recalled-

- Multiple options exist for the destruction of contaminated or otherwise unusable Cannabis, dependent on the condition of said material.
- Completely unusable Cannabis may be incinerated either by intricate mechanism, or by simple 'burn pile' techniques operated in a safe and effective manner. (the D.E.A. prefers to incinerate Cannabis at a specialized facility, however this option is the least cost effective)
- In most cases, decaying plant material can effectively be recycled into compost / mulch, which in turn can alleviate costs from public sectors. Other options include reduction and use as Animal / Livestock feed, as well as many potential Industrial applications, which do not bear the safety implications of ingested products.

2. Experience-

Proposer has more than adequate experience in Cannabis consulting, as well as cultivation, entrepreneurial start up, and facilitation within the Cannabis industry.

Proposer has:

- Been Medical Cannabis Patient from 2005 until present-
- Acquired experience in Self and Commercial cultivation, experience as head of, and assistant to operations which produce and process Cannabis for Medicinal Cannabis Collectives-
- Consulted patients / members as to maximizing benefit from Cannabis use, with specific application of extensive medical and scientific research as a managing member of collectives.
- Managed Medical Cannabis facility, with special emphasis on material oversight, procedure, and accountability.
- Regularly consulted current Cannabis collective directors as to maximizing potential, marketing, facilitation, staff, and operations, as well as consultation to start up /entry level entities with regard to aforementioned categories.
- Proposer is Director of national education and advocacy platform, which also entails industry training and certification, entrepreneurial consultation, and official review processes.
- Authored and collaborated on published educational materials including a "101" booklet, (composed of integral facts and collaborating industry resources, designed at bringing a positive, responsible light to Cannabis) an industry specific training manual, as well as political action petitions for Medicinal Cannabis and Industrial Hemp.
- Created a National Registry of Providers, which is to this point, the only functioning third party oversight model in place for Medical Cannabis providers and patients.

3. Team Structure and Internal Controls-

- 'Team Structure' is to be comprised solely of the Proposer, with any Sub-Contractors being identified only should they become necessary (to keep incurred cost to a minimum)
- Internal controls will include any such controls and / or functions necessary to complete all objectives in a timely and cost effective fashion which also include the best interests of the State of Washington.
- Authoritative lines for personnel shall be created on an 'as necessary' basis, as it is assumed that any other personnel connected to proposer / sub-contractors will arise only out of necessity, and are not intended upon initially.
- Let it be known that Proposer is open to any form of alternative 'team' structure or otherwise awarded contractual structure which acts in the best interests of the State of Washington in order to effectively achieve the series of goals.

4. Staff Qualifications and Capabilities-

Staff is to include:

John Tasker

President, Tasker-Cannasseurs

Normal responsibilities include:

- Content development and authorship, design and implementation, consultation and education services, accounting, marketing, and sales, as well as public speaking and political lobbying for the Cannabis industry at such events as city council meetings, with city council members and Senatorial advisory staff, etc.

Qualifications include:

- Acquired experience in Self and Commercial cultivation, experience as head of, and assistant to operations which produce and process Cannabis for Medicinal Cannabis Collectives-
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COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 **or** Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate **or** Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ <u>42.00</u> p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ ____ p/day

Norton, Melissa K

From: seattlepc1@gmail.com on behalf of Jeremy <jeremy@thecpc.org>
Posted At: Friday, February 15, 2013 1:29 PM
Conversation: RFP - K430 Vendor: The CPC
Subject: RFP - K430 Vendor: The CPC

There are 2 files being submitted. They both are labeled WSLCB App. The PDF is the submittal document, the Word document is our letter of submittal.

We did not include resumes because we did not see a space to add them into the letter or the submittal document. Any resume of anyone attached to this contract can be sent upon request.

Please feel free to contact me on my cell at 206-696-9765, if you have any more questions or require anything else.

Thank you so much for your time.

Namaste



CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

In 2 pages or less, please describe your firm's ability, capacity, skills and/or other expertise in product and industry knowledge, including but not limited to the following:

1) a. How Cannabis is grown, cultivated, harvested, cured and processed

Within our organization's employ we have completed over 60 harvests in the past ten years. We have cultivated Cannabis in hydroponic and aeroponic, as well as a variety of soil methods. We have done both machine based trimming and hand based trimming on a large production scale. We have also developed a logistical system to manage our facilities to maintain a cyclical system that produces a few hundred pounds a year with minimal overhead, working within our industry's constraints. Our head grower and two founders have been producing medical specific genetics for the past five years. Working with this scale of production has allowed us to very acutely manage our curing techniques. With our production abilities we also have produced over 6500 grams of concentrate material, or oil, within our research to make safer and quantifiable concentrates.

b. How Cannabis is infused into food and beverages

We currently produce 45 different infused Items. We have created a line of consumables that other Access Points carry throughout the Pacific Northwest. We have experimented with numerous ways to infuse Cannabis into foods and other consumables, using many different mediums: alcohol, glycerin, agave, butter, coconut oil, and limonene. This has shown us many of the little challenges that come up with infusing. Some problems that may arise are oil not infusing correctly or separating from the product later on, and inconsistent effect between batches of products. We have also found methods that allow us to infuse Hash Oil into things like agave without using alcohol as a medium. This research is a large focus for our organization.

c. How Cannabis should be packaged, labeled, transported and sold at retail level

We currently provide products to several other medical dispensaries. Packaging is a massive area of R&D currently for our company. The CPC's main goal is to educate people on the effects they should expect from using the infused product. Much of this is accomplished through the labeling system we have in place. We're also strong proponents of hermetically sealed products.

d. How wholesale and retail product should be recalled and accounted for

During production of retail and wholesale products The CPC tracks the Cannabis and its resulting products through every step of the process. Weighing it as it makes its way through each stage allows us to track how much we are producing per grow site, per light, per gallon, etc. which in turn allows us to project how much concentrate oil could be produced from either flower or trim. Recall notifications are done in any stage with a simple reporting website that allows the office as well as customers to log issues with products. We batch test with current technology as it is provided to the Industry.

e. How Cannabis should be destroyed if overproduced, contaminated or recalled.

Overproduction: in the case of overproduction you can require that it be destroyed, but the flower product has such a myriad of applications that destroying product makes no economic sense. Keep in mind that Cannabis has proven to have a multi-year shelf life when packaged in nitrogen-filled and sealed vacuum packs. We employ (1) a storage requirement security/reporting system and (2) metrics that regulate the volume of Cannabis allowed in back stock.

Contamination/Recall: In the past Cannabis that was contaminated with mold or bugs had to be disposed of. We have composted as well as burned Cannabis, depending on what the issue was. There are currently many schools of thought on how to recover Cannabis to make it usable for infused products, even after getting contaminants into your final product. This is where testing is imperative. There are a number of methods we employ to deal with this issue, but without proper verification and testing nothing that we've seen at this point can verify or deny that recalling and purifying contaminated Cannabis is a valid process.

2) In two pages or less, please describe your firm's experience in product and industry knowledge as it relates to cannabis

The CPC was incorporated July 9, 2010. Currently we have twenty years of growing experience between our staff members. We have four years of Cannabis Oil production and three years of Cannabis Edible production. The CPC has been involved in various Industry groups – AAMP, SCEA, WCA, CCSE – since we incorporated.

One major advantage our organization possesses is that we create all of our end products in house. We control from beginning to end the process of growing, extracting, processing, concentration, and quantification of Cannabis for medical patients, which can be extrapolated to an I-502 model. We have done numerous styles of grows, including but not limited to *Hydroponic, Soil, and Airoponics*. From our large pool of experience we have gained a realistic expectation for quantity of Cannabis produced per plant and how long the grow cycle takes, depending on the growing style in use. We have the knowledge and practice that it takes to harvest quality Cannabis on a massive cyclical scale. There is currently a difference in quality between hand processed Cannabis (which is more labor intensive) and machine processed Cannabis (which tends to have a more uniform look and less cannabinoid content). The logistics of maintaining a large processing firm with product that is hand trimmed is a large undertaking, to say the least.

Cannabis can be processed by being dried first then trimmed, or the process can be reversed, requiring the product to be trimmed and then hung to dry.

The flushing or purification process for Cannabis is another important step because it helps remove the metals, nitrogen, as well as other residual negatives that can remain in the plant. These compounds can be detected using current testing methods but some are not accessible to the Cannabis industry yet. This is a massive factor in the residual containments and quality of the finished Cannabis.

After the bud of the Cannabis plant has been processed for consumers, shake (extra leaf material) can be used to make numerous products. At the CPC – since we do everything in house – we maintain a macro and micro perspective of the numerous ways Cannabis can be infused into products. There are many different ways to extract Cannabis, using many different solvents, gases, and processes. Some solvents are based on hydrocarbon, such as hexane, butane and naphthalene. Some are more natural, such as high grain alcohol, CO2, butter, and cold water extraction. We have experimented with many different extraction processes and have a working knowledge of the different issues that might arise with the end product, depending on the process used for extraction. Many of these products can be made safe with proper testing and regulations. Hash Oils made with hydrocarbon based solvents will need to be checked for residuals of the solvent before being used or sold to consumers.

We currently produce 45 different infused products for medical Cannabis patients. Given the numerous extraction methods and different mediums which can be used to get Cannabis into various food and topical products, this particular issue has a wide range of needs. Depending on the extraction method being used, things to test for will vary, impacting the requirements for labeling. One thing to note about infused products (such as Delta-9, the cannabinoid that law enforcement officers look for when testing for DUIs), is that they should be clearly marked on anything that is consumed. We currently don't create products with Delta 9 present, since the effects tend to be strong and psychoactive. When we have made high Delta 9 edibles, they were marked with a large warning sticker.

Working with patients over the years, we have developed a thorough understanding of how Cannabinoids can affect a person's abilities and the potential risks that come with different concentrations of Cannabinoids. We are also familiar with how to concentrate, increase, or decrease dosage of specific compounds for specific outcomes.

- 3) In two pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in the performance of this potential contract and relationships of this staff to other programs or functions of the firm.

The project team structure will be:

Jeremy Kaufman, will be point of contact and Project Manager and will manage the request for all things involving Categories 3 and 4. Jeremy is an Executive Director for The CPC. Supporting him will be **Ryan Campbell** and **Stephanie Briggs**. Ryan is The CPC's Consulting and Financial Analyst; Stephanie is a financial strategist that has developed our strategic marketing and demographic analysis systems.

Ben Reagan will manage the needs of Categories 1 and 2. Ben is an Executive Director for The CPC. Jesse Schwartz and Vince Mall will be supporting Ben.

Jesse Schwartz, the Cultivation Manager for the CPC. He will be supporting Ben Reagan in Category 1. Jesse is currently responsible for 5,000 square feet of grow space, managing the entire cycle from Plant to Harvest.

Dr. George Sellhorn will be advising in Categories 1 and 2. Dr. Sellhorn will be contracted to meet certain goals for producing the data and copy required for these categories. Dr. Sellhorn's background is listed in the request for Category 2; he will be supported by Renetta Greenwood.

Renetta Greenwood, Bachelor of Science in Biology from UW. Experience in lab settings, primarily field work is with toxicity levels within animals. She will support Dr. Sellhorn.

Vince Mall is The CPC's Production Manager. He will support Jeremy Kaufman and Ben Reagan with categories 1 and 3. Vince Mall will be supported by Skylar Swenson.

Skylar Swenson is The CPC's Inventory manager. He will support Vince Mall.

Available to assist with all category projects is **Dian Hagen**, who is our Technical Writer on this project.

- 4) Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Ben Reagan - Executive Director - The CPC – (03/01/2010 – Current)

Patient Consulting: Working with individuals to identify which cannabinoids will have the most beneficial medical impact for them

Director of Research and Development: Product development for both infused edibles and Cannabis hash concentrates. Experimented with numerous solvents – both organic and inorganic – to gain an in-depth understanding of the issues resulting from the many different processes.

Ben has made over 6,500 grams of Hash Oil utilizing the numerous processes available. He has successfully managed 2,000 square feet of grow space successfully from *Plant to Harvest* for the past two and a half years.

Prior to helping found The CPC Ben worked at Washington Mutual, where he held the position of Assistant Vice President for the Legal Technical Support Team. Managing teams across the country to provide technical support to WaMu's legal staff required managing projects and groups of contractors. This position always had stated deadlines.

Jeremy Kaufman – Executive Director – The CPC – (03/01/2010 – Current)

Oversees all elements of The CPC's structural and fiscal daily activities. Creates, implements and directs layout and functionality metrics throughout all departments of The CPC to increase effectiveness and productivity.

Created the baseline structure from an economic, political, and tax understanding of the Cannabis industry that allowed The CPC to incorporate, pay taxes, and continue to function and flourish in the current market.

Prior to Co-Founding The CPC, his experience created a skill set based on Multi-Layer Project Management, Business Functionality Consulting, Accounting, and Sociological Demographic Market Analysis.

Ryan Campbell – Financial Strategist

As the firm's financial strategist he builds and maintains financial models that allow for trend analysis of product sales and management of inventory control. He is currently a student of economics. His skills relating to the interpretation and analysis of data play a critical role in the firm's understanding of product movement and inventory standards. Prior to coming to the CPC he was employed at Bank of America, where he worked as a merchant specialist, advising small businesses on a variety of transactions.

Stephanie Briggs – Merchandise Planner / Market Analysis

Stephanie's focus is to help us determine market penetration of our products. She seeks financial results for our organization by setting and meeting sales and other retail metric goals. She helps work to turn inventory quickly to meet goals based on market information. She has shown us how to analyze actual sales to the plan to monitor progress and develop deviations if necessary. She has been paramount in helping us respond to the changes in the market by determining sales trends in the market and forecasting as the market keeps changing.

Jesse Schwartz – Cultivation Manager

Jesse has been growing Cannabis as a patient for almost a decade. His production based background has allowed The CPC to create and maintain one of the most diverse and effective production systems in the State.

Renetta Greenwood – Lab Assistant/Production

Renetta has been a great addition to our team. She has a B.S. from the University of Washington and has been integral in the finishing and packaging process we created and maintain for the vending/wholesale element of the production side of our organization. As well instrumental in helping us understand dosage metrics.

Dr. George Selhorn

Dr. Selhorn has been a medical *Cannabis* patient and care provider for over four years and has been working with the plant for almost twenty years. He received his PH.D. in Molecular Plant Sciences from Washington State University. His foremost concern for medical patients is the quality of the herbal and/or extracted preparations. In order to help sick people heal with *Cannabis*, one must provide an extremely pure and clean product. He has been irreplaceable in our process of concentration and dosage. He is a keynote speaker and has had his work published in several medical publications.

Vince Mall – Production Manager

Vince brings two decades of manufacturing and processing background. Over the past 6 months he has completely overhauled our packaging and non-plant manufacturing processes to increase productivity by an aggregate 7% and has decreased overhead for his department by 11%.

Skylar Swenson – Inventory Manager

Skylar has been crucial to maintaining fluid inventory flow through our location, production facilities and our vending locations. He oversees every aspect of how inventory goes in and out of our facilities, for every facet of our organization.

Dian Hagen – Technical Writer

Dian has over 25 years' experience in public relations and marketing. Her goal here has always been to communicate our organization's message clearly by writing appropriately for the audience she's addressing. She has created most of our educational/political/marketing documents resulting in a stellar return on her input of time.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Please answer the questions listed below, attaching additional pages as necessary:

- 5) **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or expertise in Product Quality Standards and Testing, including but not limited to the following:
- a. Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations
 - b. Assisting the WSLCB with establishing quality standards for testing Marijuana
- A) Of utmost importance is providing high quality, pharmaceutical/food grade preparations of *Cannabis* ensuring safe plant preparations to those choosing to consume it. The CPC has worked very closely with Biologics over the years to help us better label and quantify our products. One of Biologics Consulting's technical expertise is in the area of liquid chromatography (LC), one of the principle methods for testing *Cannabis* cannabinoid content. This machine can also be coupled to a more sophisticated machine called a mass spectrometer (MS) to provide extremely high levels of detection for many types of compounds. I also have a working understanding of gas chromatography (GC)-mass spectroscopy (GC-MS) and this machine can also be used in cannabinoid identification and quantitation as well. However, the true power of this machine is for the identification of toxic by-products left over from solvent extraction. If non-optimal grade solvents are used or if the *Cannabis* extract is not purged of the solvent properly, residual toxic compounds left over can have devastating negative effects on the consumer. It is therefore critical that all batches of *Cannabis* and *Cannabis* preparations be tested for the appropriate contaminants and/or toxins. The combination of these two machines can identify

virtually every compound known to science and the technical expertise of these analytical processes are paramount to providing safe herbal and extracted *Cannabis* preparations.

Another area to consider is testing herbal *Cannabis* for purity of pests and disease. Different insects (spider mites, gnats or white flies, for example) can be found stuck in the resin of the plant and be virtually impossible to remove. In addition, plants infected with certain pests will have excrement left behind as well. These problems are identified under a common microscope and only take patience and a working knowledge of the pests and debris to be aware of.

A less obvious but possibly more dubious problem is the presence of mold and/or mold spores. Many *Cannabis* varieties can be attacked by both powdery mildew (PM) and Botrytis. Cannabis contaminated with these molds can be very harmful to the consumer and simple test kits are available to test for the presence of mold in herbal *Cannabis*. However, much more sophisticated methods are also available such as polymerase chain reaction-based (PCR) methodologies or detection arrays based on gene-chips. This increases the level of detection several fold over the kits available. Biologics Consulting also has training in the identification of all types of fungi using classical techniques.

- B) The CPC has been focused on product quality and consumer knowledge and safety since our inception. Our work with Biologics has only further this focused work. Biologics Consulting (George E Sellhorn, Ph.D., President) specializes in the area of biotechnology, biochemistry and plant biology. Dr. Sellhorn received his PhD in Molecular Plant Sciences from Washington State University in 2006 and has held positions in HIV vaccine discovery, Multiple Sclerosis and cancer research drug discovery. He is versed in all of the techniques utilized to test *Cannabis* and *Cannabis* extracts for cannabinoid content and toxic residual solvents and contaminants in *Cannabis* extracts.

His passion for working with medical *Cannabis* patients, combined with his education and technical expertise, provide the rigorous background required to help establish solid protocols for ensuring the highest quality *Cannabis* preparations available today. His approach to advising the WSLCB in the area of *Cannabis* quality control would follow the standards set in the pharmaceutical industry.

- 6) **Experience.** In two (2) pages or less, please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.

The CPC has worked closely with local testing facilities and Biologics Consulting over the past few years in order to better understand the Cannabis plant and the multitude of chemical properties it possesses. Due to our firm's deeply medical focus, quantitative data is of utmost importance.

Over the past few years we have had almost every company in the U.S. that has any ability to test Cannabis test our products. Unfortunately, there is a dearth of specific data for this section due to the fact that no facility that is willing to and can legally test Cannabis

has the proper equipment to do a *complete spectrum profile*. This kind of profile requires multiple pieces of equipment; we put the lowest estimate for procuring the minimum equipment required to provide accurate sample data at roughly \$750,000.

When having samples tested in the past, we have used multiple companies who possess multiple machines, to try to compile as wide a profile for our sample as possible. But we are always left with the same results – holes in our data due to the inability to access the proper equipment. At this point almost any lab in the country which would be able to give us the data required for this kind of testing is Government subsidized and, therefore, will not touch our products. We have been in contact with a few dozen over the past few years.

We currently work with a gentleman with a background in molecular plant sciences who is trying to help us better understand the data we do collect from the tests being performed currently. In our own company we have established our own “testing” regimen a product is put through, involving a combination of testing, research, and quantitative patient feedback.

When we have finished product – whether it be flower, concentrate, edible, etc. – we send it out to local labs to be tested. Those tests give general Cannabinoid, solvent, fertilizer, and pesticide data. The product must test free of mold, pesticide and fertilizer. Next we research as much as we can about the genetic lineage of the product and its effects, then quantify it, based on testing data and on similar profiles of other previously developed products. Once the product reaches our clients, we monitor the feedback through verbal consults and written note follow up.

There are between 200 and 400 organic compounds in any given strain. The CPC has over 2,000 clients with ailments from A to Z and over the past few years has been able to collect real data about how these factors interact with each other. If you create a product that contains a specifically high concentration of a unique compound that you feel may work to alleviate nerve spasms for someone with Multiple Sclerosis, administer it to the 360 clients you have that suffer from MS and find that it works for over 300 of them, you have something. This is part of the basic paradigm that we currently employ to track some of the data we collect.

This is an information based facility, so any information that is collected about a product is disseminated to staff members via weekly meetings. Over the course of a product’s lifespan in our facility this multi-pronged approach has allowed us to begin to create accurate data for a specific strain, profile or compound and the condition(s) for which it renders a palliative function. However, complete quantitative research is an absolute must. In order for that to happen, testing facilities with the capabilities to provide cost-effective, accurate, and complete data must be made accessible to the Cannabis industry, medical or otherwise.

- 7) **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff,

including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Ben Reagan - Executive Director - The CPC – (03/01/2010 – Current)

Patient Consulting: Working with individuals to identify which cannabinoids will have the most beneficial medical impact for them

Director of Research and Development: Product development for both infused edibles and Cannabis hash concentrates. Experimented with numerous solvents – both organic and inorganic – to gain an in-depth understanding of the issues resulting from the many different processes.

Ben has made over 6,500 grams of Hash Oil utilizing the numerous processes available. He has successfully managed 2,000 square feet of grow space successfully from *Plant to Harvest* for the past two and a half years.

Prior to helping found The CPC Ben worked at Washington Mutual, where he held the position of Assistant Vice President for the Legal Technical Support Team. Managing teams across the country to provide technical support to WaMu's legal staff required managing projects and groups of contractors. This position always had stated deadlines.

Dr. George Sellhorn

Dr. Sellhorn has been a medical *Cannabis* patient and care provider for over four years and has been working with the plant for almost twenty years. His work has been published in multiple medical journals. His foremost concern for medical patients is the quality of the herbal and/or extracted preparations. In order to help sick people heal with *Cannabis*, one must provide an extremely pure and clean product. He has been irreplaceable in our process of concentration and dosage.

Renetta Greenwood – Lab Assistant/Production

Renetta has been a great addition to our team. She has a B.S. from the University of Washington and has been integral in the finishing and packaging process we created and maintain for the vending/wholesale element of the production side of our organization. As well instrumental in helping us understand dosage metrics.

- 8) **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminants, and Product strain.

THC and CBD levels are commonly tested by High Performance Liquid Chromatography (HPLC). Most cannabinoids can be tested by this method as long as an authentic standard is available. THC and CBD absolute content and relative ratios can be determined by this method. This is the simplest and most reliable test for major cannabinoids such as THC and CBD.

Briefly, a known amount of herbal Cannabis (0.1g) would be extracted in ethanol or Cannabis extract (0.01 g) dissolved in ethanol. The sample is then filtered through a 0.22 µm filter and then injected in to the HPLC with a reverse phase C18 column. Cannabinoids are detected based on the retention time of the purified authentic standards. Below is a publication highlighting the method for Cannabinoid detection and quantitation and a similar procedure would be established for the WSLC. Table I below from Gillan et al. (1995), outlines the chromatographic run.

TABLE I HPLC conditions employed for the chromatographic profiling of ethanolic extracts of the *Cannabis* plants examined in this study

Column :	Spherisorb ODS-2, 12.5 cm X 4.9 mm i.d., 5 µm particle size
Solvent :	methanol/water/acetic acid 85/14.2/0.8 v/v/v
Flow rate:	1.5 ml/min
Detection :	230 nm, absorbance range 0.1 A.U.
Injection volume:	6 µl
Column temperature:	Ambient

Sci Justice. 1995 Jul-Sep;35(3):169-77.

Comparison of Cannabis sativa by random amplification of polymorphic DNA (RAPD) and HPLC of cannabinoids: a preliminary study.

Gillan R, Cole MD, Linacre A, Thorpe JW, Watson ND. Department of Pure and Applied Chemistry, University of Strathclyde, Glasgow, United Kingdom

Testing for chemical contaminants would be done using an LC-MS or GC-MS depending on the nature of the contaminants being investigated. Each batch of herbal *Cannabis* or *Cannabis* extract would be tested with each method and any unexpected compounds identified by the mass spectrophotometer fully characterized. The scientific literature on the identification of small molecules by LC-MS and GC-MS is robust and specific protocols will need to be developed to analyze and characterize specific contaminants discovered in the process of establishing these standards.

Testing for mold contamination can be as simple as using a kit designed to detect fungal spores or fungal biochemical markers or as involved as utilizing sophisticated techniques such as PCR stated above.

A major strength of Biologics Consulting is the broad experience and expertise to confidentially advise the WSLC in establishing robust processes for analyzing the components and potential contaminants found in herbal *Cannabis* and *Cannabis* extracts.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Please answer the questions listed below, attaching additional pages as necessary:

- 9) Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise to estimate Product Usage and Consumption levels by geographic areas in Washington State.

One of The CPC's main focuses has been creating systems for tracking consumer demographics and consumption rates for medical and I-502 models. Our main focus has been the medical demand for the past few years, but within The CPC there are over thirty years of cumulative Cannabis industry data. We have a client base of almost two thousand people currently, from which we have tried to encapsulate what the market is today, as well as what the market is growing into. The success of our products depends on this knowledge. We have created a POS system that strategically helps understand this information.

Statistics is our strong suit. Within our organization there are a number of people who have in-depth experience with consumer demographics, statistical analysis, and market penetration modeling. We have grown to be one of the longest standing, most diverse, and most stable companies in an industry with massive instability built into its current infrastructure. We can tell you that one of the major facets of being able to not only survive, but thrive in this kind of environment, has been a keen focus on "reading" our demographic markets.

For almost any market in the world, there is history to utilize in making business decisions. The past helps dictate where the future may go. In the industry of Cannabis, at least in its current 'above board' state, there is no history to speak of. No statistical data for our company to read into to try to understand the human behaviors and phenomena that motivate and shift the market. Our goal has always been to understand what the market is currently demanding, and which shifts in public opinion and policy will shape the demands of what the new market will be.

Since our inception we have served over 5,000 individuals, with a focus on collecting data. Using a variety of methods, we have taken great care to collect usage information from each and every person who has come through the doors of our facility. We have created *average consumption data* for our range of demographics. We have *statistical breakdowns* for which client demographics consume the largest and smallest volumes of specific product demographics. In addition, we have compiled data on age, income, health aspects, and motivations for pursuing the use of Cannabis. We have also worked in conjunction with various organizations, including some in Colorado and California, to create *State and National data models*.

- 10) Experience.** In two (2) pages or less, please describe your firm's experience in statistical research, specifically related to determining demographic and/or psychographic segmentation, preferably related to the use of Cannabis.

With the wealth of data that will be generated by performing the QC and analytics of herbal and extracted *Cannabis*, a great deal of information will be able to be pulled from this work using statistical analysis. Depending on what questions will be asked, appropriate statistical mining of the data can provide concrete information to answer the questions posed. Having a command

of basic statistics is paramount with regard to scientific rigor. Statistical analyses of the scientific data are crucial for interpreting the data properly. Our strong scientific background ensures the use of all the tools at our disposal in order to answer any question raised during the production and preparation of cannabis-based products.

Dr Sellhorn's work with M.S. and H.I.V drugs has laid the platform for The CPC to begin to data mine for demographic and lifestyle segmentation based on specific compound application.

- 11) Staff Qualifications and Capabilities:** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Jeremy Kaufman – Executive Director – The CPC – (03/01/2010 – Current)

Oversees all elements of The CPC's structural and fiscal daily activities. Creates, implements and directs layout and functionality metrics throughout all departments of The CPC to increase effectiveness and productivity.

Created the baseline structure from an economic, political, and tax understanding of the Cannabis industry that allowed The CPC to incorporate, pay taxes, and continue to function and flourish in the current market.

Prior to Co-Founding The CPC, his experience created a skill set based on Multi-Layer Project Management, Business Functionality Consulting, Accounting, and Sociological Demographic Market Analysis.

Ryan Campbell – Financial Strategist

As the firm's financial strategist he builds and maintains financial models that allow for trend analysis of product sales and management of inventory control. He is currently a student of economics. His skills relating to the interpretation and analysis of data play a critical role in the firm's understanding of product movement and inventory standards. Prior to coming to the CPC he was employed at Bank of America, where he worked as a merchant specialist, advising small businesses on a variety of transactions.

Stephanie Briggs – Merchandise Planner / Market Analysis

Stephanie's focus is to help us determine market penetration of our products. She seeks financial results for our organization by setting and meeting sales and other retail metric goals. She helps work to turn inventory quickly to meet goals based on market information. She has shown us how to analyze actual sales to the plan to monitor progress and develop deviations if necessary. She has been paramount in helping us respond to the changes in the market by determining sales trends in the market and forecasting as the market keeps changing.

- 12) Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firm's proposed approach and methodology to be used for Product Usage and Consumption validation as requested in this RFP, to estimate demographic and psychographic segmentation, specifically related to the use of Cannabis.

We utilize our P.O.S system to track the numerical data that is connected to inventory movement. This allows us to systematically dissect which products are moving when and why over the course of a year. We then run corollary analysis based on information intake we produce during client visits on dosage and demographic information.

Stephanie and Ryan create the reports that paint the picture of our market for us. And since the Cannabis market is just being discovered, the market parameters change month to month, based on legislation and public opinion. We produce our own medicine. We make our own concentrates. We brand and distribute specific products to other outlets. We exist in multiple markets.

We take the information gathered about inventory movement at our location. We work that together with the demographic information we have about our client base. We then factor in how our client base demographics vary from other locations. We then project how many unique and crossover markets exist within locations in our city, state, and country.

Since we create products for multiple markets we need to understand how, from a production standpoint, to reverse engineer our production schema to meet the demands of the markets we are choosing to engage in.

We have employed multiple methods of demographic intake. We utilize first-time client forms where initial demographic information is gathered: reason for visit, address, etc. Then, upon repeat visits, we use secondary forms and repositories for client data for feedback on product as well as just about everything else (reviews, notes, purchase patterns). Our P.O.S system allows us to take notes during a client visit which may be pertinent to their issues.

This personal data is sifted as it is input into our metrics; we then apply it to the statistical data that Ryan and Stephanie have mined from the rest of our inventory and sales data to quantify and logistically create a macro picture of the emerging Cannabis markets.

CATEGORY 4 – PRODUCT REGULATION

Please answer the questions listed below, attaching additional pages as necessary:

- 13) Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise in Product Regulation, including but not limited to, the following:
- a. Experience with State, local or Federal government processes and procedures
 - b. Experience in crafting system regulations

- A) Members of The CPC have been politically involved with the Cannabis movement and its legislative actions since before the inception of The CPC. One of our Executive Directors is currently the Treasurer of the CCSE, which is a trade organization whose focus has been the implementation of legislation surrounding Cannabis, for the past two years. Working in conjunction with a number of local and national agencies whose focus is politically bound has given us a great amount of insight as to how the legislative process is carried out. (CCSE, AAMP, NCIA, CDC, ASA, AHPA)

A large amount of time over the past two years has been spent working with these different organizations to further the legislative structure to support the Cannabis industry. We spent time lobbying, which allowed us to spend time in Olympia working with our Senators and Congress people. Being able to insert ourselves into the system within which we operate was a wonderful thing.

Firsthand experience in dealing with House and Senate bills has given us a macro understand of how legislation begins, is revised, and eventually made into law, as well as how many people it takes, working in accordance with each other, to get legislation to come to fruition.

The CPC has spent a considerable amount of time and energy working with the City of Seattle on standards and ethics for the Cannabis community in Seattle. We have done this in conjunction with the CCSE. Their work created the Seattle Cannabis Ordinance.

- B) The combined experience our team brings in the area of systems regulations spans an entire decade. Ben Reagan spent a large part of his career developing data driven systems at the corporate level in order to facilitate increase functionality for his companies. This meant managing multiple teams, over remote locations at times, to complete a task. In order to do this, many times it meant a complete system introspective, a detailed analysis of the system, and a complete structural rebuild if necessary in order to achieve whatever goals were set for the project.

Jeremy Kaufman has spent most of his career in managerial roles. He has overseen the designing and implementation of a marketing campaign to bring three different products to life. He has held managerial roles for Best Buy, Blockbuster, UPS, and Boyne Resorts, which through the course of years has put him in control of systems of hundreds of people and tens of millions of dollars.

Jeremy designed, from top to bottom, the entire system from which The CPC operates, from the marketing and branding aspects to the financial planning and tax structure, the production outlay and conjunctive market analysis, the wholesaling facet, and political strategy implementation. One of the main concepts The CPC operates under is that understanding the system you are working within, allows you maximize your return within the system.

- 14) Experience.** In two (2) pages or less, please describe your firm's experience in working within the confines of a regulatory system, and experience in creating and/or modifying rule, law, ordinance, and/or guidelines.

As stated previously, The CPC has been politically active and focused since its inception. Over the past few years hundreds of hours have been spent at political rallies, discussions, senate hearings, work groups, fundraisers, etc. in order to further the political and regulatory aspects of Cannabis.

The CPC has worked with a host of legislators over the past few years on many different regulatory fronts. We have attained a deep understanding of how legislation steers our industry. We were deeply entrenched in the creation of the verbiage of SB 5073 and gave input on I-502. The CPC worked on the Seattle Cannabis Ordinance in conjunction with the CCSE.

The CPC also played an integral part of creating the bi-laws, legal, fiduciary, and overall structure of the CCSE. The CCSE is Washington's largest and longest standing Cannabis trade organization. We worked directly with City Council and D.A., as well as the Seattle Police to craft documentation for minimum standards and ethics for each section of our industry (producers, access points, bakers, allied professionals, etc.).

- 15) Staff Qualifications and Capabilities:** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

Ben Reagan - Executive Director - The CPC – (03/01/2010 – Current)

Patient Consulting: Working with individuals to identify which cannabinoids will have the most beneficial medical impact for them

Director of Research and Development: Product development for both infused edibles and Cannabis hash concentrates. Experimented with numerous solvents – both organic and inorganic – to gain an in-depth understanding of the issues resulting from the many different processes.

Ben has made over 6,500 grams of Hash Oil utilizing the numerous processes available. He has successfully managed 2,000 square feet of grow space successfully from *Plant to Harvest* for the past two and a half years.

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Dr. George Selhorn

Dr. Sellhorn has been a medical *Cannabis* patient and care provider for over four years and has been working with the plant for almost twenty years. His foremost concern for medical patients is the quality of the herbal and/or extracted preparations. In order to help sick people heal with *Cannabis*, one must provide an extremely pure and clean product. He has been irreplaceable in our process of concentration and dosage.

Jesse Schwartz – Cultivation Manager

Jesse has been growing Cannabis as a patient for almost a decade. His production based background has allowed The CPC to create and maintain one of the most diverse and effective production systems in the State.

Renetta Greenwood – Lab Assistant/Production

Renetta has been a great addition to our team. She has a B.S. from the University of Washington and has been integral in the finishing and packaging process we created and maintain for the vending/wholesale element of the production side of our organization. As well instrumental in helping us understand dosage metrics.

16) Approach and Methodology. In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB with developing rules and a regulation strategy for the state of Washington's new Marijuana System.

The first part of our approach, in order to be the most helpful in facilitating the WSLCB with developing the rules and regulations for the new Cannabis industry is, first and foremost, have a clear understanding on what information is needed from us.

Given a true and thorough understanding of what the WSLCB intends to learn from us, it will help us reverse engineer our already standing structures to be more succinct and concise with our data, reporting, and analysis.

Once a clear and open line of communication has been established, we will start on the second part of our approach. A large part of how we have risen to the level we are at was by understanding what we wanted to achieve, and reverse engineering from there.

It would make sense to first establish a complete, introductory, line of products which could be tested and verified safe for consumption in a 502 establishment. Our goal here would be to create models that would accurately represent Washington State as a whole purchasing demographic. *Who will go to a 502 store and what will they be purchasing?*

This in itself would require the creation of regulations around each of the product demographic you wish to allow (edibles, tinctures, capsules, concentrates, flower etc.) This will also vary, depending on how you choose to establish categories. Luckily for us, most of human consumption modeling is already done for us in parallel industries. We can borrow what we can from those and create the specific supplementary verbiage where needed.

Next you would work your way back into testing, quality control, and access to these facilities. Our goal would be to help you establish the minimum standards for these facilities, the people they employ, the machines they must have in order to complete the requirements set, as well as the testing and Q.C. of those tests.

Once you know what you're selling, and how you can get it to the shelf in verifiable, saleable form, you then must establish where it will come from – a production and distribution chain. Our goal here would be to create the state metrics that would allow the WSLCB to project the number of licenses need to create the supply of the projected market demand. We would then facilitate the creation of the standards for which these facilities must operate as far as cleanliness and quality of product.

Our knowledge base allows us to understand almost every aspect of this burgeoning market from large-scale production, concentration, testing, quantification, contamination, extraction, and dosage to legal, political, and socio-political issues. We created this Non-Profit Organization

out of a passion for knowledge about the Cannabis plant and all of its applications. Our purpose and design is to share that knowledge

Our overall goal by applying for this position is to put the knowledge we have so painstakingly taken the time to compile, sift through, and validate over the years to effective use by helping the WSLCB create a Cannabis system that is beneficial for all Washingtonians and, as an example, to the rest of the country and the world.

All CV's of people named in this application can be sent upon request.

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to lcbids@liq.wa.gov.
- Clearly mark the subject line of the email: RFP-- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time received at the WSLCB's mail server in the lcbids@liq.wa.gov inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

Proposer's Authorized Offer (see page 2)



Proposer Information (see page 3)



Subcontractor Information (see page 4)



Letter of Submittal (see page 5)



Non-Cost Proposal (see page 6)



Cost Proposal (see page 8)



Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER
(PROPOSAL SIGNATURE PAGE)

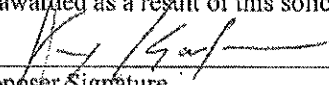
Initiative 502 Consulting Services – RFP K430
Issued by the Washington State Liquor Control Board

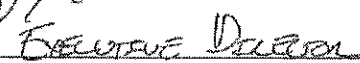
Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

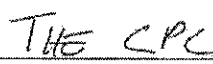
1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

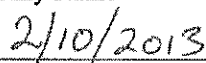
The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.



Proposer Signature


Title



Company Name


Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name THE C.P.C
 Street Address 74 SOUTH LUCILE ST, Ste 102
 City, State, Zip SEATTLE, WA 98134
 Federal Tax ID Number PersonallInfo
 UBI 603-031-032
 Website URL WWW.THECPC.ORG

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name: JEREMY KAUFMAN
 Telephone: 206-696-9765
 Email: Jeremy@thecpc.org

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount 3 % 20 days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)? *NEED MORE INFO, POSSIBLY*

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input checked="" type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

<p>Subcontractor 1</p> <p>Name: <u>BAGLORES CONSULTING LLC</u></p> <p>Services: <u>Testing, Analysis, Control, Research</u></p> <p>Address: <u>6007 LANTANA PL SU 200</u></p> <p>Telephone: <u>206-856-5828</u></p> <p>Email: <u>GES821@V4-1100.com</u></p> <p>Fed ID: <u>PersonalInfo</u></p> <p>UBI: <u>603-210-867</u></p> <p>Work to be Performed: <u>Categories 1, 2, 3</u></p> <p>OMWBE certified: <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>Subcontractor 2</p> <p>Name: _____</p> <p>Services: _____</p> <p>Address: _____</p> <p>Telephone: _____</p> <p>Email: _____</p> <p>Fed ID: _____</p> <p>UBI: _____</p> <p>Work to be Performed: _____</p> <p>OMWBE certified: <input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Subcontractor 3</p> <p>Name: _____</p> <p>Services: _____</p> <p>Address: _____</p> <p>Telephone: _____</p> <p>Email: _____</p> <p>Fed ID: _____</p> <p>UBI: _____</p> <p>Work to be Performed: _____</p> <p>OMWBE certified: <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>Subcontractor 4</p> <p>Name: _____</p> <p>Services: _____</p> <p>Address: _____</p> <p>Telephone: _____</p> <p>Email: _____</p> <p>Fed ID: _____</p> <p>UBI: _____</p> <p>Work to be Performed: _____</p> <p>OMWBE certified: <input type="checkbox"/> Yes <input type="checkbox"/> No</p>

LETTER OF SUBMITTAL

The Proposer's Letter of Submittal must be signed by the individual within the organization authorized to bind the bidder to the offer. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Proposer and any proposed subcontractors:

- Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.
- Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)
- Location of the facility from which the Proposer would operate.
- Statement of which of the following Categories Proposer is responding to:
 - Category 1: Product and Industry Knowledge
 - Category 2: Product Quality Standards and Testing
 - Category 3: Product Usage and Consumption Validation
 - Category 4: Product Regulation
- Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Proposer's organization. If following a review of this information, it is determined by the WSLCB that a conflict of interest exists, the Proposer may be disqualified from further consideration for the award of a contract.

NON-COST PROPOSAL

Please refrain from using company name or other information that will identify your company while preparing your response for the Non-Cost Submittal. The Washington State Liquor Control Board (WSLCB) reserves the right to modify proposals in order to eliminate company names or any other information that may identify a specific company brand.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:
 - a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
 - b. How Marijuana is infused into food and beverages
 - c. How Marijuana should be packaged, labeled, transported, and sold at retail level
 - d. How wholesale and retail Product should be recalled and accounted for
 - e. How Marijuana should be destroyed if overproduced, contaminated, or recalled
2. **Experience.** In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.
3. **Team Structure and Internal Controls.** In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.
4. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Please answer the questions listed below, attaching additional pages as necessary:

5. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or expertise in Product Quality Standards and Testing, including but not limited to the following:
 - a. Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations
 - b. Assisting the WSLCB with establishing quality standards for testing Marijuana
6. **Experience.** In two (2) pages or less, please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.
7. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
8. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminates, and Product strain.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Please answer the questions listed below, attaching additional pages as necessary:

9. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise to estimate Product Usage and Consumption levels by geographic areas in Washington State.
10. **Experience.** In two (2) pages or less, please describe your firm's experience in statistical research, specifically related to determining demographic and/or psychographic segmentation, preferably related to the use of Cannabis.
11. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
12. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firm's proposed approach and methodology to be used for Product Usage and Consumption validation as requested in this RFP, to estimate demographic and psychographic segmentation, specifically related to the use of Cannabis.

CATEGORY 4 – PRODUCT REGULATION

Please answer the questions listed below, attaching additional pages as necessary:

13. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise in Product Regulation, including but not limited to, the following:
 - a. Experience with State, local or Federal government processes and procedures
 - b. Experience in crafting system regulations
14. **Experience.** In two (2) pages or less, please describe your firm's experience in working within the confines of a regulatory system, and experience in creating and/or modifying rule, law, ordinance, and/or guidelines.
15. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
16. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB with developing rules and a regulation strategy for the state of Washington's new Marijuana System.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) <u>Hourly</u> Rate for I-502 Consulting Services as stated in this RFP	\$ <u>207</u> p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) <u>Daily</u> Rate for I-502 Consulting Services as stated in this RFP	\$ _____ p/day

Norton, Melissa K

From: Robert Hashizume <robert@hartman-group.com>
Posted At: Friday, February 15, 2013 11:33 AM
Conversation: RFP-K430, The Hartman Group, Inc.
Subject: RFP-K430, The Hartman Group, Inc.

Dear John:
Please accept our bid submittal for RFP K430.

Regards,
Robert Hashizume
.....

Robert Hashizume
Senior Quantitative Research Analyst

The Hartman Group, Inc
RESEARCH CONSULTING : CUSTOMIZED

3150 Richards Rd, STE 200
BELLEVUE, WA 98005
HARTMAN-GROUP.COM
O (425) 452 0818 x 111
F (425) 452 9092

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to **lcbids@liq.wa.gov**.
- Clearly mark the subject line of the email: RFP- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the **lcbids@liq.wa.gov** inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

Proposer's Authorized Offer (see page 2)	X
Proposer Information (see page 3)	X
Subcontractor Information (see page 4)	X
Letter of Submittal (see page 5)	X
Non-Cost Proposal (see page 6)	X
Cost Proposal (see page 8)	X

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.

Robert Hashizume
Proposer Signature
Senior Quantitative Analyst
Title

The Hartman Group, Inc.
Company Name
2/12/13
Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name	<u>The Hartman Group, Inc.</u>
Street Address	<u>3150 Richard Road</u>
City, State, Zip	<u>Bellevue, WA 98005</u>
Federal Tax ID Number	<u>PersonallInfo</u>
UBI	<u>602-012-944</u>
Website URL	<u>www.hartman-group.com</u>

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name:	<u>Robert Hashizume</u>
Telephone:	<u>425-452-0818 x111</u>
Email:	<u>Robert@hartman-group.com</u>

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount _____% _____ days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	X
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

<p>Subcontractor 1</p> <p>Name: <u>Decipher</u></p> <p>Services: <u>Sample and online survey management</u></p> <p>Address: <u>6380 Wilshire Blvd., Suite 1200, LA, CA 90048</u></p> <p>Telephone: <u>310-775-2341</u></p> <p>Email: <u>jli@decipherinc.com</u></p> <p>Fed ID: <u>PersonalInfo</u></p> <p>UBI: _____</p> <p>Work to be Performed: <u>Provide online sample, field and provide datafile</u></p> <p>OMWBE certified: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>Subcontractor 2</p> <p>Name: <u>Pacific Market Research</u></p> <p>Services: <u>Sample and telephone survey management</u></p> <p>Address: <u>15 South Grady Way, Suite 620 Renton, WA 98057</u></p> <p>Telephone: <u>425-271-2300</u></p> <p>Email: <u>mspan@pacificmarketresearch.com</u></p> <p>Fed ID: <u>PersonalInfo</u></p> <p>UBI: <u>601865281</u></p> <p>Work to be Performed: <u>Telephone data collection</u></p> <p>OMWBE certified: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>Subcontractor 3</p> <p>Name: _____</p> <p>Services: _____</p> <p>Address: _____</p> <p>Telephone: _____</p> <p>Email: _____</p> <p>Fed ID: _____</p> <p>UBI: _____</p> <p>Work to be Performed: _____</p> <p>OMWBE certified: <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>Subcontractor 4</p> <p>Name: _____</p> <p>Services: _____</p> <p>Address: _____</p> <p>Telephone: _____</p> <p>Email: _____</p> <p>Fed ID: _____</p> <p>UBI: _____</p> <p>Work to be Performed: _____</p> <p>OMWBE certified: <input type="checkbox"/> Yes <input type="checkbox"/> No</p>

LETTER OF SUBMITTAL

THE HARTMAN GROUP respectfully submits the below proposal to the State of Washington LIQUOR CONTROL BOARD in response to the Request for Proposals for K430 INITIATIVE 502 CONSULTING SERVICES for *Category 3: Product Usage and Consumption Validation*

PROJECT UNDERSTANDING

We believe the Washington State Liquor Control Board (WSLCB) is conducting this Request for Proposals (RFP) in order to establish a Contract(s) for Consulting Services to assist the WSLCB with the implementation of the Washington State Initiative 502 (I-502) requirements.

The project the State of Washington is undertaking is critical in order to understand Washington consumer needs and values in the new and changing legal recreational marijuana marketplace. You can never fully understand why consumers are changing if you don't understand how the broader culture they live in is changing. At The Hartman Group, we don't just study consumers; we also study the cultural changes that drive shifts in consumer behavior. We recommend a multi-mode approach to determine the consumers that will actively be purchasing marijuana through WSLCB licensed stores in December, 2013. We will collect usage rates and project the weight of marijuana that will be necessary to supply this new consumer market. The information gathered in this project will be critical in informing and advising the WSLCB in understanding this new Washington State marijuana consumer.

➤ **Name and Address**

The Hartman Group, Inc., 3150 Richard Road, Bellevue, WA 98005. 425-452-0818; 425-452-9092 (fax); info@hartman-group.com

➤ **Principal officers**

- .1. Chairman: Harvey H. Hartman, 3150 Richard Road, Bellevue, WA 98005. 425-452-0818
- .2. President/CEO: Laurie Demeritt, 3150 Richard Road, Bellevue, WA 98005. 425-452-0818
- .3. Senior Vice President: James Richardson, 3150 Richard Road, Bellevue, WA 98005. 425-452-0818
- .4. Senior Vice President: Donna Duncanson, 3150 Richard Road, Bellevue, WA 98005. 425-452-0818

➤ **Location:** Bellevue, WA

NON-COST PROPOSAL

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise to estimate Product Usage and Consumption levels by geographic areas in Washington State.

The Hartman Group, Inc. provides a consumer-centric approach for insights & action, studying consumers in their natural environments — their homes. their stores. their lives.

Founded in 1989, we are a full-service consulting and consumer insights firm specializing in food & beverage, health & wellness and sustainability research. Our experienced staff has doctorates in anthropology, sociology and psychology as well as extensive backgrounds in ethnography, marketing, market research, and consulting. The Hartman Group is uniquely positioned to help you take advantage of the consumer shifts occurring today. We are one of the most influential, respected and trusted providers of the consumer insights and understanding. Our intellectual capital will greatly aid us in this research and will provide us with benchmarks of understanding to help shape the project.

We have experience estimating product usage and consumption levels of the following markets in Washington State and nationally:

- Organic and natural foods
- Sustainability purchasing
- Health and wellness products
- Recycled aluminum cans
- Consumer wellness segments

Additionally, our firm has experience sizing and discussing sensitive topic areas like marijuana such as:

- Adult incontinence
- Digestive issues
- Obesity and weight management issues
- Lactose intolerance and dairy sensitivity

- **Experience in Statistical Research.**

The Hartman Group has extensive research experience surveying and studying distinct consumer segments, whether defined by product user, lifestyle or other parameters. Hartman research analysts hold advanced degrees in social science disciplines devoted to the study of culture and social structures. Our anthropologists have been deeply engaged in the ethnographic exploration and analysis of consumer behavior across a wide range of product and service categories, many of which display unique expressions in particular product groups (e.g., Latino/Hispanic involvement in organics, African-American adoption of smartphone technology, etc.). Our sociologists have well-developed methods for surveying the effect of institutionalized socio-economic differences on consumer behavior (e.g., creating tools to measure differences in subjective perceptions of body weight across ethnic populations independent of education, income and other characteristics). We have applied these disciplines in our engagements for a wide range of clients such as food and beverage companies, who continue to come to us with strategic and tactical questions arising from the diversity of US and international consumers, such as:

- What do consumers look for when drinking draft beer?
- How many consumers are recycling their aluminum cans?
- Conjoint analysis of frozen food consumers
- Regression analysis of factors involved with online food shopping

Relevant Hartman Group Work to Leverage

Syndicated studies on emerging and new consumers

- Shopping Topography 2012
- Organic 2010, 2012
- Clicks & Cravings: The Impact of Social Technology on Food Culture 2012
- Culture of Millennials 2011
- How America Eats 2011
- Wellness Lifestyle Insights, 2005 - 2011
- Healthy Eating 2009
- Contemporary Food Trends 2009
- Sustainability, 2007, 2008, 2010
- Women's Wellness, 2006

Consumer culture

- Big Ideas and Things We Like
- New Value Paradigm: Theatrics of Thrift
- Private Label 2010
- Millennials, 2008 and 2011
- Baby Boomers, 2008

Strategic frameworks

- Hartman Occasion Based Marketing
- World of Health and Wellness

2. Staff Qualifications and Capabilities.

- **David Moore, PhD. Vice President, Strategic Insights.** With over 25 years experience in statistical consulting and applied research, including sampling, multivariate analysis, event history modeling, and demographic methods, David oversees the statistical analysis of consumer attitudes and behaviors. David has a Ph.D. in Sociology from the University of Washington.
- **David Feit. Vice President, Strategic Insights.** David's background includes both academic and business-centered explorations of cuisine, retailing and the culture of consumption. David has experience leading multi-phased, multi-country quantitative projects including consumer segmentations. David has a BA from Princeton University.
- **Brent Baxter, PhD. Senior Quantitative Research Analyst.** Brent has conducted applied research, as both a research scientist and consultant, for over 15 years. Prior to joining The Hartman Group, he assisted governmental and social agencies in addressing serious social problems, such as chemical dependency and impaired driving. He is knowledgeable in statistical data analysis, including analysis of variance, multivariate (OLS and logistic) regression, imputation of missing data, factor analysis and cluster analysis
- **Donna Duncanson. Senior Vice President, Research Operations.** Donna is responsible for the Ethnographic and Quantitative Research teams at The Hartman Group, bringing client-side experience in food and beverage marketing and consumer insights. Prior to joining Hartman Group, she served as Vice President of Marketing for Ste. Michelle Wine Estates, one of the leading portfolio wine companies in the country. Her experience includes strategic planning, new product development, advertising, consumer research and brand building in both retail and food service channels. Donna has an MBA from the University of Oregon.
- **Robert Hashizume. Senior Quantitative Analyst.** Robert has over 14 years in consumer research at The Hartman Group. Focusing on ensuring high-quality data, Robert has experience with all aspects of research including survey design, working with research partners, data analysis and reporting. Robert has an MS in Marketing–Forest Products from the University of Washington.
- **Gregory Prang, PhD. Senior Ethnographic Research Analyst.** Greg applies his 15 years of international research and classroom instruction in anthropology to understanding the culture of consumption and globalization. Greg lived and did research in Brazil and speaks fluent in Portuguese and conversational Spanish. Greg has a Ph.D. in Sociocultural Anthropology from Wayne State University.

3. Approach and Methodology.

Research Objectives

Our approach is designed to generate evidence-based consumer insights and profiles to size the legal recreational marijuana market in terms of both number of consumers in Washington and the weight of marijuana plant material required to grow each year. This will enable WSLCB to establish plant yield and growth volumes to meet consumer needs and keep pricing at or below black market levels.

We will:

- Estimate what portion and number of Washington consumers will participate in purchasing marijuana for medical or recreational purposes in December, 2013 through WSLCB licensed stores
- Estimate the total weight in pounds of dried marijuana product required to meet consumer needs
- Provide these estimates by regions and counties of Washington State where there are sufficient population levels to survey
- Examine the reasons for use as well as attitudes and behavior of the legal marijuana market

Sample Design

We recommend using a mixed online/telephone (RDD landline and cell) survey for this study with a total sample of n=2465 Washington residents 21 years old or over (assuming a 75% incidence rate). An online survey will be a better method of surveying consumers about a somewhat sensitive topic such as marijuana since there will be less privacy concerns and more openness about the topic while the phone survey will provide more representation of harder to reach groups.

Consumers will be recruited to be representative of the entire State of Washington. We recommend the following quotas be established for the following counties and regions:

Region	Quota
King County	600
Pierce County	320
Snohomish County	310
Spokane County	195
Clark County	190
Remaining Western Washington Counties: Clallam, Cowlitz, Grays Harbor, Island, Jefferson, Kitsap, Lewis, Mason, Pacific, San Juan, Skagit, Skamania, Thurston, Wahkiakum, Whatcom	520
Remaining Eastern Washington Counties: Adams, Asotin, Benton, Chelan, Columbia, Douglas, Ferry, Franklin, Garfield, Grant, Kittitas, Klickitat, Lincoln, Okanogan, Pend Oreille, Stevens, Walla Walla, Whitman, Yakima	330

- According to the conventions of probability sampling, this set of survey respondents will enable estimates with a sampling error of $\pm 2.0\%$ at the 95% confidence level for the entire State of Washington.
- Some non-response bias is expected, due to the sensitivity of this topic (e.g., concern over legal jurisdiction of Federal statutes). Non-response bias enters in two ways: (1) survey drop outs who do not complete the questionnaire and (2) respondents who underreport their use of marijuana. We can minimize bias by modeling propensity to complete and respond accurately as a function of observed demographic characteristics, reported behaviors and attitudes (some of which will be included specifically for this purpose).
- We also will minimize social desirability bias by getting respondents to answer questions on their marijuana usage using randomized response technique. This technique allows respondents to answer to one of two randomly selected items with the interviewer not knowing what item was answered. By knowing the probability of offering each item, the sample size, and the proportion of subjects who endorse the item to which they respond, the true proportion of subjects that have answered in a certain way can be estimated.

Questionnaire Design and Data Collection

Specifications:

- The questionnaire will be approximately 20 minutes in interview length, with up to three open-ended questions
- Each respondent will be identified by the county they live
- Different questionnaire paths for different consumer groups
- Each questionnaire path will record information relevant to the respondent's purchase status
- All respondents will report on demographics and other common background characteristics

Questionnaire Structure and Topics

Screener (2 minutes)

- Study qualifier based on living in Washington State and 21 years old and older
- Demographic balancing and quotas, e.g., gender, age, income, region
- Purchasing likelihood status:
 - Considering using marijuana in December, 2013 once the WSLCB licensed stores open
 - Already users of marijuana:
 - Medical user
 - Recreational user

Buyer profile (7 minutes)

- General product usage
 - How often used in a week (once a week through multiple times a day)
 - How many grams are used at each use (1/4g, 1/2g, 3/4g, 1g, 2g, more than 2g)
 - Occasions used (social, individual, relaxing, medical, etc.). Literature review will be done to determine the possible types of marijuana usage occasions
- Product type: dried bud, marijuana infused foods, beverages, tinctures, concentrates, etc.

Attitudes and Behavior profile (7 minutes)

- Reasons for usage
- Level of quality expected
- Varieties or strains expected to be available at the store

Demographics (2 minutes)

- Marital status, Urban/rural, Education level, Children in household, etc.

Data Quality Control and Analysis

The data file will be reviewed and cleaned prior to performing tabulations and analysis. We will:

- Remove incomplete records
- Remove records with obvious "straight-lining" answers
- Remove records where open-ended responses indicate low engagement

Data tables for key questions will be developed with input from WSLCB in order to facilitate internal reporting and future share-out: Up to 2 banners of WSLCB choice (for example, demographic cohorts and user segment) will be delivered in Excel format

Estimated users and weight of marijuana required will be projected based on Current users consumption patterns extrapolated to the Counties, regions and entire State.

Deliverables:

We shall provide the following:

- A report detailing recreational, medical and total Marijuana usage rates in Washington State, by region
- A projected volume of Marijuana needed on an annual basis to satisfy demand, and establish plant yield and growth volume assumptions needed to keep pricing at or below black market levels

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 or Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate or Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ ____ p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ 344/day

Total Project Costs

Quantitative Survey	\$ 117,060
Survey research design and analysis (total 8 week project)	\$ 55,000
Sample, programming and fielding	\$ 62,060
Data tables, raw SPSS data file	Included

MICELLANEOUS EXPENSES

Travel expenses will be billed back separately and at cost with prior approval by WSLCB.

Norton, Melissa K

From: Timothy H. Gens <thg@tlawgroup.com>
Posted At: Friday, February 15, 2013 1:37 PM
Conversation: RFP- K430 THE TECHNOLOGY LAW GROUP
Subject: RFP- K430 THE TECHNOLOGY LAW GROUP

Please find attached the RFP K430 Submittal Document.
Thank you.



Timothy H. Gens
Director

The Technology Law Group
Registered Patent Attorneys
265 Cambridge Ave. Box 61029
Palo Alto, CA 94306
Direct: 650-949-4880
Fax: 650-949-4889
EMail: thg@tlawgroup.com

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RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to lcbids@liq.wa.gov.
- Clearly mark the subject line of the email: RFP- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the lcbids@liq.wa.gov inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

- | | |
|--|--------------------------|
| Proposer's Authorized Offer (see page 2) | <input type="checkbox"/> |
| Proposer Information (see page 3) | <input type="checkbox"/> |
| Subcontractor Information (see page 4) | <input type="checkbox"/> |
| Letter of Submittal (see page 5) | <input type="checkbox"/> |
| Non-Cost Proposal (see page 6) | <input type="checkbox"/> |
| Cost Proposal (see page 8) | <input type="checkbox"/> |

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services -- RFP K430

Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / are not submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.



Proposer Signature

President

The Technology Law Group

Company Name

February 15, 2013

Title

Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name The Technology Law Group
 Street Address 265 Cambridge Ave. Box 61029
 City, State, Zip Palo Alto, CA 94306
 Federal Tax ID Number PersonalInfo
 UBI _____
 Website URL _____

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name: Timothy Gens
 Telephone: 650-949-4880
 Email: thg@tlawgroup.com

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount 2 % 10 days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input checked="" type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 2

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 3

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 4

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

LETTER OF SUBMITTAL

The Proposer's Letter of Submittal must be signed by the individual within the organization authorized to bind the bidder to the offer. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Proposer and any proposed subcontractors:

- Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.
- Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)
- Location of the facility from which the Proposer would operate.
- Statement of which of the following Categories Proposer is responding to:
 - Category 1: Product and Industry Knowledge
 - Category 2: Product Quality Standards and Testing
 - Category 3: Product Usage and Consumption Validation
 - Category 4: Product Regulation
- Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Proposer's organization. If following a review of this information, it is determined by the WSLCB that a conflict of interest exists, the Proposer may be disqualified from further consideration for the award of a contract.

NON-COST PROPOSAL

Please refrain from using company name or other information that will identify your company while preparing your response for the Non-Cost Submittal. The Washington State Liquor Control Board (WSLCB) reserves the right to modify proposals in order to eliminate company names or any other information that may identify a specific company brand.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:
 - a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
 - b. How Marijuana is infused into food and beverages
 - c. How Marijuana should be packaged, labeled, transported, and sold at retail level
 - d. How wholesale and retail Product should be recalled and accounted for
 - e. How Marijuana should be destroyed if overproduced, contaminated, or recalled
2. **Experience.** In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.
3. **Team Structure and Internal Controls.** In two (2) pages or less, please describe the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Please define how the firm will establish lines of authority for personnel who might be involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm.
4. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Please answer the questions listed below, attaching additional pages as necessary:

5. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or expertise in Product Quality Standards and Testing, including but not limited to the following:
 - a. Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations
 - b. Assisting the WSLCB with establishing quality standards for testing Marijuana
6. **Experience.** In two (2) pages or less, please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.
7. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
8. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminants, and Product strain.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Please answer the questions listed below, attaching additional pages as necessary:

9. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise to estimate Product Usage and Consumption levels by geographic areas in Washington State.
10. **Experience.** In two (2) pages or less, please describe your firm's experience in statistical research, specifically related to determining demographic and/or psychographic segmentation, preferably related to the use of Cannabis.
11. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
12. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firm's proposed approach and methodology to be used for Product Usage and Consumption validation as requested in this RFP, to estimate demographic and psychographic segmentation, specifically related to the use of Cannabis.

CATEGORY 4 – PRODUCT REGULATION

Please answer the questions listed below, attaching additional pages as necessary:

13. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise in Product Regulation, including but not limited to, the following:
 - a. Experience with State, local or Federal government processes and procedures
 - b. Experience in crafting system regulations
14. **Experience.** In two (2) pages or less, please describe your firm's experience in working within the confines of a regulatory system, and experience in creating and/or modifying rule, law, ordinance, and/or guidelines.
15. **Staff Qualifications and Capabilities.** Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.
16. **Approach and Methodology.** In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB with developing rules and a regulation strategy for the state of Washington's new Marijuana System.

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 **or** Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate **or** Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ <u>250</u> p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ <u>2000</u> p/day

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

1. **Ability, Capacity and Skills.** In two (2) pages or less, please describe your firm's ability, capacity, skills and/or other expertise in Product and Industry Knowledge, including but not limited to the following:
 - a. How Marijuana and/or Agricultural products are grown, cultivated, harvested, cured, and processed
 - b. How Marijuana is infused into food and beverages
 - c. How Marijuana should be packaged, labeled, transported, and sold at retail level
 - d. How wholesale and retail Product should be recalled and accounted for
 - e. How Marijuana should be destroyed if overproduced, contaminated, or recalled

I have personally grown, cultivated, harvested, cured and processed many strains of marijuana under the State of California Proposition 215, the Compassionate Use Act of 1996. The medicinal marijuana produced was donated to the veterans at the Veterans Administration Hospital in Palo Alto, CA. I am drug-free and will voluntarily submit to random drug testing if the WSLCB so desires.

I have grown from seed and by cloning. I have cross fertilized strains for new breeds, I have grown indoor and outdoor. I have grown using aeroponic, hydroponic, and pot systems. Among the various hydroponic techniques I have used are thin-film nutrient and ebb/ flow systems. I have personally constructed various types of grow houses and green houses which would include vegetative, bloom, and curing areas.

I have optimized various nutrient formulations and environmental conditions for different stains which has in most cases increased the THC potency in excess of 30%. I am intimately familiar with the prevention techniques and cures for various nutrient deficiencies, diseases, and pests that can affect the plants. I would match my growing and cultivation experience and success with anyone from Oaksterdam including the well-known Mr. Rosenthal.

I have advised many dispensaries in California on the legalities and proper business practices for the packaging and labeling of products sold at retail. These products included, but were not limited to, various grades and strains of bud, shake, edibles, etc. I have seen firsthand what content consumers are interested in seeing in an understandable label. The label needs to go far beyond just what the consumer is to read. The label should include a bar code which identifies the birth history of the plant, testing, potency, etc. and in the case of edibles, the plant and production history, etc.

In advising the dispensaries, transportation problems were significantly reduced by having strict schedules for the arrival and processing of inventory. Even though the transportation schedule is known, it is statistically shown that to be more secure than random shipments. If proper storage techniques are utilized, the product is not overly perishable and can be queued for the schedule.

In order to fully use the marijuana plant to recoup production costs, I developed a line of edible products. The edibles also provide a different delivery system for individuals who do not want to or cannot smoke or vaporize the marijuana. In the curing and trim process of removing leafs from the bud, trichomes of THC are purposefully or inadvertently also removed. This fallout is often referred to as shake.

The shake can be combined in various ratios with other leafy matter from the plants. The ratio determines the strength of the THC content and is often referred to as 1x, 2X...10X to roughly signify a dose of THC. This shake and leafy matter combination is boiled in water with butter. The THC readily infuses into the butter which is then strained into a solid form often referred to as cannibutter. The remaining liquid also contains THC and can be reduced into canniliquid, oils, or tinctures. The cannibutter and canniliquid can be used to make a wide variety of foodstuffs and beverages which masks the odor of the marijuana making it a more palatable experience.

I may not understand the last segment of this question. If marijuana is overproduced, I would think it could be stored with a nitrogen backfill or utilized in another form such as turning it into cannibutter, etc. which can be safely stored in

frozen form for many months without deleterious effect. It would be better to donate the product as edibles to hospitals for patients that are having their livers eaten away by morphine, etc. because chronic pain does not allow them to sleep, etc.

Contamination is a real possibility, making it unfit for safe consumption. Marijuana can be destroyed in many ways and it depends how ecological sound you wish the practice to be. Simple composting will destroy the THC in a few days depending on the environment. There are ways to chemically break the THC faster. One could also use pyrolysis to destroy the marijuana, but this would be a costly alternative to simple composting in a secure location.

2. Experience. In two (2) pages or less, please describe your firm's experience in Product and Industry Knowledge as it relates to Marijuana.

I am a patent attorney licensed in the State of Illinois and registered before the U.S. Patent and Trademark Office (registration number 29, 153). I have practiced before the District Courts in the states of California, Illinois, and Wisconsin. I have studied the laws/proposition/ordinance/etc. related to marijuana in every state that has passed or considered enacting such a law. This study includes the legislative history. I routinely review the latest court decisions regarding marijuana laws.

I have a Masters and Bachelors Degree in Chemistry and a Bachelor Degree in Mathematics with an emphasis on statistics and computer science. All of these degrees and well as my Juris Doctorate are from DePaul University in Chicago, IL.

I have a great deal of experience working with various government agencies such as the Patent & Trademark Office, the Food and Drug Administration, the National Science Foundation, etc. My experience includes the prosecution of patent applications and submission of 510K proposal for new drugs and medical devices. I obtained NSF grants for R&D as the principal investigator and sold high-tech products to government agencies. I have published five technical articles in refereed journals based on original research using gas chromatography (used to measure TCH levels) and published dozens of legal articles. I am a former Panel Chair of the joint venture between the U.S. Patent Office (USPTO) and Sunnyvale Center for Innovation, Ideas & Invention which revised the guidelines for application examination before the biotechnology and computer software art units of the USPTO. So I have firsthand experience drafting government regulations.

I have recently represented many medical marijuana dispensaries both legally and as a business consultant. I have represented individuals who have been charged with criminal violations relating to marijuana. So I have firsthand knowledge of good business practices put to the test by criminals trying to circumnavigate those practices.

I believe that the WSLCB's new contractor should not have a facility in the State of Washington. A high speed internet connection and personal computer skills make working remotely transparent. When a personal meeting is needed, it is more cost efficient if the contractor goes to the facility of the people they must meet rather than vice versus. The collective billing rate of the people at that facility far exceeds that of the contractor. The WSLCB's facility should be the headquarters for this project.

3. Staff Qualifications and Capabilities. Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

None contemplated at this time. However, I am a firm believer in being cost efficient. For some work, it might make sense to have someone with a lower billing rate complete a segment of the contract. This can be discussed and approved by the WSLCB in advance.

4. Approach and Methodology. In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminants, and Product strain.

Agreement first needs to be reached on the standards and tests to be performed and whether centralized or decentralized location will be used. The equipment needed is identified below. The physical space requirements for the equipment are minimal. Operator expertise is minimal. Capital and running costs are known.

TCH/CBD levels are readily determined by gas chromatography analysis. The column needed to identify the chemicals is commercially available. The cost of an entire system is about \$22,000 and the company that makes the equipment will train the WSLCB's operators. The cost per test is about two dollars. As mentioned elsewhere, I have published several technical articles in refereed scientific journals. Three of these articles dealt with my personal use of gas chromatography to measure the thermodynamic properties of various chemicals that are similar to TCH/CBD. I know how to prepare the samples and run the equipment.

Chemical contamination can also be tested for by gas chromatography. The most common contaminants are readily identifiable.

There are at least four commercially available techniques for analyzing mold. Most require exposing a sample to a nutrient mixture and allowing any mold to grow. I have also developed my own technique for mold determination that decreases the time needed for the test from 3-4 days to one day.

Product strains are usually readily identifiable from visual observation and comparison to commercially available databases. Both equipment and/or services is also commercially available for quick and simple testing for the strain. With a rapidly changing landscape involving marijuana, other cost effective options will be coming available soon.

I would also recommend the use of a simple optical microscope for a first pass visual observation. A 100-1000x lens would readily identify pest or disease contamination of a sample.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Please answer the questions listed below, attaching additional pages as necessary:

5. Ability, Capacity and Skills. In two (2) pages or less, please describe your firm's ability, capacity, skills and/or expertise in Product Quality Standards and Testing, including but not limited to the following:

- a. Knowledge of the infrastructure required to test Marijuana to ensure product quality, content, ingredients and consumer safety considerations
- b. Assisting the WSLCB with establishing quality standards for testing Marijuana

Through my legal and business representation of many dispensaries in California, I have firsthand knowledge of several systems of product quality standards and testing. I can assist the WSLCB with establishing quality standards for testing Marijuana because I have already done so on several occasions. I can also write up the guidelines for WSLCB operators to perform the tests accurately and reliably.

The testing can be summarized into two categories: Characterization of the product and safety. There are commercial equipment like gas chromatography and optical microscopes for analyzing the potency and strain. Safety is assured with chemical contamination and mold testing. Aided visual observation will also identify mold, pest, and chemical contamination in some instances.

I know what equipment is needed, where it is commercially available, the capital and running costs involved, and how to use the equipment.

6.Experience. In two (2) pages or less, please describe your firm's experience in the Product Quality Standards and Testing field, as it relates to Marijuana.

I have established product quality standards and testing for several dispensaries in California. I have also visited dispensaries that were not my clients such as Harborside in Oakland CA and Elemental Wellness in San Jose, CA to review their standards and product testing.

7.Staff Qualifications and Capabilities. Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

None.

8.Approach and Methodology. In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB to develop a reputable protocol for Product Quality Standards and Testing as requested in this RFP, to determine TCH/CBD levels and/or ratios, mold or chemical contaminants, and Product strain.

Once the retail system is determined by geography and usage, the most efficient supply chain can be developed. That will determine whether how decentralized testing facilities will be.

The testing can be summarized into two categories: Characterization of the product and safety. There are commercial equipment like gas chromatography and optical microscopes for analyzing the potency and strain. Safety is assured with chemical contamination and mold testing. Aided visual observation will also identify mold, pest, and chemical contamination in some instances.

It needs to be determined if the WSLCB will test edibles and other marijuana infused products or push that function up the supply chain by implementing rules and safety practices for edible production. There are plenty of regulations already in existence in the state for the production of foodstuffs. The WSLCB does not need to reinvent the wheel in this area and can draw reference to these other state regulations which already exist. Furthermore, vendors could be required to obtain certification of their THC content, etc. through independent labs.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Please answer the questions listed below, attaching additional pages as necessary:

9.Ability, Capacity and Skills. In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise to estimate Product Usage and Consumption levels by geographic areas in Washington State.

In my legal and business representation of many dispensaries in California, I obtained statistical data which profiled the dispensaries' members and their retail usage of marijuana by gender, race, economic status, and other segments. So I have statistical data on retail usage on an individual basis, but not in Washington State. However, I would think that the WSLCB has usage and consumption levels for other products under its control. If not, there are other Washington State Agencies which regulate other products and could provide the WSLCB with usage and consumption data.

10.Experience. In two (2) pages or less, please describe your firm's experience in statistical research, specifically related to determining demographic and/or psychographic segmentation, preferably related to the use of Cannabis.

Generally, I have academic training in statistical analysis while obtaining one of my degrees, a Bachelors of Chemistry/Mathematics. Specifically, I obtained statistical data from dispensaries in California which tied the

psychographic segments to the individual dispensary members and their gender, race, economic status, geography, and other segments.

11. Staff Qualifications and Capabilities. Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

None.

12. Approach and Methodology. In two (2) pages or less, please provide a complete description of your firm's proposed approach and methodology to be used for Product Usage and Consumption validation as requested in this RFP, to estimate demographic and psychographic segmentation, specifically related to the use of Cannabis.

The first step is to find out what data is already available. I have one-half of the equation (on a dispensary level) to determine product usage and consumption that now has to be tied into the data on Washington State. I would think that the WSLCB has usage and consumption levels for other products under its control. If not, there are other Washington State Agencies which regulate other products and could provide the WSLCB with usage and consumption data.

Even general census data on Washington State would be valuable at calculating product usage and consumption.

CATEGORY 4 – PRODUCT REGULATION

Please answer the questions listed below, attaching additional pages as necessary:

13. Ability, Capacity and Skills. In two (2) pages or less, please describe your firm's ability, capacity, and skills and/or expertise in Product Regulation, including but not limited to, the following:

- c. Experience with State, local or Federal government processes and procedures
- d. Experience in crafting system regulations

I am a patent attorney licensed in the State of Illinois and registered before the U.S. Patent and Trademark Office (registration number 29, 153). I have practiced before the District Courts in the states of California, Illinois, and Wisconsin. I have studied the laws/proposition/ordinance/etc. related to marijuana in every state that has passed or considered enacting such a law. This study includes the legislative history. I routinely review the latest court decisions regarding marijuana laws. Some of these laws have including system regulation that would be implemented upon enacting the law.

14. Experience. In two (2) pages or less, please describe your firm's experience in working within the confines of a regulatory system, and experience in creating and/or modifying rule, law, ordinance, and/or guidelines.

I have a great deal of experience working with various government agencies such as the Patent & Trademark Office, the Food and Drug Administration, the National Science Foundation, etc. My experience includes the prosecution of patent applications and submission of 510K proposal for new drugs and medical devices. I obtained NSF grants for R&D as the principal investigator and sold high-tech products to government agencies. I have published five technical articles in refereed journals based on original research using gas chromatography (used to measure TCH levels) and published dozens of legal articles. I am a former Panel Chair of the joint venture between the U.S. Patent Office (USPTO) and Sunnyvale Center for Innovation, Ideas & Invention which revised the guidelines for application examination before the biotechnology and computer software art units of the USPTO. So I have firsthand experience drafting government regulations.

15. Staff Qualifications and Capabilities. Please identify staff by name and title, including subcontractors, who would be assigned to the potential contract, indicating their normal responsibilities in your firm. Provide qualifications information on the named staff, including the individuals' particular skills related to this project, education, experience, significant accomplishments and any other pertinent information.

None.

16. Approach and Methodology. In two (2) pages or less, please provide a complete description of your firms' proposed approach and methodology to be used in assisting the WSLCB with developing rules and a regulation strategy for the state of Washington's new Marijuana System.

The proposed approach would start with the contract itself. The WSLCB should consider adding several provisions. For example, a provision about ownership of intellectual property. New business methods or other valuable intellectual property may be developed that could help the state make money. Washington State is a forerunner in this area. I would be able to identify such prospects.

Review what other states have done or are doing. I am not only interested in what laws were considered or passed, but what was the reasoning espoused in the legislative history. What systems and guidelines are being considered by other states? I have a comprehensive summary of that background information.

Get all the options on the table so that the WSLCB can clarify what it wants to do and what of its resources are available. There are ways to push requirements onto vendors and require certifications independent of involvement by the WSLCB.

Norton, Melissa K

From: Scott Wieland PMP <SCOTTWIELAND@comcast.net>
Posted At: Friday, February 15, 2013 9:57 AM
Conversation: RFP-K430, Wieland and Associates
Subject: RFP-K430, Wieland and Associates

Please find attached the RFP-K430 submittal document.

Scott Wieland PMP
Phone: 425-345-2212
scottwieland@wielandandassociates.net

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This email/fax message is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution of this email is prohibited. If you are not the intended recipient, please destroy all paper and electronic copies of the original message.

RFP K430 SUBMITTAL DOCUMENT

Proposer must complete and submit all sections of this Submittal Document as listed below:

- Proposer's Authorized Offer
- Proposer Information
- Subcontractor Information
- Letter of Submittal
- Non-Cost Proposal
- Cost Proposal

SUBMITTAL INSTRUCTIONS

Complete Proposals must be received electronically on or before **February 15, 2013 at 2:00PM (PT)**. Proposer must complete and submit all sections of this Submittal Document. Proposer may attach additional sheets as necessary. Proposer should:

- Attach the completed submittal document to a single email message and send it to **lcbids@liq.wa.gov**.
- Clearly mark the subject line of the email: RFP- K430, Vendor Name (e.g. RFP- K430, ABC Company).
- The preferred software formats are Microsoft Word 2000 (or more recent version) and PDF. If this presents any problem or issue, contact the Procurement Coordinator immediately. To keep file sizes to a minimum, Proposers are cautioned not to use unnecessary graphics in their proposals.
- It is preferred that electronic signatures appear on all documents requiring signature. However, an email date stamp will be accepted as signed by the legally authorized representative of the firm for the purpose of this Proposal only.

Time of receipt will be determined by the e-mail date and time **received** at the WSLCB's mail server in the **lcbids@liq.wa.gov** inbox. The "receive date/time" posted by the WSLCB's email system will be used as the official time stamp. The WSLCB is not responsible for problems or delays with e-mail when the WSLCB's systems are operational. If a Proposal is late, it may be rejected.

Proposals should be submitted in the format described in this solicitation. All Proposals and any accompanying documentation become the property of the WSLCB and will not be returned. Incomplete Proposals may be rejected. Proposals submitted by fax, will not be accepted and will be considered non-responsive.

SUBMITTAL CHECKLIST

This checklist is provided for Proposer's convenience only and identifies the sections of this submittal document to be completed and submitted with each Response. Any response received without any one or more of these sections may be rejected as being non-responsive.

- | | |
|--|-------------------------------------|
| Proposer's Authorized Offer (see page 2) | <input checked="" type="checkbox"/> |
| Proposer Information (see page 3) | <input checked="" type="checkbox"/> |
| Subcontractor Information (see page 4) | <input checked="" type="checkbox"/> |
| Letter of Submittal (see page 5) | <input checked="" type="checkbox"/> |
| Non-Cost Proposal (see page 6) | <input checked="" type="checkbox"/> |
| Cost Proposal (see page 8) | <input checked="" type="checkbox"/> |

Note: The WSLCB understands that potential Proposers may have limited experience in providing the expertise required in all Categories described in RFP K430. In order to better leverage resources available for performing the Services required herein, the WSLCB recommends that potential Proposers may form teams that combine their knowledge, skills, and abilities into one (1) Proposal to meet the requirements as stated in RFP K430.

PROPOSER'S AUTHORIZED OFFER

(PROPOSAL SIGNATURE PAGE)

Initiative 502 Consulting Services – RFP K430

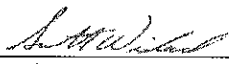
Issued by the Washington State Liquor Control Board

Certifications and Assurances

We make the following certifications and assurances as a required element of the Response, to which it is attached, affirming the truthfulness of the facts declared here and acknowledging that the continuing compliance with these statements and all requirements of the RFP are conditions precedent to the award or continuation of the resulting Contract.

1. The prices in this Response have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered. The prices in this Response have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before Contract award unless otherwise required by law. No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition. However, we may freely join with other persons or organizations for the purpose of presenting a single Proposal.
2. The attached Response is a firm offer for a period of 120 days following the Response Due Date specified in the RFP, and it may be accepted by the Washington State Liquor Control Board (WSLCB) without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120 day period. In the case of protest, our Response will remain valid for 180 days or until the protest and any related court action is resolved, whichever is later.
3. In preparing this Response, we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this solicitation, or prospective Contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this Response. Any exceptions to these assurances are to be described in full detail on a separate page and attached to the Proposer's Response.
4. We understand that the Washington State Liquor Control Board (WSLCB) will not reimburse us for any costs incurred in the preparation of this Response. All Responses become the property of the WSLCB, and we claim no proprietary right to the ideas, writings, items or samples unless so stated in the Response. Submission of the attached Response constitutes an acceptance of the evaluation criteria and an agreement to abide by the procedures and all other administrative requirements described in the solicitation document.
5. We understand that any Contract awarded, as a result of this RFP will incorporate all the solicitation requirements. Submission of a Response and execution of this Certifications and Assurances document certify our willingness to comply with the Contract terms and conditions appearing in Appendix B, [or substantially similar terms], if selected as a contractor. It is further understood that our standard contract will not be considered as a replacement for the terms and conditions appearing in Appendix B of this solicitation.
6. We (circle one) are / ~~(are not)~~ submitting proposed Contract exceptions.
7. The authorized signatory below acknowledges having read and understood the entire solicitation and agrees to comply with the terms and conditions of the solicitation in submitting and fulfilling the offer made in its Proposal.
8. By submitting this Proposal, Proposer hereby offers to furnish materials, supplies, services and/or equipment in compliance with all terms, conditions, and specifications contained in this solicitation.
9. Proposer has read and understands the requirements of the WSLCB set forth in and pertaining to Initiative 502.

The signatory below represents that he/she has the authority to bind the company named below to the Proposal submitted and any contract awarded as a result of this solicitation.



Proposer Signature

Principal Consultant, Co-Owner

Title

Wieland and Associates

Company Name
02/15/2013

Date

PROPOSER INFORMATION

Proposer Profile:

Firm Name	<u>Wieland and Associates</u>
Street Address	<u>PO Box 773</u>
City, State, Zip	<u>Everett, WA, 98206</u>
Federal Tax ID Number	<u>PersonalInfo</u>
UBI	<u>602 957 299 1 1</u>
Website URL	<u></u>

Proposer Authorized Representative:

Proposer must designate an Authorized Representative who will be the principal point of contact for the WSLCB Contract Administrator for the duration of this RFP process. Proposer's Authorized Representative will serve as the focal point for business matters and administrative activities.

Representative Name:	<u>Scott Wieland PMP</u>
Telephone:	<u>425-345-2212</u>
Email:	<u>scottwieland@wielandandassociates.net</u>

Payment Options:

YES NO Do you offer a Prompt Payment Discount? If yes, please provide below.

Prompt Payment Discount _____% _____ days, net 30 days.

YES NO Will you accept the State's Purchasing Card (P-Card)?

YES NO Will you accept Electronic Funds Transfer (EFT)?

Categories of Service:

Proposer must designate the Category(ies) of service for which this Response applies. Please check the appropriate box(es) below:

Category	Description	Response Applies this Category
All	<u>ALL</u> Categories (1-4) listed below	<input type="checkbox"/>
1	Product and Industry Knowledge	<input type="checkbox"/>
2	Product Quality Standards and Testing	<input type="checkbox"/>
3	Product Usage and Consumption Validation	<input type="checkbox"/>
4	Product Regulation	<input checked="" type="checkbox"/>

SUBCONTRACTOR INFORMATION

Check the applicable box:

Yes No Your firm intends on utilizing subcontractors to fulfill the service requirements outlined in RFP K430, Initiative 502 Consulting Services.

Contractor will be required to perform all work under this contract using his/her own employees carried on payroll or by using approved subcontractors. Where subcontractors are used in the performance of the contract, proposers will indicate as required with their response to seek approval. Contractor will be held responsible for all work performed or not performed by the subcontractor(s). Subcontractors will be required to bill through the Contractor.

If revisions are required in the subcontract assignment, new parties are to be proposed in advance of assignment, in writing to the WSLCB and the Contract Administrator.

All subcontractors are to submit a letter on company letterhead indicating the contract has been read, the standard terms and conditions reviewed and agreeing to all requirements presented. The subcontractors shall be required to meet all requirements established for Contractor staff.

If applicable, Proposer shall identify below all subcontractors who will perform services in fulfillment of contract requirements, including their name, the nature of services to be performed, address, telephone, facsimile, email, federal tax identification number (TIN), Washington State Uniform Business Identifier (UBI), and expected work to be performed of each subcontract:

Subcontractor 1

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 2

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 3

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

Subcontractor 4

Name: _____
 Services: _____
 Address: _____
 Telephone: _____
 Email: _____
 Fed ID: _____
 UBI: _____
 Work to be Performed: _____
 OMWBE certified: ___ Yes ___ No

LETTER OF SUBMITTAL

Introductory Remarks:

Wieland and Associates is a Washington State Licensed business and offers unique capacities in Process and Regulatory System Architecture. Our staff represent over 30 years of experience consulting within the confines of a regulatory system, and in creating/modifying rule, law, ordinance or guidelines.

Proposer: Wieland and Associates
PO Box 773
Everett, WA 98206
Principal Place of Business: 12th Street Yacht Basin Slip C10, Everett, WA.
Telephone Number: (425) 345-2212
e-mail: scottwieland@wielandandassociates.net

Principals;

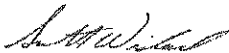
Scott Wieland PMP, Principal Systems Consultant/Co-owner (425) 345-2212
Jenny Wieland, Principal Administrative Consultant/Co-owner (206) 406-6929

Location:

Wieland and Associates operates a US Coast Guard documented vessel as its primary office and is currently located in Everett, WA. The vessel would be located as close to the WSLBC operations center as is feasible upon contract award.

Proposer bid applies solely to Category 4: Product Regulation.

Proposer employs no current or former Washington state employees.



Proposer Signature
Principal Systems Consultant, Co-Owner

Title

Wieland and Associates

Company Name
02/15/2013

Date

NON-COST PROPOSAL

Please refrain from using company name or other information that will identify your company while preparing your response for the Non-Cost Submittal. The Washington State Liquor Control Board (WSLCB) reserves the right to modify proposals in order to eliminate company names or any other information that may identify a specific company brand.

CATEGORY 1 – PRODUCT AND INDUSTRY KNOWLEDGE

Please answer the questions listed below, attaching additional pages as necessary:

No-Bid on this category.

CATEGORY 2 – PRODUCT QUALITY STANDARDS AND TESTING

Please answer the questions listed below, attaching additional pages as necessary:

No-Bid on this category.

CATEGORY 3 – PRODUCT USAGE AND CONSUMPTION VALIDATION

Please answer the questions listed below, attaching additional pages as necessary:

No-Bid on this category.

CATEGORY 4 – PRODUCT REGULATION

Please answer the questions listed below, attaching additional pages as necessary:

1. Ability, Capacity and Skills

- a. Experience with State, local or Federal government processes and procedures:
The Bidders Principal Administrative Consultant has served as an Executive Director of a victim advocacy organization where she developed public policy agenda at state and federal level; provided testimony at legislative hearings, wrote position papers, and served as media spokesperson on proposed and current laws regarding victims' rights, collaborated with legislators to propose and pass legislation.
- b. Experience in crafting system regulations:
The Bidders Principal Systems Consultant has extensive experience designing systems to tight governmental regulatory control for tractability of product, certification of chain of custody, and management of licenses

2. Experience.

The Bidders Principal Systems Consultant has Designed and Architected regulation centric systems for Honeywell, NASA, and AT&T. He has been a principal contributor in Contract Law for compliance with Federal regulations such as the International Fuel Tax Agreement (IFTA). He has architected regulatory constrained billing and distribution systems for compliance with Federal, State and local taxation requirements.

The Bidders Principal Administrative Consultant has been appointed by 3 Governors as advisor to state regulatory commissions for guideline review. She has developed public policy agenda at state and federal level; provided testimony at legislative hearings, wrote position papers, and served as media spokesperson on proposed and current laws regarding victims' rights, collaborated with legislators to propose and pass legislation.

The Bidders Principal Consultants are professionally trained public speakers and meeting facilitators.

The Bidders Principal Consultants have extensive professional experience managing projects involving short cycle or pre-established deadlines and coordination of multiple projects competing for the same resources.

3. Staff Qualifications and Capabilities

The Bidder staff shall consist of;

Name: Scott Wieland PMP **Title:** Principal Systems Consultant

Normal responsibilities: Systems Engineering, Systems Architecture, Project Management, Technical Contract law consultation, Analysis, Report authoring, Executive and Staff presentations.

Particular skills: PMI certified PMP #486658

Education: Dual Degrees in Computer Science and Psychology, University of Central Oklahoma.

Experience:

- Architect- AT&T
- Senior Systems Engineer V – Honeywell
- Senior Project Engineer – The Aerospace Corporation
- Staff Software Engineer- Motorola

Significant Accomplishments:

- Served as Senior Project Engineer/FFRDC for independent third party civilian oversight of 12 Billion dollar USAF Airborne Laser Project.(Employed at the Aerospace Corporation)
- Served as Lead Project Manager, NASA TDRSS Satellite facility and implemented CMMI level 3 along with numerous process improvement projects.
- Voting member of the Motorola Patent Committee.

Name: Genevieve Wieland **Title:** Principal Administrative Consultant

Normal responsibilities: Legislative and rule, law, ordinance and guideline review, Analysis, Report authoring, Executive and Staff presentations.

Particular skills:

- Served as Board Member of the Washington Coalition of Crime Victim Advocates and helped structure and implement the WA State Department of Corrections' Victim Council and position of Community Victim Liaison.(Employed at Families & Friends)
- Washington State Attorney General, former Gov. Christine Gregoire appointed this consultant to serve on the Task Force addressing law enforcement's investigation of missing person cases and unidentified remains. Assisted in development and testified at hearings to pass legislation regarding missing persons.

Education: Post Secondary Professional development includes

Government Affairs

Certified trainer bullying prevention for middle and high school students

Certified crime victim advocate with annual continuing education credits

Nonprofit Leadership

Program Evaluation

Media Relations

Fund Development

Community Response to Mass Acts of Violence or Terrorism

Complications to bereavement from homicide – Trainer – in partnership with Separation & Loss Services

Experience:

- Executive Director of Families & Friends of Violent Crime Victims. Reported to the Board of Directors, and was responsible for the organization's consistent achievement of its mission and financial objectives.
- Board Member of the Washington Coalition of Crime Victim Advocates and helped structure and implement the WA State Department of Corrections' Victim Council and position of Community Victim Liaison.(Employed at Families & Friends)

Significant Accomplishments:

- Developed public policy agenda at state and federal level; provided testimony at legislative hearings, wrote position papers, and media spokesperson on proposed and current laws regarding victims' rights, proposed and passed legislation.
- Assured the organization and its mission and programs were consistently presented in strong positive image to relevant stakeholders.
- Keynote speaker at special events and civic organizations.
- Forged mutually respectful relationships with Governor's staff and legislators;
- Provided public testimony at legislative hearings.
- Received U.S. Senator Patty Murray's prestigious "Golden Tennis Shoe" Award in 1999 for contributions in youth violence prevention and advocacy for crime victims.

Other pertinent information:

The Bidders Principal Consultants are professionally trained public speakers and meeting facilitators.

The Bidders Principal Consultants are familiar with many aspects of growth, harvesting, distribution, product infusion and sale of useable recreational Marijuana as well as the requirements of I-502.

4. Approach and Methodology.

The Bidder shall manage the contract utilizing PMBOK and additional technology specific methodologies to ensure that the services are provided in accordance with industry standards and best practices.

The Bidder approach, as determined by review of SOW requirements, indicates critical first steps shall be to coordinate with Agency Project Management to establish a collaborative Project Management Plan as a framework to manage deliverables, project protocol, and coordinate communication among critical project elements.

ASSUMPTION: It is the Bidders interpretation of the SOW that the Bidder shall serve as a consumer and coordinator of the deliverables from contracting Categories 1-3, for analysis, formulation of results, and presentation of executive level briefings.

The Bidder shall conduct Stakeholder Focus group(s), utilizing Agency facilities and A/V resources or preferably Agency Video Conferencing capability. Frequency and deliverables from the Stakeholder Focus group to be determined upon contract award but not to exceed Two (2) simultaneous groups per day nor to exceed Four (4) groups per week.

The Bidder shall conduct said Stakeholder Focus group(s) for the purpose of;

- gaining consciences on stakeholder assessments
- facilitating discussion and determination of best practice relating to the growth, harvesting, distribution, product infusion and sale of useable recreational Marijuana
- Other purposes at the determination of the Agency

The Bidder shall maintain and archive all Stakeholder Focus Group documentation, data and minutes in electronic format for input into developing Standards, Strategies, Guidelines and Protocol for Washington's new Marijuana System.

The Bidder shall provide written reports and oral executive briefings not to exceed Two (2) per week containing independent third party assumptions, recommendations and oversight of progress to goals. Distribution of briefings and reports shall be at the determination of the Agency.

Bidder PROSPECTIVE: The Bidder's experience has shown that systemic implementation of new regulatory systems for distribution require not only the development of Policy, Procedure and Process, but an in depth evaluation of Agency technical capacity must be considered as soon in the project as possible. As a consequence;

The Bidder shall provide consulting services on Architectural requirements such as Gap Analysis of existing Agency capacities, with respect to the unique prospective of integrating for Marijuana system regulations. These services shall include consultation services for One (1) initial and Agency determined follow up reviews.

The Bidder shall provide Systems consulting services on Risk Analysis and Risk Mitigation plans for proposed solutions as part of assisting the Agency in crafting Marijuana system regulations.

The Bidder shall provide professional PMP consulting services to assist the Agency in preparation and maintenance of a collaborative Project Management Plan.

The Bidder is currently in compliance with and shall perform all contracted services following the guidelines established by the Honest Leadership and Open Government Act of 2007

COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Proposer of least cost, but rather to the Proposer whose proposal best meets the requirements of this RFP. However, Proposers are encouraged to submit proposals which are consistent with State government efforts to conserve state and federal resources.

Instructions to Proposer: Proposer shall complete either Table 1 **or** Table 2 below by entering their Not-to-Exceed (NTE) Hourly Rate **or** Not-to-Exceed Daily rate for Initiative 502 Consulting Services. For the purposes of this RFP, one day shall consist of a total of eight (8) hours.

Proposer is instructed to be familiar with the Initiative 502 language when preparing their response. A link to the I-502 document is located in Appendix B of the RFP for Proposer's convenience.

Table 1: Hourly Rate

Description	NTE Hourly Rate
Not-to-Exceed (NTE) Hourly Rate for I-502 Consulting Services as stated in this RFP	\$ <u>175.00</u> p/hour

Table 2: Daily Rate

Description	NTE Daily Rate
Not-to-Exceed (NTE) Daily Rate for I-502 Consulting Services as stated in this RFP	\$ _____ p/day

Norton, Melissa K

From: William Story <story.william@gmail.com>
Posted At: Friday, February 15, 2013 10:59 AM
Conversation: K430_Submittal
Subject: K430_Submittal

I have attached our K430_Submittal. Please call or email with any questions.

--

Will Story
720.975.7227
story.william@gmail.com

Our MMIP

CONTACT:

Submitted to:

Medical Marijuana Enforcement Division
Criminal Investigator

Summary

In an effort to illustrate our need for an expanded plant count to exceed five hundred, a detailed description of our business model as well as an illustration by numbers of the life of a cannabis plant in our MMIP is below. Supporting documents have been attached as well.

As a leading business in the growing cannabis industry, we hope not only to keep up with demand but also continue to set and raise the bar for what an infused product could and should be. Our products are consistently geared toward a healthy, effective, and educational product. Our MMIP is notorious in the industry for our close attention to patient needs and health, compliance, and consistency. In addition to laboratory testing on each and every batch of extracted cannabis oil we create and subsequently cook with, those results are also printed on each package for consumer safety and information along with our batch number and best by date.

We understand there will be room for improvement as this industry develops, and we greatly value our role in setting that tone of excellence. We hope to maintain this level of quality and integrity with the help of the Medical Marijuana Enforcement Division by granting our request for more than the current allowance of five hundred plants to continue to research, refine, and provide only the highest quality medical cannabis infused products. A waiver granting permission to exceed five hundred plants will help us achieve this goal and is merited by the information outlined below.

Business Model: Not your average MMIP

- The need for the increased number of supply plants is justified by looking at this data:
 - **Our MMIP model is distinctly different from most infused products manufacturers in that we do not rely on MMC supplied waste product (trim).**
 - **We prefer to select, grow, and extract only the best genes for specific products using whole plants that are grown in-house and up to our safety and sanitary standards.**
 - **These plants are grown for the purpose of cannabinoid refinement, research, and development. These are plants intended not for raw smoking material, but as concentrated oils, cooking applications, topical, and edible products or test products for research.**
 - **As cannabis is an essential ingredient to our business that is not readily available as is flour, sugar, or eggs, it is imperative we be able to supply our current and anticipated demand.**
 - **Our business model, as is indicated by our name, is one that sustainably and responsibly grows as much of its own ingredients as possible including cannabis. Cannabis is just of the amazing herbs we grow for our menu.**
 - Keeping this integral role in-house allows us not only to guarantee the quality and consistency of our end products but also reduces the amount of tracking (not manifesting trim), oversight, documentation of combining plant from multiple MMCs, and ensures the feedstock is not contaminated.
 - Growing our own feedstock is easier to monitor and track for the MMED.
 - In our experience, you can not guarantee the gardening methods or ethics of another licensee. Use of chemicals such as Avid © and improper flushing has rendered us unwilling to gamble patient health with supply product originating from an outside source, at least to the extent we cannot base our business model on it.
 - The useable product derived from each of our supply plants is approximately only 6-8% of the starting dry weight. Therefore, for every pound of 452g we only yield approximately 30g of usable cooking cannabis oil.
 - At our current rate of production, we are unable to keep up with demand.
 - At our current rate of production, we have had to eliminate three of our concentrated oils from our menu. One of which was used successfully in a trial to remove precancerous skin spots.
 - It is not the model we wish to set to grow small smoking buds packed together in dense spaces for maximum weight. Unless allowed to garden with ample room and supply plants not only for each necessary phase of production but for sanitation, there is no other model to follow for Colorado and every other watchful state.
- Also regarding need, please note that the reason we chose, developed, permitted, and are licensing such a large parcel is because Our MMIP, LLC is a manufacturer of infused products. Our total gardens will only yield approximately 10% of that *dry weight* in extracted oil concentrate from which 60-80% of that is usable as specific cannabinoid oils. These plants are not the same as and not as valuable as smoking flower buds.
- For context, we have chosen a secluded, rural property a great distance from any neighbors. Ours is a large industrial complex with strict and compliant security measures.
- We are utilizing a 16,000sf building on more than 24 acres of land that backs to open space.
- Lastly, I would call your attention to the fact that Colorado in many ways is setting the example. Our methods of implementing and addressing cannabis concerns and possibilities are being analyzed by citizens, law makers, and researchers beyond our state. We intend to demonstrate that this is a green business, and should be conducted in such a way as to support and contribute to our local communities. Energy consumption, waste, and transport should be minimized as much as possible.
- We would prefer to have not only enough plant to supply organic, sustainable products, but also would like to maintain as industry leaders in regulation and development. This will not be possible without the proposed expansion and subsequent feedstock.
- If we are to research, develop, laboratory test, refine, and inform not only the industry as a leader and pioneer, but also to continue to act as a liaison between local law enforcement and regulatory agencies, we must be able to not only meet the demand of business, but have some plants and plant derivatives for ongoing testing and research.

Life of a MMIP Plant

- Understanding the life of a plant, each plant will go through multiple stages of preparation, planting, and growth each with standard crop loss and separate garden areas.
- **Having the next wave of plants ready to replace the current harvest is another need for additional plants.**
 - The first phase is as a clone, seedling, or baby requiring separate and sanitary areas. At least a 10% loss is expected at this stage.
 - The next phase of growth also requiring a separate gardening area is vegetative, where the plants grow and mature.
 - The last phase of growth is the flowering phase. This is a narrow window of time where the plants are actually usable for extraction of THC. This phase also requires a separate gardening area and conditions.
 - Finally, assuming the plant has survived thus far, it is harvested and reduced to approximately 10%-15% of the original dry weight as a concentrated oil. These oils are further refined to THC, CBD, and CBN cannabinoids at an additional loss of 20-40%.
 - At the industry standard of one pound yield per 1000w light, each of our MMIP plants yield an average of 82g of dry weight = 8.2g extracted oil = 4.98g of refined, tested, usable oil.
 - With the three years of cannabis gardening we have achieved thus far without any accident, incident, theft, or complaint, we have gleaned the following data:
 - Each plant will yield approximately less than 5g of refined and calibrated oil.
 - Skin cancer patients can use 4-5 grams topically per day.
 - Cancer patients can ingest 1-5 grams per day.
 - Patients weaning from prescription drug addiction can ingest more than 5 grams per day.
 - This yield is before any loss, clone death, research, development, or testing.
- Please note that these are organic gardens. Therefore, basic farming parameters will apply. For example:
 - up to 25% of total crop is estimated at product loss or minimization due to lack of specific synthetic fertilizers, pesticides, and non-organic compounds as well as inclement weather
 - this is in addition to the fact that these are feedstock plants designed to grow not just smoking flower buds, but cannabinoid-rich leaves, stalks, and stems that will be used particularly for non-psychoactive medicines
 - this shrinkage is in addition to the standard loss due to plant concentrate (approximately a 10% yield from dry weight)

Current Demand and Business Growth

- Our current monthly demand is:
 - approximately 2000g of refined cooking oil extract
 - approximately 2000g of oil concentrate for retail
 - approximately 6,204g of caviar concentrate
 - $2000g + 2000g = 4000g / 5g \text{ per plant} = 800 +$
 - $6204g / 82g \text{ per plant} = 76 \text{ plants} =$
 - Total plant need now = 876
- Our kitchen cooking oil demand from January 2012- July 2012 was an average of 425g/month
- With demand now at nearly 2000g/month that equals a 252% increase over seven months
- We are not able to meet current demand while not seeking out new business, soliciting new stores, or advertising.
- Nearly half is being supplied by our current gardening methods and quantities but at the expense of our healing concentrates.
- While we are currently falling short of meeting demand, cutting successful and beneficial non psychoactive oils from our menu, **we are also growing at a rate of 20% per month with zero advertising.**
- **Our MMIP does not have any virtual, print, or radio advertising-anywhere save for a single one-time thank you that was printed after being voted best overall cannabis product state-wide, best tested product (for most accurate labeling and dosage), connoisseurs' choice, patients' choice, and best infused edible product.**
- Our growth and standing can be justified by the integrity of our products, our trusted and reliable brand, and impeccable reputation in the industry.
- Should we be allowed to modify our outdoor gardens to meet state requirements, this number could be reduced as the outdoor plants would be significantly larger thereby yielding more.
- Our MMIP continues to be a leader in providing non psychoactive herbal compounds including capsules (that are on par with tylenol), topical salves, and edible oil concentrates.
- To make a non psychoactive blend requires significantly more supply plants as those cannabinoids such as CBN and CBD are less abundant in current available genes than THC.

- This is yet another reason for our MMIP to grow, breed, and create specific genes for our ground-breaking products.
- Additionally, in our ongoing efforts to remain compliant, we have been forced to fill space in our building that is unusable by any other business as it requires shared hallways to our current gardens. Expanding our gardens is a natural choice but will require more plants.
- **Because we would like to also add new products, facilitate patient request for non psychoactive oil concentrates such as phoenix tears, as well as have an adequate supply rather than barely enough, we would respectfully request the Medical Marijuana Enforcement Division use the documentable data, current demand, projected demand, pace of growth, unique and responsible business model, spotless history, and laudable praise from experienced field agents including Boulder Police officers Beverly Bookout and Sergeant Jeff Kessler as well as state officials Dan Hartman, Matt Cook, and MMED investigator Matt Eaton to grant Our MMIP, MMIP permission to grow 3,000 plants at our licensed, secure facility of 16,000sf on 24.4 acres of private land.**

Impact

- While the use of multiple fans and extensive HVAC measures for the purpose of ventilation and circulation of air have been taken, our loudest pieces of equipment include our industrial Hobart Mixer and our walk-in cooler, neither of which can be heard beyond our property.
- No air, water, noise, odor, or nuisances have been detected by the Environmental Health Specialists from Boulder County that have walked, monitored, and tested at our facility.
- No air, water, noise, odor, or nuisance complaint has ever been filed to our knowledge prior to our application currently under review.
- Due to the size of this parcel and spacing between neighboring properties, little to no impact is expected with the proposal. Remember, the window of time for flowering is relatively short, and the time of strong smell even shorter.
- The total number of plants at this parcel will only increase slightly as we will be replacing two pre existing OPC gardens.
- No additional employees are needed to accommodate this growth at this time.
- Conversely, the impact of this application being denied could be detrimental to our business as we would not be able to fill the larger and larger orders, specific patient requests, be able to stay current and competitive, or afford the additional rent expense of the larger facility we have no choice but to fill.

Security

- This proposed expansion would take place within our licensed and restricted areas which have passed inspection with flying colors.
- All cameras and security measures have already been taken and approved by Matt Eaton.
- As Our MMIP is allowed to grow and conduct legal, compliant business, it will be able to occupy this entire property solely thereby further increasing security and reducing any non employees and traffic within the building.

Cannabis Dispensaries Information and Recommendations

Suggested Regulations Regarding Zoning, Licensing, and Categorization

- All dispensaries or subsequent growing facilities be categorized into three categories:
 - Wellness Center
 - to be categorized with acupuncture, massage, and other healing arts
 - should carry the same city and state issued licenses as similar retail operations
 - should pay the same taxes and fees as other similar businesses in the category
 - Apothecary/Pharmacy
 - to be categorized with pharmacies and dispensaries of herbs and natural remedies
 - should carry the same city and state issued fees as other similar businesses in the category
 - should pay the same taxes and fees as other businesses in the category
 - Growing Facility
 - to be categorized as a wholesale business
 - should be zoned and licensed as other greenhouses, nurseries, and farms
 - should carry the same city and state issued licenses as similar businesses in category
 - should pay the same taxes and fees as other businesses in the category

Current Regulations and Requirements for the Acquisition and Dispensing of Medical Marijuana

To Acquire a Medical Marijuana Card:

- A completed New/Renewal application for identification card
- A copy of a Colorado driver's license, passport or state-issued I.D. card
- A \$90 non-refundable application fee to be paid by check or money order to the CDPHE
- The physician certification form completed and signed by a doctor licensed to work in Colorado

To Dispense Medicinal Cannabis in any form:

- Prominent display of Boulder Sales Tax license
- Acquisition of city business license
- All patients must present a valid state issued I.D. as well as their Colorado Medical Marijuana Registry Card or the functional equivalent being the physician referral form
- Appointment of Primary Caregiver

Suggested Regulations for the Responsible Dispensing of Medical Cannabis

Categorization, Licensure, and Zoning

- Wellness Centers, Apothecaries, and Growing Facilities should pay all taxes and fees required for the category to which the belong
- Wellness Centers, Apothecaries, and Growing Facilities should only operate in the permitted zoning districts

Operations and Protocol

- No sale of wet cannabis
- Any food grade products containing animal by-products requiring sustained high-heat for extended periods should be prepared in a licensed kitchen.
 - Exceptions would be tinctures, teas, salves, chapstick, capsules, etc.
- For safety and predictability, a table of standards should be created in regards to dosages and equivalents

Suggested Regulations for the Responsible Dispensing of Medical Cannabis

Security Measures

- Dispensaries, Wellness Centers, and Growing Facilities should have onsite cash limits
- Dispensaries, Wellness Centers, and Growing Facilities should utilize overnight safes
- Dispensaries, Wellness Centers, and Growing Facilities should request patients not bring firearms or weapons on premises
- Patients confidentiality should be strictly guarded with patient files locked overnight
- Only patients with a registered medical marijuana card or its functional equivalent are permitted beyond waiting area into actual dispensary
- Security cameras and alarm systems are strongly encouraged
- Business hours should be consistent with surrounding businesses

Growing Facility Guidelines

- More than ninety-nine plants constitutes a commercial growing operation. Exceptions can and should be made for patients who have a physician referral for more than the standard of six plants.
- To ensure quality and predictability, dispensaries and wellness centers should be encouraged to provide and operate their own growing facility
- In regards to fertilizer, nutrients, and waste, growing facilities should be subject to the same regulations as other greenhouses, nurseries, and farms

Important Facts Regarding Cannabis Dispensaries

- Surrounding businesses naturally experience an increase in revenue due to the heavier traffic in the areas dispensaries are located.
- Areas where dispensaries and growing facilities are located are more secure due to the added security measures taken. Security protocol at dispensaries is comparable to any local bank.
- The majority of Colorado citizens approve of or have come to rely on medicinal cannabis.
- Colorado faces a two billion dollar budget shortfall. Boulder dispensaries alone are poised to contribute more than two million dollars in sales tax revenue.
- Amendment 20 of the Colorado constitution is not rigid allowing individual towns and cities to make more site-specific regulations as they deem appropriate. The Amendment may not specify protection for dispensaries, but if a medicine is recommended and protected, then by default, dispensaries are legal, necessary, and protected.
- There is no innate criminal element in or around dispensaries.
- Medical Cannabis patients are among the kindest, most peaceful, and sickly of our community.
- There is no impending negative environmental impact from the growing, dispensing, or processing of medicinal cannabis.
- If we can spare water for golf courses, water parks, and sprinklers, certainly people should be afforded the resource for medical uses.
- Cannabis is America's largest cash crop.
- Dispensaries are necessary as there are not enough experienced, quality caregivers to go around.
- It is more efficient and economical for people to pool resources such as land, water, electricity, and heat.
- Dispensaries provide an educational atmosphere where the most beneficial and precise form of medicine is prepared on an individual basis.

Common Terms

Tincture: extraction of plant properties using a solution such as alcohol or glycerine. It should be noted that alcohol is the most effective method of extraction and the dosage begins with one drop eliminating any need for a liquor license.

Edible/Medible: a cannabis infused food serving as a longer pain reliever and sleep aid

Salve: a topical form of medicine, oil infused with herbs added to butters (shea, coco, lanolin), wax

Vegetative: cycle of plant life equivalent to spring before bloom

Flowering: cycle of plant life equivalent to summer when in bloom

Vaporizer: a device used to extract properties of plant material without the use of combustion and therefore without poly-hydrocarbons

Clones: cuttings taken from a more mature plant or "mother"

Mother: mature plant from which clones can be cut or can be stored to always have availability of certain strains

Strains: various genetic lines of the same sub-group of plant

Epidemiology and Peer-Reviewed Studies:

NIDA-Funded Epidemiological Study Shows No Detectable Marijuana Use and Cancer Correlation:

“Contrary to our expectations, we found no positive associations between marijuana use and lung or UAT cancer.”

“Associations of marijuana use with the study cancers are not strong and may be below detectable limits for this type of study.”

— Tashkin, D., et al., “Marijuana Use and the Risk of Lung and Upper Aerodigestive Tract Cancers: Results of a Population-Based Case-Control Study,” *Cancer Epidemiology Biomarkers & Prevention*, October 2006

Medical Marijuana Recommended for Selective Use by National Institute of Medicine Investigator:

“[W]e concluded that there are some limited circumstances in which we recommend smoking marijuana for medical uses.”

— Principal Investigator John Benson, National Academy of Sciences' Institute of Medicine news conference for release of study “Marijuana and Medicine: Assessing the Science Base,” March 1999

Effective Pain Inhibitor:

"The clinical potential of the cannabinoids is large; some people suggest that cannabis could be 'the aspirin of the 21st century' ... Cannabinoids inhibit pain in virtually every experimental pain paradigm."

— Baker, David, et al., "The Therapeutic Potential of Cannabis," *The Lancet Neurology*, May 2003

Therapeutic Benefits for MS and Neuropathic Pain:

"[R]ecent randomised controlled clinical trials have pointed to potential therapeutic benefits of cannabinoids for patients with MS and chronic neuropathic pain. This suggests that patients' reports of the effectiveness of cannabis ... could serve as a valid indicator of target diseases and symptoms for cannabinoid drug development."

— Ware, M.A., et al., "The Medicinal Use of Cannabis in the UK: Results of a Nationwide Survey," *International Journal of Clinical Practice*, March 2005
Marijuana Eases Peripheral Neuropathy in Placebo Trial:

"Smoked cannabis was well tolerated and effectively relieved chronic neuropathic pain from HIV-associated sensory neuropathy."

— Abrams, D., et al., "Cannabis in painful HIV-associated sensory neuropathy: A randomized placebo-controlled trial," *Neurology*, February 13, 2007

Medical Marijuana Benefits Related to ALS:

"[M]arijuana has now been shown to have strong antioxidative and neuroprotective effects, which may prolong neuronal cell survival. From a pharmacological perspective, marijuana is safe with minimal possibility of overdose. In states where it is legal to do so, marijuana should be considered in the pharmacological management of ALS."

— Carter, Gregory T. Rosen, Bill S., "Marijuana in the Management of Amyotrophic Lateral Sclerosis," American Journal of Hospice and Palliative Care, July/August 2001

Vaporization of Marijuana Reduces Harmful Byproducts:

"Vaporization offers patients who use medical cannabis the advantages of the pulmonary routes of administration ... while avoiding the respiratory disadvantages of smoking." "Using the Volcano device for the pulmonary administration of THC, a delivery is reached that is comparable to smoking, but without the presence of degradation products or harmful byproducts in significant amounts."

— Hazecamp, A., et al., "Evaluation of a Vaporizing Device (Volcano®) for the Pulmonary Administration of Tetrahydrocannabinol," Journal of Pharmaceutical Sciences, June 2006

No Association Between Marijuana and Lung Cancer:

"We did not observe a positive association of [marijuana] use — even heavy long-term use — with lung ca[ncer], controlling for tob[acco] smoking and other potential confounders."

"Even lifetime use totaling 20,000 cannabis cigarettes did not result in an increase in risk of lung cancer."

— Tashkin, D.P., et al., "Marijuana Use and Lung Cancer: Results of a Case-Control Study," presentation at the 2005 meeting of the International Cannabinoid Research Society Conference, 2005

Possible Protective Effect Against Cancers:

"Although purely speculative, it is possible that such inverse associations may reflect a protective effect of marijuana."

— Tashkin, D., et al., "Marijuana Use and the Risk of Lung and Upper Aerodigestive Tract Cancers: Results of a Population-Based Case-Control Study," *Cancer Epidemiology Biomarkers & Prevention*, October 2006

Decreased Tumor Burden in Leukemia Cells Exposed to Cannabidiol:

"Exposure of leukemia cells to cannabidiol led to CB2-mediated reduction in cell viability and induction in apoptosis ... [and] a significant decrease in tumor burden and an increase in apoptotic tumors in vivo."

— McKallip, Robert J., et al., "Cannabidiol-Induced Apoptosis in Human Leukemia Cells: A Novel Role of Cannabidiol in the Regulation of p22phox and Nox4 Expression," *Molecular Pharmacology*, June 5, 2006

Promising Anti-Tumor Effects Observed:

"A strong and statistically significant anti-tumor effect was observed ... In particular, for a highly malignant human breast carcinoma cell line ... cannabidiol and a cannabidiol-rich extract counteract cell growth both in vivo and in vitro as well as tumor metastasis in vivo."

— Ligresti, Alessia, et al., "Anti-Tumor Activity of Plant Cannabinoids with Emphasis on the Effect of Cannabidiol on Human Breast Carcinoma," *Journal of Pharmacology And Experimental Therapeutics*, May 25, 2006

THC and Inhibition of Tumor Cell Proliferation:

"[THC] inhibited tumour-cell proliferation in vitro and decreased tumour-cell Ki67 immunostaining."

— Guzman, M., et al., "A Pilot Clinical Study of Delta-9-tetrahydrocannabinol in Patients With Recurrent Glioblastoma Multiforme," *British Journal of Cancer*, July 2006

Palliative Benefits of Cannabinoids in Patients with Cancer:

"Cannabinoids exert palliative effects in patients with cancer and inhibit tumor growth in laboratory animals ... Cannabinoids are selective anti-tumor compounds, as they can kill tumor cells without affecting their non-transformed counterparts."

— Guzman, Manuel, "Cannabinoids: Potential Anticancer Agents," *Nature Reviews*, October 2003

Marijuana Unlikely to be Neurotoxic to the Adolescent Brain:

"[N]o pattern consistent with evidence of cerebral atrophy or loss of white matter integrity was detected. It is concluded that frequent cannabis use is unlikely to be neurotoxic to the normal developing adolescent brain."

— DeLisi, Lynn E., et al., "A Preliminary DTI Study Showing No Brain Structural Change Associated With Adolescent Cannabis Use," *Harm Reduction Journal*, May 9, 2006

Possible Promise in Inhibition of Alzheimer's Progression:

"THC is a considerably more effective inhibitor of AChE-induced A β deposition than the approved drugs for Alzheimer's disease treatment..."

— Eubanks, L., et al., "A Molecular Link between the Active Component of Marijuana and Alzheimer's Disease Pathology," *Molecular Pharmaceutics*, June 2006

Possible Prevention of the Neurodegenerative Process of Alzheimer's:

"Our results indicate that cannabinoid receptors are important in the pathology of [Alzheimer's Disease] and that cannabinoids succeed in preventing the neurodegenerative process occurring in the disease."

— Ramirez, Belen, et al., "Prevention of Alzheimer's Disease Pathology by Cannabinoids: Neuroprotection Mediated by Blockade of Microglial Activation," *The Journal of Neuroscience*, February 25, 2005

Inhaled Marijuana Effectively Treats Nausea and Vomiting:

"Fifty-six patients who had no improvement with standard antiemetic agents were treated and 78% demonstrated a positive response to marijuana ... inhalation marijuana is an effective therapy for the treatment of nausea and vomiting due to cancer chemotherapy."

— Vinciguerra, Vincent, et al., "Inhalation Marijuana as an Antiemetic for Cancer Chemotherapy," *New York State Journal of Medicine*, October 1988

No Increase in Use:

"Consistent with other studies of the liberalization of cannabis laws, [this study] indicate[s] that medical cannabis laws do not increase use of the drug."

— Gorman, D. M., Huber, J. C., "Do Medical Cannabis Laws Encourage Cannabis Use?" *International Journal of Drug Policy*, 2006

Manufacturer of Infused Products

Best Practices: Procedure & Products, Extraction

Prepared for:
Laura Harris, Division Director
Medical Marijuana Enforcement Division

Common Terms:

Cannabis: an annual, dioecious, flowering herb

Marijuana: widely adopted slang term for dried cannabis flowers or cannabis plants specifically bred for high THC levels

Edible: fit to be eaten, especially by human, pertaining to foods, liquids, capsules, concentrates, or other consumable that contains cannabis but is not ingested by smoking, vaporizing, or other combustion

Tincture: extraction of plant properties using a solvent such as alcohol or glycerin

Salve: a topical form of medicine, usually an oil infused with herbs that is then added to lipids, waxes, or other substrate such as shea or coco butter, lanolin, or beeswax

Hash: (hashish) resin collected from the cannabis plant, generally containing a high concentration of THC (tetrahydrocannabinol) although several other cannabinoids, alkaloids, and terpenoids are known to occur

Hash Oil : a form of hash usually in liquid form achieved either by infusing an oil base (olive oil, coconut oil, butter, etc) with cannabis plant and/or hash or by soaking dried cannabis plant in a solvent (butane, CO2, ethanol, water) and then straining out the broken down solids

Kief: a form of hash usually referring to the loose, dry trichomes of the cannabis plant that are free of any chemical treatment, solvent, or heat

Caviar: an industry term referring to dried cannabis flowers that have been treated- usually with a form of hash

Phoenix Tears: a form of hash, widely popularized by Rick Simpson and numerous successful patient trials involving many forms of cancers

Common Terms:

Refined Cooking Oil: a form of hash that has been further refined by specific cannabinoids

Vaporizer: a device used to extract properties of plant material without the use of combustion and therefore without poly-hydrocarbons

Strains: various genetic lines or subsets of the same of plant species

Mother: mature plant maintained at vegetative state from which clones can be cut

Clones: cuttings taken from a more mature plant or "mother"

Vegetative: cycle of plant life equivalent to spring before bloom

Flowering: cycle of plant life equivalent to summer when in bloom

Trichome: small hair or other outgrowth from the epidermis of a plant, typically unicellular and glandular

Resin: sticky, flammable, organic substance, insoluble in water, exuded by some trees and other plants (notably fir and pine) The resins intensely secreted by the glandular trichomes of the cannabis plant contain psychoactive alkaloids and aromatic terpenes

Common Terms:

Cannabinoids: class of diverse chemical compounds that activate cannabinoid receptors, more than sixty known cannabinoids exist within the plant cannabis

Endocannabinoids: fatty acid derivatives that are produced naturally in the bodies of humans and animals

Endocannabinoid System: bodily system comprised of the combination of cannabinoid receptors (CB), specific binding sites on the surface of many cell types, and the naturally occurring endocannabinoids that bind to these cannabinoid receptors and activate them

THC: **tetrahydrocannabinol** or delta-9-tetrahydrocannabinol, a cannabinoid, principal psychoactive constituent of the cannabis plant, used medicinally for pain and other ailments, synthetic versions Dronabinol, Marinol (c)

THC-A: **tetrahydrocannabinolic acid (THCA, 2-COOH-THC)**, a cannabinoid, a biosynthetic precursor of tetrahydrocannabinol (THC) and the most active component of cannabis, found in variable quantities in fresh, undried cannabis, commonly decarboxylated to THC with drying, and especially under intense heating such as combustion, does not have psychoactive effects, sighted for anti-inflammatory and neuroprotectiveness

CBN: **cannabinol**, a cannabinoid, the primary product of THC degradation, with some occurring naturally in a fresh plant, CBN content increases as THC degrades in storage and with exposure to light and air, only mildly psychoactive

Common Terms:

CBD: **cannabidiol**, a cannabinoid, not psychoactive, medicinally used to relieve convulsions, inflammation, anxiety, and nausea

CBD-A: **cannabidiolic acid** (CBDA), a cannabinoid, parent molecule of CBD,

Few studies have investigated whether CBDA itself is biologically active. Results of the current investigation revealed that CBDA inhibits migration of the highly invasive MDA-MB-231 human breast cancer cells, apparently through a mechanism involving inhibition of cAMP-dependent protein kinase A, coupled with an activation of the small GTPase, RhoA. It is established that activation of the RhoA signaling pathway leads to inhibition of the mobility of various cancer cells, including MDA-MB-231 cells. The data presented in this report suggest for the first time that as an active component in the cannabis plant, CBDA offers potential therapeutic modality in the abrogation of cancer cell migration, including aggressive breast cancers.*

**(www.ncbi.nlm.nih.gov/pubmed/22963825)*

Decarboxylation: chemical reaction usually involving heat that removes a carboxyl group and releases carbon dioxide (CO₂), usually referring to a reaction of carboxylic acids, removing a carbon atom from a carbon chain

Non-Psychoactive: not affecting the mind or mental processes

Active THC: the psychoactive form of the cannabinoid tetrahydrocannabinol

Summary of Cannabis Extraction Methods

The most commonly extracted cannabis derivative is what is known as hash. Hash is the collected resin and resin glands (trichomes) from cannabis plants. The least processed hash is usually made of mainly the trichomes only and contains little chlorophyll or other plant. As more plant material, additional heat, or processing is applied, the appearance tends to become a greenish color that progressively darkens. A black color of hash can be created by water extraction, alcohol extraction, hand-rubbing (as done in India), collecting from scissors or machinery, overheating, over processing, or other oxidation or degradation of chlorophyll.

Extraction Methodology:

Solvent-Free Method:

Sieving - a process of filtering the separated resin and resin glands by agitating plant material over a screen or filter, e.g., kief

Pressing - a process of using pressure and some warmth to press kief into a solid shape

Summary of Cannabis Extraction Methods

Water as Solvent:

Water Extraction - a process of separating resin and resin glands from plant material using ice and/or water and agitation, the solution is then filtered and dried, e.g. bubble hash

Chemical Preparations:

Volatile Solvent Extraction - a process usually involving solvents that are liquids at room temperature but with low boiling points whereby plant is soaked then strained and the liquid then evaporated. The left over residue is chemically extracted hash. Typically it tends to have a green/black color because most solvents also dissolve plant waxes and chlorophyll, as well as cannabinoids. e.g., wax, earwax, shatter, moonrock, phoenix tears

Using Lipids:

Oil Infusion - a process of soaking plant material for an extended time with or without heat in an oil base e.g., canna-butter, cannabis-infused olive or coconut oil