



City of Needles, California Request for City Council Action

☒ CITY COUNCIL ☐ NPUA

☒ Regular ☐ Special

Meeting Date: March 25, 2025

Title: Cannabis Tax Audits

Background: At the August 30, 2022 City Council meeting, HdL Companies was chosen to perform the Cannabis audits for calendar years 2021 and 2022 with the option for City Council to extend the agreement. We would like to extend the agreement with HdL Companies to include the calendar year 2023 and 2024 Cannabis audits.

Fiscal Impact: A maximum cost of \$462,000 for Cannabis audits for Calendar years 2023 and 2024. These amounts will be budgeted for FY 26.

Environmental Impact: n/a

Recommended Action: Extend the contract with HdL Companies to perform Cannabis Tax Audits for Calendar years 2023 and 2024 at a cost not to exceed \$462,000.

Submitted By: Barbara DiLeo, Finance Department

City Manager Approval: Patrick J. Martinez

Date: 3/19/2025

Other Department Approval (when required): _____

Date: _____

Approved: <input type="checkbox"/>	Not Approved: <input type="checkbox"/>	Tabled: <input type="checkbox"/>	Other: <input type="checkbox"/>
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