BEFORE THE ALASKA OFFICE OF ADMINISTRATIVE HEARINGS ON REFERRAL BY THE MARIJUANA CONTROL BOARD

IN THE MATTER OF:)		
RONALD BASS)		
HANDLER PERMIT NO. 10571)		
LACEY BASS AKA LACY BASS)	OAH N	O. 20-0038-MCB
HANDLER PERMIT NO. 21919)	12.000	
)	AMCO	NO. AM19-1700
CALM N COLLECTIVE, LLC)		
LICENSE NO. 10799)		
)		
HOUSTON GRASS STATION,)		
LLC)		
LICENSE NO. 11050)		
)		

STIPULATED AGREEMENT, PROPOSED DECISION, AND ORDER AMENDMENT ONE

IT IS HEREBY AGREED by the Director ("Director") of the Alcohol & Marijuana Control Office ("AMCO") and Calm 'N Collective LLC, Houston Grass Station, LLC, Ronald Bass, and Lacey Bass ("Respondents") to amend this Stipulated Agreement ("Agreement") to add Paragraph 11 and to add a provision to the Proposed Decision as follows. All other provisions of the Agreement remain in full force and effect.

11. From the initiation of the administrative hold on marijuana and marijuana products originating at CNC to the present, CNC has followed all directives as issued by the AMCO office. Under AMCO's supervision, it destroyed the original contaminated plants, but was permitted to grow subsequent generations in case remediation of the

plants was possible. Since the initiation of the administrative hold to the present, CNC has maintained and harvested the subsequent generations of the plants, but no harvested trim, flower, or other portions of the plants have left CNC's facility. CNC has accounted for the location of the same through Metrc and AMCO has confirmed through audit that CNC is abiding by all conditions of the administrative hold. CNC has been awaiting the directive from AMCO to destroy any such harvest under AMCO's supervision. The destruction shall occur as described in the Amended Proposed Order attached hereto.

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) AMCO NO. AM19-1700
CALM N COLLECTIVE, LLC LICENSE NO. 10799)))
HOUSTON GRASS STATION,	Ó
LLC)
LICENSE NO. 11050)

AMENDED PROPOSED DECISION AND ORDER

IT IS HEREBY ORDERED that any license or handler permits issued to Respondents by the Board is subject to the following disciplinary actions:

A. CALM 'N COLLECTIVE, LLC.

1. License Revocation. Subject to the terms described here, the Calm 'N Collective, LLC license 10799 is revoked effective six months after the Board's adoption of this Proposed Decision and Order. During this six-month interval, licensee may submit a license transfer application. Approval of the transfer must also occur within the sixmonth interval, unless any extension of time is agreed to by a majority vote of the Board within that six-month window. No vote by the Board within this six-month window shall Stipulated Agreement, Amended Proposed Decision, and Order Amendment One OAH No. 20-0038-MCB, AMCO No. 19-1700

be unreasonably delayed so as not to accomplish the vote. If a transfer is approved, the revocation will not apply to the transferred license.

2. Marijuana Plants in Possession of Licensee. In compliance with applicable state law, AMCO has requested the State of Alaska, Department of Natural Resources, Division of Agriculture ("Division") to randomly sample for analytical purposes and to test plants according to its chosen methodology within the possession of Calm 'N Collective, LLC for the presence of the prohibited pesticides. Should the representative samples test below the level of detection (LOD), as determined by the Division, Calm 'N Collective, LLC may transfer the plants to the new license holder should the transfer application be approved, and the administrative hold on all plants lawfully in the possession of Calm 'N Collective shall be lifted. Should the samples test at or above the LOD, as determined by the Division, Calm 'N Collective shall destroy all plants on administrative hold under the direction and supervision of the Director. Calm 'N Collective shall also destroy all plants on administrative hold under the direction and supervision of the Director in advance of any revocation of license as described in Paragraph A.1. Absent authorized transfer of the license, the license is revoked and any marijuana or marijuana product within the possession of Calm N Collective shall be destroyed at the cost of the Calm 'N Collective and under the supervision of the Director. Either AMCO or Calm 'N Collective and its owners may make the results of the testing public. Each party will accept the results of the initial testing, as determined by the Division, so that re-testing for the purpose of changing results is not permitted.

Stipulated Agreement, Amended Proposed Decision, and Order Amendment One OAH No. 20-0038-MCB, AMCO No. 19-1700

- 3. Marijuana Harvests in Possession of Licensee. Respondent will destroy any harvested parts of the marijuana plants currently under administrative hold, if the harvest occurred on or before the latest of the dates identified in the testing results, even if the plants tested are below the LOD. The destruction will take place as directed and supervised by AMCO. If the test results conclude the plants under administrative hold are below the LOD, Licensee may complete subsequent harvests and transfer the harvests to the new license holder should the transfer application be approved.
- 4. Fine. On behalf of Respondents, Calm 'N Collective shall pay a collective fine of \$45,000.00 under 3 AAC 306.840(b)(4), no portion suspended, for the following Counts.

Count 1: \$10,000.00

Count 2: \$ 3,000.00

Count 3: \$ 3,000.00

Count 4: \$ 3,000.00

Count 5: \$ 3,000.00

Count 7: \$ 3,000.00

Count 8: \$ 3,000.00

Count 11: \$ 5,000.00

Count 13: \$ 2,000.00

Count 14: \$ 2,000.00

Count 16: \$ 5,000.00

Count 17: \$ 3,000.00

Any fine owed is due within thirty calendar days of service of the Board's Adoption Order upon Calm 'N Collective. Failure to do so shall constitute a violation of this Order.

Calm 'N Collective and its current members, Ron and Lacy Bass, shall be and shall remain jointly and severally responsible for the payment of the fine for Counts 1-5, 7, 8, 13, 14, and 17 even if Calm' N Collective is dissolved or if the Calm 'N Collective license is revoked under Paragraph A.1. Calm 'N Collective and Ron Bass shall be jointly and severally responsible for payment of the fines for Counts 11 and 16 set forth above.

B. HOUSTON GRASS STATION, LLC

1. Probation. The Houston Grass Station license 11050 and any renewals thereof is or are under probation for a period of three years from the date of the Board's adoption of this Proposed Decision and Order. Conditions for operation of Houston Grass Station are set out in Paragraph G (Terms of Probation Imposed).

C. RONALD BASS HANDLER PERMIT

Probation. For the admitted counts of Mr. Bass and as co-owner of Calm 'N
 Collective and Houston Grass Station, Ronald Bass's Handler Permit No. 10571 and any

renewals thereof is or are under probation for a period of three years from the date of the Board's adoption of this Proposed Decision and Order.

During such time, Mr. Bass's handler permit is valid solely for retail store purposes. Mr. Bass is further prohibited from cultivating or processing recreational marijuana plants in a commercial marijuana establishment during all periods of probation. Conditions of Mr. Bass's operation of Houston Grass Station are set out in Paragraph G (Terms of Probation Imposed).

Mr. Bass is also assessed a fine of \$10,000.00, as set forth with respect to Counts 11 and 16 in paragraph A-3 above. Any fine owed shall be paid within thirty calendar days of service of the Board's Adoption Order upon Mr. Bass. Failure to do so shall constitute a violation of the terms of probation.

D. LACEY BASS HANDLER PERMIT.

1. Probation. As co-owner of Calm 'N Collective and Houston Grass Station,
Lacey Bass's Handler Permit No. 21919 and any renewal thereof is or are under
probation for a period of one year from the date of the Board's adoption of this Proposed
Decision and Order.

E. ALL LICENSES AND PERMITS.

During all periods of active and authorized licenses and permits, Respondents, individually and collectively shall obey all state laws governing a subject license or permit. Failure to do so shall constitute a violation of the terms of probation.

F. COMPLIANCE WITH ALL LAWS

In the event of violation of this Proposed Decision and Order, the Director may elect to pursue and the Board is authorized to order any and all disciplinary actions permitted under 3 AAC 306, Article 8. As such, the Director and Board are not limited to the specific disciplinary sanctions set out in this Proposed Decision and Order.

G. TERMS OF PROBATION IMPOSED

Probation periods imposed in this agreement are intended to ensure continued compliance with all statutes and regulations governing the license or handler's permit held and with this Stipulated Agreement.

During the probationary period for Respondent Houston Grass Station and the probationary period for Ron Bass's Handler's Permit, it shall be a condition of each probation that Ron Bass's role in the day-to-day operations of Houston Grass Station (HGS) will be limited as follows. Mr. Bass will not: (1) make, review, or alter, nor direct any other person to make, review, or alter any entries in the HGS marijuana seed to sale system, METRC; (2) operate or perform, nor direct any other person to operate or perform, transactions in the HGS point-of sale system; (3) weigh or package any marijuana flower, bud, joints or trim; (4) participate in any inventory operations for HGS; and (5) operate video equipment required to be maintained and kept by HGS.

In the event that Mr. Bass and HGS both satisfactorily complete probation, Mr. Bass is permitted to engage in all operations for which a licensee of a Retail Marijuana Store License is authorized.

Stipulated Agreement, Amended Proposed Decision, and Order Amendment One OAH No. 20-0038-MCB, AMCO No. 19-1700

H. SETTLEMENT OF ALL CLAIMS WITH PREJUDICE.

If approved by the Board, this Stipulated Agreement and Proposed Decision and Order resolves all allegations raised in the Accusation dated December 23, 2019. There shall be no findings on counts not admitted to by Respondents, but such counts are dismissed for purposes of negotiated settlement. Upon execution of the Proposed Decision and Order by the Board, the administrative appeal in the above-captioned matter shall be dismissed with prejudice.

IT IS HEREBY FURTHER ORDERED that this Proposed Decision and Order shall take effect immediately upon its adoption by the Board and is a public record of the Board and the State of Alaska. The state may provide a copy of it to any person or entity, including other licensing boards, federal, state, or local governments, or other entity making a relevant inquiry.

[end of page]

SIGNATORIES TO THE STIPULATED AGREEEMENT AND AMENDED PROPOSED ORDER

ALCOHOL & MARIJUANA CONTROL OFFICE

Glen Klinkhart. Director

DATED this	day of	5/4/2021, 2021 at,
Alaska.		
		CALM-N-COLLECTIVE, LLC By: Docusigned by: 275EEB0A23194F6 Its:
		5/4/2021, 2021 at,
	_day of	, 2021 at,
Alaska		HOUSTON GRASS STATION By: Docusigned by: 2/SEEBUA23194FB Its: DS

DATED this	_day of _	5/4/2021	2021 at
Alaska.			
		DocuSigned by:	
		Ronald Bass	
DATED this	_day of _	5/4/2021 ,	2021 at,
Alaska.			
		DocuSigned by: 275EEB0A23194F6	
		Lacey Bass	

BEFORE THE ALASKA OFFICE OF ADMINISTRATIVE HEARINGS ON REFERRAL BY THE MARIJUANA CONTROL BOARD

IN THE MATTER OF:)	
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LACEY BASS AKA LACY BASS)	OAH NO. 20-0038-MCB
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LICENSE NO. 10799)	
HOLIGTON OD AGG GTATION)	
HOUSTON GRASS STATION, LLC)	
LICENSE NO. 11050)	
)	

ORDER

The Marijuana Control Board ("Board") for the State of Alaska, having examined the Stipulated Agreement and Proposed Decision and Order, signed by the Respondents and the Director of the Alcohol & Marijuana Control Board, hereby adopts the Stipulated Agreement and Proposed Decision and Order in this matter.

This Stipulated Agreement and now Final Decision and Order take effect immediately upon signature of this Order in accordance with the approval of the Board.

This Order is a public document.

DATED this 5th day of MAY, 2021, at Anchorage, Alaska.

Marijuana Control Board

By: Nek Milly
Chair