CORRESPONDENCE

THE STATE of ALASKA
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community, and Economic Development

Alcohol and Marijuana Control Office

550 West 7th Avenue, Suite 1600
Anchorage, AK 99501
Main: 907.269.0350

May 7, 2021

Caradundy Cultivation, LLC
DBA: Caradundy Cultivation
Via email: dusty2k@gmail.com

Re: Limited Marijuana Cultivation Facility License #26987

Dear Applicant,

The AMCO Office has reviewed the documents submitted for the proposed marijuana establishment license referenced above. This letter is notice under 3 AAC 306.025(e)(2) that your application is incomplete and additional items are needed to complete the application. The additional items that need correction or resubmittal are listed below—please be sure to read the entire letter. **Please note that if the corrections and/or additional documents submitted in response to this letter are not found to be complete, your application will be returned to you in accordance with 3 AAC 306.025(e)(1), and you will need to file a new application and pay a new fee should you wish to continue pursuing licensure.**

Instructions:

Modify your procedures to include all points below for each section and sub section for each application that requires corrections; then amend your narrative to include each point.

You must ensure that all answers include all required points from regulation as well as each point.

Do not copy and paste the language from this notice into your application. This is merely a guide.

We do not accept appendices, if you want to demonstrate an example, attach the demonstration to the application in order for review. I am happy to show you how to combine files.

- **Online Database**
  - DBA- is it Caradundy Cultivation LLC or Caradundy Cultivation?
  - Licensee is Caradundy Cultivation LLC
  - Entity officials are Mike Bray, Traci, Dustin and Treshawn.
  - Add Entity Number for Caradundy Cultivation LLC
- **MJ-01 Operating Plan**
- **2.1**
  - Must wear visitors' badge at all times
    - Must be easily distinguished from employee id
      - Provide sample as well
- **3.3**

- **PROVIDE SAMPLES OF EACH WITH LOGOS**
  - Employee Badge
    - Photo
    - DBA
    - Employee name

  - Visitor Badge-
    - "Visitor" or something to clearly identify them as such
    - Must be very different from staff/employee ID's
    - Provide samples of licensee-produced identification badges that will be displayed by each licensee, employee or agent while on the premises and of visitor badges that will be worn by all visitors in restricted access areas.

- **3.6**
  - Discuss how METRC is used to prevent diversions
    - AMCO will be notified within 24hr in case of diversion
      - Law enforcement will be notified in case of diversion

- **MJ-02 Premises Diagram- SQ Footage is way too high**
  - Clarify where digital/paper storage is in the building (or in which building and where)
  - Clarify your square footage
    - 24 x 16 = 384 sq ft
      - However, your MJ-04 states these are stacked 2 high, as both levels would count towards cultivation sq footage
        - That equals 786 sq ft
    - Remove bathroom from restricted area
  - If there are 3 Connexus, each one must be drawn out in diagram 1
    - Provide diagram 1
  - Clearly identify which rooms are used for what and put the location of your tables in the diagram
    - This must perfectly match your MJ-04
  - Clearly identify which connex is which and show how one moves in between the 3 Connexus,
    - are there interior/exterior doors?
  - Provide diagrams 1, 3,4,5

- **MJ-04 Cultivation Supplemental**
  - 4.1
    - Make sure this section perfectly matches your MJ-02
      - Clearly spell out all used tables and show your math
  - 5.2
    - Remove "For our neighbors use in their home gardens"
      - Replace with "or composted into soil for use in gardens"
  - 8.1, 8.2
    - Attach sample labels, they must show all required items listed in regulation

It is very important that you submit the above corrections and/or documents in a timely manner so that AMCO staff has adequate time to review the corrections and/or additional documents which must be found to be complete within 90 days of the date of this letter.

Respectfully,

Randi Baker, Occupational Licensing Examiner
For,
Glen Klinkhart, Interim Director
marijuana.licensing@alaska.gov

THE STATE of ALASKA
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community, and Economic Development

Alcohol and Marijuana Control Office

550 West 7th Avenue, Suite 1600
Anchorage, AK 99501
Main: 907.269.0350

March 9, 2021

Caradundy Cultivation, LLC
DBA: Caradundy Cultivation
Via email: dusty2k@gmail.com

Re: Limited Marijuana Cultivation Facility License #26987

Dear Applicant,

The AMCO Office has reviewed the documents submitted for the proposed marijuana establishment license referenced above. This letter is notice under 3 AAC 306.025(e)(2) that your application is incomplete and additional items are needed to complete the application. The additional items that need correction or resubmittal are listed below—please be sure to read the entire letter. **Please note that if the corrections and/or additional documents submitted in response to this letter are not found to be complete, your application will be returned to you in accordance with 3 AAC 306.025(e)(1), and you will need to file a new application and pay a new fee should you wish to continue pursuing licensure.**

Instructions:

Modify your procedures to include all points below for each section and sub section for each application that requires corrections; then amend your narrative to include each point.

You must ensure that all answers include all required points from regulation as well as each point.

Do not copy and paste the language from this notice into your application. This is merely a guide.

We do not accept appendices, if you want to demonstrate an example, attach the demonstration to the application in order for review. I am happy to show you how to combine files.

- **Online Application**
  - DBA- is it Caradundy Cultivation LLC or Caradundy Cultivation?
  - Licensee is Caradundy Cultivation LLC
  - Entity officials are Mike Bray, Traci, Dustin and Treshawn.
  - No affiliates
- **MJ-00**
  - DBA is Caradundy Cultivation on all forms (4), not Colas
    - Fix all 4

- **MJ-01 Operating Plan**
- **<u>2.1</u>**
    - Visitors must show legal ID
        - Must be checked by an employee/verified to be valid
            - In compliance with 3 AAC 306.350
            -
    - Visitors must be signed into a logbook for visitors which includes
        - Name
        - Date
        - Time of Entry
    - Each entrance to a restricted access area must be marked by a sign that reads
        - "Restricted access area"
    - Visitors must be escorted.
    - Limit the number of visitors to not more than five visitors for each licensee, employee, or agent of the licensee who is actively engaged in supervising those visitors
    - Must wear visitors' badge at all times
        - Must be easily distinguished from employee id
- **<u>3.1</u>**
    - Types of locks on doors/windows/access areas
        - commercial grade, non-residential door locks (715)
    - Type of security system/surveillance used
        - Type/angles of cameras
        - All areas covered
        - Identify an individual from 20'
        - Motion detectors
        - Glass break sensors
    - Each entrance to a restricted access area must be marked by a sign that reads
        - "Restricted access area"
    - What training have you/employees gone under to identify fraudulent ID's?
        - Be specific, list procedure for checking ID and what you look for to verify the card is valid.
- **<u>3.2</u>**
    - You may not have a higher than 1:5 visitor/employee ratio
    - Visitors must show legal ID
        - Must be checked by an employee/verified to be valid
            - In compliance with 3 AAC 306.350
    - Visitors must sign into a logbook of visitors which includes
        - Name
        - Date
        - Time of Entry
    - Must wear visitors' badge at all times
        - Must be easily distinguished from employee id
    - Must be escorted at all times by employee
- **<u>3.3</u>**
    - Employee Badge
        - Photo
        - DBA
        - Employee name

    - Visitor Badge-
        - "Visitor" or something to clearly identify them as such

        - Must be very different from staff/employee ID's
        - Provide samples of licensee-produced identification badges that will be displayed by each licensee, employee or agent while on the premises and of visitor badges that will be worn by all visitors in restricted access areas.
- **3.4-3.8**
- 3 AAC 306.715

  Each licensee, employee, or agent of a marijuana establishment shall display an identification badge issued by the marijuana establishment at all times when on the marijuana establishment's licensed premises.

  The licensed premises of a marijuana establishment must have

  exterior lighting to facilitate surveillance

  a security alarm system on all exterior doors and windows; and

  continuous video monitoring as provided in 3 AAC306.720

  A marijuana establishment shall have policies and procedures that

  (1) are designed to prevent diversion of marijuana or marijuana product;

  (2) prevent loitering;

  (3) describe the use of any additional security device, such as a motion detector, pressure switch, and duress, panic, or hold-up alarm to enhance security of licensed premises; and

  (4) describe the actions to be taken by a licensee, employee, or agent of the marijuana establishment when any automatic or electronic notification system alerts a local law enforcement agency of an unauthorized breach of security.

  A marijuana establishment shall use commercial grade, non-residential door locks on all exterior entry points to the licensed premises.

  A marijuana establishment shall notify the Department of Commerce, Community, and Economic Development, Alcohol and Marijuana Control Office as soon as reasonably practical and in any case not more than 24 hours after any unauthorized access to the premises or the establishment's knowledge of evidence or circumstances that reasonably indicate theft, diversion, or unexplained disappearance of marijuana, marijuana products, or money from the licensed premises.(Eff. 2/21/2016, Register 217; am 5/25/2018, Register 226)
- **3.4**
  - Must have exterior lighting around entire area.
  - Must be able to identify someone from 20'
  - Motion detectors on all exterior windows and doors
  - Continuous monitoring
- **3.5**
  - Motion detectors on windows/ exterior doors
    - Describe the system itself - are there windows?
      - If so, are there motion detectors or glass break sensors?
  - Notify the Department of Commerce, Community, and Economic Development, Alcohol and Marijuana Control Office as soon as reasonably practical and in any case not more than 24 hours after any unauthorized access to the premises or the establishment's knowledge of evidence or circumstances that reasonably indicate theft, diversion, or unexplained disappearance of marijuana, marijuana products, or money from the licensed premises.
- **3.6**
  - Will there be any areas in your facility that are not covered by cameras?
  - What procedures will take place if there is a diversion
  - Discuss employee training
    - How often are the cameras reviewed for potential diversions
  - Discuss how METRC is used to prevent diversions
- **3.7**

- This one is correct, no fixes needed

- **<u>3.13, 3.14</u>**
- 3 AAC 306.720

  A marijuana establishment shall install and maintain a video surveillance and camera recording system as provided in this section. The video system must cover
  each restricted access area and each entrance to a restricted access area within the

  1. licensed premises;
  2. each entrance to the exterior of the licensed premises; and
  3. each point-of-sale area.

  At a marijuana establishment, a required video camera must be placed in a way that produces a clear view adequate to identify any individual inside the licensed premises, or within 20 feet of each entrance to the licensed premises. Both the interior and the exterior of each entrance to the facility must be recorded by a video camera.

  Any area where marijuana is grown, cured, or manufactured, or where marijuana waste is destroyed, must have a camera placement in the room facing the primary entry door, and in adequate fixed positions, at a height that will provide a clear, unobstructed view of the regular activity without a sight blockage from lighting hoods, fixtures, or other equipment, in order to allow for the clear and certain identification of any person and activity in the area at all times.

  Surveillance recording equipment and video surveillance records must be housed in a locked and secure area or in a lock box, cabinet, closet or other secure area that is accessible only to a marijuana establishment licensee or authorized employee, and to law enforcement personnel including a peace officer or an agent of the board. A marijuana establishment may house surveillance recording equipment and video surveillance records in an area approved by the board under 3 AAC 306.705(d) and 3 AAC 306.710(d) if the area meets the security requirements under this subsection.

  A marijuana establishment may use an offsite monitoring service and offsite storage of video surveillance records if security requirements at the offsite facility are at least as strict as onsite security requirements as described in(d) of this section.

  Each surveillance recording must be preserved for a minimum of 40 days, in a format that can be easily accessed for viewing. All recorded images must clearly and accurately display the time and date and must be archived in a format that does not permit alteration of the recorded image, so that the images can readily be authenticated. After 40 days, a marijuana establishment may erase video recordings, unless the licensee knows or should know of any pending criminal, civil, or administrative investigation for which the video recording may contain relevant information.

- **<u>3.13</u>**
  - Type of cameras
    - Glass break sensors?
    - Motion detectors?
  - Unobstructed views within restricted area
  - Able to identify an individual from 20'
- **<u>3.14</u>**
  - How is there limited access to the room
    - Signs
    - Video surveillance

- What types of locks are installed on the door?
    - Commercial grade
- Who has access to the room and files?
- How equipment is housed?
    - Describe
- Where are the files located in the building?
- How long do you intend to keep them on file?
    - 40 days
- Provide copies to Enforcement or the board upon request.

- **Section 4**
- 3 AAC 306.755

A marijuana establishment shall maintain in a format that is readily understood by a reasonably prudent businessperson

all books and records necessary to fully account for each business transaction conducted under its license for the current year and three preceding calendar years; records for the last six months must be maintained on the marijuana establishment's licensed premises or in overlapping premises approved by the board under 3 AAC 306.705(d);older records may be archived on or off premises;

a current employee list setting out the full name and marijuana handler permit number of each licensee, employee, and agent who works at the marijuana a establishment

the business contact information for vendors that maintain video surveillance systems and security alarm systems for the licensed premises

records related to advertising and marketing

a current diagram of the licensed premises including each restricted access area and all overlapping premises approved by the board under 3 AAC 306.705 (d) and 3 AAC 306.710(d);

a log recording the name, and date and time of entry of each visitor permitted in a restricted access area

all records normally retained for tax purposes;

accurate and comprehensive inventory tracking records that account for all marijuana inventory activity from seed or immature plant stage until the retail marijuana or retail marijuana product is sold to a consumer, to another marijuana establishment, or destroyed; and

transportation records for marijuana and marijuana products as required under 3 AAC306.750(f).

A marijuana establishment shall provide any record required to be kept on the licensed premises to an employee of the board upon request. Any record kept off premises must be provided to the board's employees not later than three business days after a request for the record.

A marijuana establishment shall exercise due diligence in preserving and maintaining all required records. Loss of records and data, including electronically maintained records, does not excuse a violation of this section. The board may determine a failure to retain records required under this section to be a license violation affecting public safety

- **4.2**
    - describe the storage of physical and electronic records
    - Address backup of records and length of storage onsite
        - 40 DAYS
    - Records to the board upon request
- **Section 6**

<u>3 AAC 306.700</u>

Each agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or a marijuana product, or who checks the identification of a consumer or visitor, and each

licensee and employee must obtain a marijuana handler permit from the board before being licensed or beginning employment at a marijuana establishment.

To obtain a marijuana handler permit, a person must complete a marijuana handler permit education course approved by the board, pass a written test demonstrating an understanding of the course material, and obtain a certificate of course completion from the course provider.

To obtain a marijuana handler permit, a person who has completed the marijuana handler permit education course described in 3 AAC 306.701 shall present the course completion certificate to the director. The director shall issue a marijuana handler permit card valid for three years from the date of issue of the course completion certificate. A person may renew a card issued under this section by taking a marijuana handler permit education course approved by the board and passing a written test demonstrating an understanding of the course subjects.

A licensee, employee, or agent of a marijuana establishment shall keep the marijuana handler permit card described in(c) of this section in that person's immediate possession or a valid copy on file on the premises at all times when on the licensed premises of the marijuana establishment.

The board will not issue a marijuana handler permit to a person who

has been convicted of a felony in the state and either

less than five years have elapsed from the time of the person's conviction; or(B) the person is currently on probation or parole for that felony,

has within the two-year period immediately preceding submission of an application, been convicted of a class A misdemeanor in the state involving a controlled substance other than a Schedule VIA controlled substance, under AS 11.71.190,

has within the two-year period immediately preceding submission of an application, been convicted of a class A misdemeanor in the state relating to selling, furnishing, or distributing marijuana; or,

is currently under indictment for an offense listed in this section.

- **<u>6.4</u>**
  - Employees must be familiar with regulations.
  - Describe initial and ongoing training for all employees
    - METRC
    - Continuing Education
  - Given memos/training on new/updated regulations and statutes that affect them.
- **<u>Section 8</u>**
- <u>3 AAC 306.750</u>

Marijuana or a marijuana product may only be transported to a licensed marijuana establishment by a licensee or an agent or employee of a licensee.

A marijuana establishment from which a shipment of marijuana or marijuana product originates is responsible for preparing, packaging, and securing the marijuana or marijuana product during shipment, for recording the transfer in the marijuana inventory tracking system, and for preparing the transport manifest. An individual transporting marijuana in compliance with this section shall have a marijuana handler permit required under 3 AAC306.700.

When marijuana or a marijuana product is transported, the marijuana establishment that originates the transport shall use the marijuana inventory tracking system to record the type, amount and weight of marijuana or marijuana product being transported, the name of the transporter, the time of departure and expected delivery, and the make, model, and license plate number of the transporting vehicle. A complete printed transport manifest on a form prescribed by the board must be kept with the marijuana or marijuana product at all times.

During transport, the marijuana or marijuana product must be in a sealed package or container and in a locked, safe, and secure storage compartment in the vehicle transporting the marijuana or marijuana product. The sealed package may not be opened during transport. A vehicle transporting marijuana, or a marijuana product must travel directly from the shipping marijuana establishment to the receiving

marijuana establishment and may not make unnecessary stops in between except to deliver or pick up marijuana or a marijuana product at another licensed marijuana establishment.
When a marijuana establishment receives marijuana or a marijuana product transported in compliance with this section, the recipient of the shipment shall use the marijuana inventory tracking system to report the type, amount, and weight of marijuana or marijuana product received. The recipient shall refuse to accept any shipment of marijuana or marijuana product that is not accompanied by the transport manifest.
A marijuana establishment shall keep records of all marijuana or marijuana products shipped from or received at that marijuana establishment as required under 3 AAC306.755.
A marijuana establishment may transport marijuana or a marijuana product to and from trade show or similar industry event in accordance with 3 AAC 306.760 and this section

- **8.1**
  - Details are very important here- MCB will review
    - explain the entire process from seed to sale.
  - Transport manifests
  - METRC
  - MJ Handler Permit
  - locked container that goes within vehicle
  -
- **9.2**
    - combine your logo to this box

- **MJ-02 Premises Diagram**
  - Clarify where digital/paper storage is in the building (or in which building and where)
  - Identify the sink in the bathroom
  - If there are 3 Connexus, each one must be drawn out in diagram 1
    - Together and separately
  - Clearly identify which rooms are used for what and put the location of your tables in the diagram
    - If your tables are shelving or bunked, they must still be under the 499 sq ft maximum
      - This must perfectly match your MJ-01
  - Clearly identify which connex is which and show how one moves in between the 3 Connexus,
    - are there interior/exterior doors?

- **MJ-04 Cultivation Supplemental**
  - Remove all language regarding appendix
  - 4.1
    - Make sure this section perfectly matches your MJ-02
      - Clearly spell out all used tables and show your math
  - 4.6
    - List all pesticides and/or pest control products
      - Remove Appendix language
  - 5.2
    - Explain how you will make the marijuana unusable
      - Solid and liquid waste must be addressed
        - What are you using and how?
    - You must grind up the marijuana waste with compostable or non-compostable
      - Must be equal parts
        - "50/50 ratio"
    - Storage, management and disposal of waste must be addressed collectively
      - Give details

        - Give MCB/AMCO notice 3 days before destruction
    - 7.3
        - Explain the testing procedures and protocol in detail
            - Random homogenous sample of each harvest batch
            - Segregate and quarantine the harvest batch.
            - Not sell or transport until all testing completed
            - Prepared signed statement for testing facility and maintain a copy for records
    - 8.1, 8.2
        - Remove all language regarding appendices
        - Attach sample labels, they must show ALL of the following:
          <u>Both</u> bud and products:
            - Retail store name and logo
            - License number of retail facility
            - Total THC
            - Warnings (verbatim)
            - Cannot be listed as organic.

          Bud/flower
            - Soil amendment/fertilizer/pesticides/etc.
            - Testing facility
            - Name and license number of cultivators
            - Harvest batch #
            - Net weight of marijuana
            - Results of microbial testing

- **MJ-07 Public Notice Posting Affidavit**
    - Provide new ones with the DBA corrected

- **Publisher's Affidavit/ Ad**
    - Provide new ones with DBA and regulation corrected
  - Caradundy Cultivation LLC are applying under 3 AAC306.400(a)(2) for a new Limited Marijuana Cultivation Facility license, license #26987, doing business as Caradundy Cultivation, located at 12580 W Westen Dr, Houston, AK, 99623, UNITED STATES.
    Interested persons may object to the application by submitting a written statement of reasons for the objection to their local government, the applicant, and the Alcohol & Marijuana Control Office (AMCO) not later than 30 days after the director has determined the application to be complete and has given written notice to the local government. Once an application is determined to be complete, the objection deadline and a copy of the application will be posted on AMCO's website at https://www.commerce.alaska.gov/web/amco. Objections should be sent to AMCO at marijuana.licensing@alaska.gov or to 550 W 7th Ave, Suite 1600, Anchorage, AK 99501.

- **MJ-08- Local Government Notice**
    - DBA is Caradundy Cultivation, Not Caradundy Cultivation LLC
    - Correct this on all forms.
- **MJ-09 Financial Disclosure**
    - DBA is Caradundy Cultivation, Not Caradundy Cultivation LLC
    - Correct this on all forms.

- **Proof of Possession for Proposed Premises**
    - Provide a lease between Dustin Farrow and Caradundy Cultivation LLC

- Along with all the other requirements of a legally binding lease, the lease must contain:
- The disclaimer that the landlord may not take possession of any marijuana or marijuana product, and that AMCO will be contacted in the event that this is necessary.

- **Entity Documents**
  - Provide a copy of the LLC's Operating Agreement

- **Residency**
  - **Applicant's Alaska Residency**
    - Ensure that all entity officials have filed for PFD for 2021
      - I am unable to verify your residency at this time.
        - Please provide proof that you received the 2021 PFD

It is very important that you submit the above corrections and/or documents in a timely manner so that AMCO staff has adequate time to review the corrections and/or additional documents which must be found to be complete within 90 days of the date of this letter.

Respectfully,

Randi Baker, Occupational Licensing Examiner
For,
Glen Klinkhart, Interim Director
marijuana.licensing@alaska.gov

From:	Marijuana Licensing (CED sponsored)
To:	Sonya Pevan; vthompson@houston-ak.gov; sschug@houston-ak.gov; "Amy Hansen"; "adam.bradway@matsugov.us"; "alex.strawn@matsugov.us"; "permitcenter@matsugov.us"
Cc:	Marijuana Licensing (CED sponsored)
Subject:	26987 Caradundy Cultivation Application Completion Notice
Date:	Tuesday, May 11, 2021 11:10:00 AM
Attachments:	26987 Fire Only-for Cultivation.pdf 26987 Local Government Notice - August 2020 - Copy.pdf

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Hello:
See attached for Notice of Complete Application for 26987 Caradundy Cultivation
This will be heard at the June 23-24, 2021
The application and a copy of this notice is being sent via Zendto.
If you do not know how to retrieve items via Zendto, please let me know and I'll send a step by step guide.

Randi Baker

Occupational Licensing Examiner
Alcohol and Marijuana Control Office
alcohol.licensing@alaska.gov
marijuana.licensing@alaska.gov

Please consider the environment before printing this e-mail.

Make sure to include your license number and DBA in the subject line of emails

My last day with AMCO is May 11, 2021. Olivia Frank will be absorbing my case load.
Expect correspondence from her after that date.
Make sure to CC Marijuana.licensing@alaska.gov in all emails.

From:	Marijuana Licensing (CED sponsored)
To:	"Dustin Farrow"; "dusty2k@gmail.com"
Cc:	Marijuana Licensing (CED sponsored)
Subject:	26987 Caradundy Cultivation new Limited Cult License Completion Notice
Date:	Tuesday, May 11, 2021 11:08:00 AM
Attachments:	26987 New Applicant Notice - ZOOM June 2021.pdf

Thank you for turning in your corrections. They are processed in the order received.

If we need anything else, we will contact you.

Have a fab day!

Randi Baker

Occupational Licensing Examiner
Alcohol and Marijuana Control Office
alcohol.licensing@alaska.gov
marijuana.licensing@alaska.gov

Please consider the environment before printing this e-mail.

Make sure to include your license number and DBA in the subject line of emails

My last day with AMCO is May 11, 2021. Olivia Frank will be absorbing my case load.
Expect correspondence from her after that date.
Make sure to CC Marijuana.licensing@alaska.gov in all emails.

From:	Marijuana Licensing (CED sponsored)
To:	dusty2k@gmail.com
Cc:	Marijuana Licensing (CED sponsored); Frank, Olivia M (CED)
Subject:	26987 Caradundy Cultivation Round 2 Incomplete Notice / 30 day WARNING
Date:	Friday, May 7, 2021 9:03:46 AM
Attachments:	26987 Caradundy Cultivation Round 2 Incomplete NOTICE 050721.pdf

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Good Morning:

Your application has been reviewed, attached is correspondence regarding corrections, additional documents, and/or resubmittals that must be addressed in full before the application can be deemed complete.

Please understand that there is a high possibility of more corrections after these. I must have appropriate time to review the corrections and give you time to get more corrections if needed. Please understand that the quality of your corrections directly correlate to my ability to get you on the next agenda.

Please make sure to read the entire notice, and make each correction requested.

If the submitted corrections for your application are inadequate to deem your application complete, or your application is still incomplete after ninety (90) days from the date of the original incomplete Notice , your application will be returned to you in accordance with 3 AAC 306.025(e)(1) and 3 AAC 306.025(f). Should you wish to continue pursuing licensure, it would be necessary to file a new application and pay new fees.

Ninety-day Due Date: June 7, 2021

Let us know if you require copies of any submitted documents, and feel free to email if you need clarification on any items in the Incomplete Notice. Correspondence should be sent to marijuana.licensing@alaska.gov.

Randi Baker

Occupational Licensing Examiner
Alcohol and Marijuana Control Office
Phone: 907.334.0892
Cell: 907.717.3640
alcohol.licensing@alaska.gov
marijuana.licensing@alaska.gov

Please consider the environment before printing this e-mail.

Make sure to include your license number and DBA in the subject line of emails

ALCOHOL Deadline and CORRECTION Reminders:

- 5/13/2021 at 4:00pm – **LICENSEE DEADLINE** for June 7, 2021 ABC Meeting.

Final corrections must be submitted by 4:00PM.

- **Anything** submitted after that date and time is not guaranteed to make the agenda.
- You must **return all corrections at once.** Piecemealed corrections are NOT accepted.
- Appendices for applications are not accepted.

MARIJUANA Deadline and CORRECTION Reminders:

- 06/04/2021 at 4:00pm – **LICENSEE DEADLINE** for June 23-24, 2021 MCB Meeting.
- ***Final*** corrections must be submitted by 4:00PM.
- **Anything** submitted after that date and time is not guaranteed to make the agenda.
- You must **return all corrections at once**. Piecemealed corrections are NOT accepted.
- Appendices for applications are not accepted.
- Submit your corrections ASAP- multiple rounds of corrections are almost always needed
- Do not wait until the 90 day deadline to submit application corrections- all deadlines are for final corrections.
- If anything is incorrect after the 90 day deadline, your application will be returned and you will have to reapply.

Any guidance provided by this electronic communication is not a binding legal opinion, ruling, or interpretation that may be relied upon, but merely guidance concerning existing statutes and regulations. There may be other unique or undisclosed facts, circumstances, and information that may have changed any guidance provided in this communication.

CONFIDENTIALITY NOTICE: This communication is intended for the sole use of the individual or entity to whom it is addressed, is covered by the Electronic Communications Privacy Act (18 USC § 2510-2521), and may contain Confidential Official Use Only Information that may be exempt from public release under the Freedom of Information Act (5 USC § 552). If you are not the intended recipient, you are prohibited from disseminating, distributing, or copying any information contained in this communication.The State of Alaska cannot guarantee the security of e-mails sent to or from a state employee outside the state e-mail system. If you are not the intended recipient or receive this communication in error, please notify the sender by reply e-mail and delete the original message and all copies from your computer.

From:	Marijuana Licensing (CED sponsored)
To:	dusty2k@gmail.com
Cc:	Marijuana Licensing (CED sponsored)
Subject:	26987 Caradundy Cultivation Incomplete Notice 3921
Date:	Tuesday, March 9, 2021 12:06:09 PM
Attachments:	INCOMPLETE NOTICE TO LICENSEE 3921 New MJ Incomplete Application 021221.pdf

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Good afternoon,

Your application has been reviewed, attached is correspondence regarding corrections, additional documents, and/or resubmittals that need to be addressed.

Please make sure to read the entire notice. If the submitted corrections for your application are inadequate to deem your application complete, or your application is still incomplete after ninety (90) days from the date of this notice, your application will be returned to you in accordance with 3 AAC 306.025(e)(1) and 3 AAC 306.025(f). Should you wish to continue pursuing licensure, it would be necessary to file a new application and pay new fees.

Ninety-day Due Date:6/7/21

If you expect to make **June 8,9 2021** meeting, your final round of corrections must be submitted no later than **5/14/2021 at 4pm.** Anything submitted after can NOT be guaranteed to make the meeting.

Let us know if you require copies of any submitted documents, and feel free to email if you need clarification on any items in the Incomplete Notice. Correspondence should be sent to marijuana.licensing@alaska.gov.

Randi Baker

Occupational Licensing Examiner
Alcohol and Marijuana Control Office
Phone: 907.334.0892
Cell: 907.717.3640
alcohol.licensing@alaska.gov
marijuana.licensing@alaska.gov

Please consider the environment before printing this e-mail.

Make sure to include your license number in the subject line of emails

ALCOHOL ONLY Deadline Reminders:

- 2/28/21 at 11:59PM – deadline for 2021/2022 renewal applications and all fees to be emailed/postmarked/dropped off in order to avoid expiration of the liquor license and mandatory cessation of alcohol sale, service, manufacture, and/or storage at the establishment per AS 04.11.540.
- 3/12/21 at 11:59PM – new, transfer, 2021/2022 renewal applications and all required corrections must be deemed complete by an AMCO Examiner to be considered for next ABC meeting scheduled for March 30, 2021.

Any guidance provided by this electronic communication is not a binding legal opinion, ruling, or interpretation that may be relied upon, but merely guidance concerning existing statutes and regulations. There may be other unique or undisclosed facts, circumstances, and information that may have changed any guidance provided in this

communication.
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The State of Alaska cannot guarantee the security of e-mails sent to or from a state employee outside the state e-mail system. If you are not the intended recipient or receive this communication in error, please notify the sender by reply e-mail and delete the original message and all copies from your computer.

THE STATE of ALASKA
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community, and Economic Development

Alcohol and Marijuana Control Office

550 West 7th Avenue, Suite 1600
Anchorage, AK 99501
Main: 907.269.0350

March 9, 2021

Caradundy Cultivation, LLC
DBA: Caradundy Cultivation
Via email: dusty2k@gmail.com

Re: Limited Marijuana Cultivation Facility License #26987

Dear Applicant,

The AMCO Office has reviewed the documents submitted for the proposed marijuana establishment license referenced above. This letter is notice under 3 AAC 306.025(e)(2) that your application is incomplete and additional items are needed to complete the application. The additional items that need correction or resubmittal are listed below—please be sure to read the entire letter. **Please note that if the corrections and/or additional documents submitted in response to this letter are not found to be complete, your application will be returned to you in accordance with 3 AAC 306.025(e)(1), and you will need to file a new application and pay a new fee should you wish to continue pursuing licensure.**

Instructions:

Modify your procedures to include all points below for each section and sub section for each application that requires corrections; then amend your narrative to include each point.

You must ensure that all answers include all required points from regulation as well as each point.

Do not copy and paste the language from this notice into your application. This is merely a guide.

We do not accept appendices, if you want to demonstrate an example, attach the demonstration to the application in order for review. I am happy to show you how to combine files.

- **Online Application**
  - DBA- is it Caradundy Cultivation LLC or Caradundy Cultivation?
  - Licensee is Caradundy Cultivation LLC
  - Entity officials are Mike Bray, Traci, Dustin and Treshawn.
  - No affiliates
- **MJ-00**
  - DBA is Caradundy Cultivation on all forms (4), not Colas
    - Fix all 4

- **MJ-01 Operating Plan**
- **<u>2.1</u>**
    - Visitors must show legal ID
        - Must be checked by an employee/verified to be valid
            - In compliance with 3 AAC 306.350
            -
    - Visitors must be signed into a logbook for visitors which includes
        - Name
        - Date
        - Time of Entry
    - Each entrance to a restricted access area must be marked by a sign that reads
        - "Restricted access area"
    - Visitors must be escorted.
    - Limit the number of visitors to not more than five visitors for each licensee, employee, or agent of the licensee who is actively engaged in supervising those visitors
    - Must wear visitors' badge at all times
        - Must be easily distinguished from employee id
- **<u>3.1</u>**
    - Types of locks on doors/windows/access areas
        - commercial grade, non-residential door locks (715)
    - Type of security system/surveillance used
        - Type/angles of cameras
        - All areas covered
        - Identify an individual from 20'
        - Motion detectors
        - Glass break sensors
    - Each entrance to a restricted access area must be marked by a sign that reads
        - "Restricted access area"
    - What training have you/employees gone under to identify fraudulent ID's?
        - Be specific, list procedure for checking ID and what you look for to verify the card is valid.
- **<u>3.2</u>**
    - You may not have a higher than 1:5 visitor/employee ratio
    - Visitors must show legal ID
        - Must be checked by an employee/verified to be valid
            - In compliance with 3 AAC 306.350
    - Visitors must sign into a logbook of visitors which includes
        - Name
        - Date
        - Time of Entry
    - Must wear visitors' badge at all times
        - Must be easily distinguished from employee id
    - Must be escorted at all times by employee
- **<u>3.3</u>**
    - Employee Badge
        - Photo
        - DBA
        - Employee name

    - Visitor Badge-
        - "Visitor" or something to clearly identify them as such

        - Must be very different from staff/employee ID's
        - Provide samples of licensee-produced identification badges that will be displayed by each licensee, employee or agent while on the premises and of visitor badges that will be worn by all visitors in restricted access areas.
- **3.4-3.8**
- 3 AAC 306.715

  Each licensee, employee, or agent of a marijuana establishment shall display an identification badge issued by the marijuana establishment at all times when on the marijuana establishment's licensed premises.

  The licensed premises of a marijuana establishment must have

  exterior lighting to facilitate surveillance

  a security alarm system on all exterior doors and windows; and

  continuous video monitoring as provided in 3 AAC306.720

  A marijuana establishment shall have policies and procedures that

  (1) are designed to prevent diversion of marijuana or marijuana product;

  (2) prevent loitering;

  (3) describe the use of any additional security device, such as a motion detector, pressure switch, and duress, panic, or hold-up alarm to enhance security of licensed premises; and

  (4) describe the actions to be taken by a licensee, employee, or agent of the marijuana establishment when any automatic or electronic notification system alerts a local law enforcement agency of an unauthorized breach of security.

  A marijuana establishment shall use commercial grade, non-residential door locks on all exterior entry points to the licensed premises.

  A marijuana establishment shall notify the Department of Commerce, Community, and Economic Development, Alcohol and Marijuana Control Office as soon as reasonably practical and in any case not more than 24 hours after any unauthorized access to the premises or the establishment's knowledge of evidence or circumstances that reasonably indicate theft, diversion, or unexplained disappearance of marijuana, marijuana products, or money from the licensed premises.(Eff. 2/21/2016, Register 217; am 5/25/2018, Register 226)
- **3.4**
  - Must have exterior lighting around entire area.
  - Must be able to identify someone from 20'
  - Motion detectors on all exterior windows and doors
  - Continuous monitoring
- **3.5**
  - Motion detectors on windows/ exterior doors
    - Describe the system itself - are there windows?
      - If so, are there motion detectors or glass break sensors?
  - Notify the Department of Commerce, Community, and Economic Development, Alcohol and Marijuana Control Office as soon as reasonably practical and in any case not more than 24 hours after any unauthorized access to the premises or the establishment's knowledge of evidence or circumstances that reasonably indicate theft, diversion, or unexplained disappearance of marijuana, marijuana products, or money from the licensed premises.
- **3.6**
  - Will there be any areas in your facility that are not covered by cameras?
  - What procedures will take place if there is a diversion
  - Discuss employee training
    - How often are the cameras reviewed for potential diversions
  - Discuss how METRC is used to prevent diversions
- **3.7**

- This one is correct, no fixes needed

- **<u>3.13, 3.14</u>**
- 3 AAC 306.720

  A marijuana establishment shall install and maintain a video surveillance and camera recording system as provided in this section. The video system must cover
  each restricted access area and each entrance to a restricted access area within the

  1. licensed premises;
  2. each entrance to the exterior of the licensed premises; and
  3. each point-of-sale area.

  At a marijuana establishment, a required video camera must be placed in a way that produces a clear view adequate to identify any individual inside the licensed premises, or within 20 feet of each entrance to the licensed premises. Both the interior and the exterior of each entrance to the facility must be recorded by a video camera.

  Any area where marijuana is grown, cured, or manufactured, or where marijuana waste is destroyed, must have a camera placement in the room facing the primary entry door, and in adequate fixed positions, at a height that will provide a clear, unobstructed view of the regular activity without a sight blockage from lighting hoods, fixtures, or other equipment, in order to allow for the clear and certain identification of any person and activity in the area at all times.

  Surveillance recording equipment and video surveillance records must be housed in a locked and secure area or in a lock box, cabinet, closet or other secure area that is accessible only to a marijuana establishment licensee or authorized employee, and to law enforcement personnel including a peace officer or an agent of the board. A marijuana establishment may house surveillance recording equipment and video surveillance records in an area approved by the board under 3 AAC 306.705(d) and 3 AAC 306.710(d) if the area meets the security requirements under this subsection.

  A marijuana establishment may use an offsite monitoring service and offsite storage of video surveillance records if security requirements at the offsite facility are at least as strict as onsite security requirements as described in(d) of this section.

  Each surveillance recording must be preserved for a minimum of 40 days, in a format that can be easily accessed for viewing. All recorded images must clearly and accurately display the time and date and must be archived in a format that does not permit alteration of the recorded image, so that the images can readily be authenticated. After 40 days, a marijuana establishment may erase video recordings, unless the licensee knows or should know of any pending criminal, civil, or administrative investigation for which the video recording may contain relevant information.

- **<u>3.13</u>**
  - Type of cameras
    - Glass break sensors?
    - Motion detectors?
  - Unobstructed views within restricted area
  - Able to identify an individual from 20'
- **<u>3.14</u>**
  - How is there limited access to the room
    - Signs
    - Video surveillance

- What types of locks are installed on the door?
    - Commercial grade
- Who has access to the room and files?
- How equipment is housed?
    - Describe
- Where are the files located in the building?
- How long do you intend to keep them on file?
    - 40 days
- Provide copies to Enforcement or the board upon request.

- **Section 4**
- 3 AAC 306.755

A marijuana establishment shall maintain in a format that is readily understood by a reasonably prudent businessperson

all books and records necessary to fully account for each business transaction conducted under its license for the current year and three preceding calendar years; records for the last six months must be maintained on the marijuana establishment's licensed premises or in overlapping premises approved by the board under 3 AAC 306.705(d);older records may be archived on or off premises;

a current employee list setting out the full name and marijuana handler permit number of each licensee, employee, and agent who works at the marijuana a establishment

the business contact information for vendors that maintain video surveillance systems and security alarm systems for the licensed premises

records related to advertising and marketing

a current diagram of the licensed premises including each restricted access area and all overlapping premises approved by the board under 3 AAC 306.705 (d) and 3 AAC 306.710(d);

a log recording the name, and date and time of entry of each visitor permitted in a restricted access area

all records normally retained for tax purposes;

accurate and comprehensive inventory tracking records that account for all marijuana inventory activity from seed or immature plant stage until the retail marijuana or retail marijuana product is sold to a consumer, to another marijuana establishment, or destroyed; and

transportation records for marijuana and marijuana products as required under 3 AAC306.750(f).

A marijuana establishment shall provide any record required to be kept on the licensed premises to an employee of the board upon request. Any record kept off premises must be provided to the board's employees not later than three business days after a request for the record.

A marijuana establishment shall exercise due diligence in preserving and maintaining all required records. Loss of records and data, including electronically maintained records, does not excuse a violation of this section. The board may determine a failure to retain records required under this section to be a license violation affecting public safety

- **4.2**
    - describe the storage of physical and electronic records
    - Address backup of records and length of storage onsite
        - 40 DAYS
    - Records to the board upon request
- **Section 6**

<u>3 AAC 306.700</u>

Each agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or a marijuana product, or who checks the identification of a consumer or visitor, and each

licensee and employee must obtain a marijuana handler permit from the board before being licensed or beginning employment at a marijuana establishment.

To obtain a marijuana handler permit, a person must complete a marijuana handler permit education course approved by the board, pass a written test demonstrating an understanding of the course material, and obtain a certificate of course completion from the course provider.

To obtain a marijuana handler permit, a person who has completed the marijuana handler permit education course described in 3 AAC 306.701 shall present the course completion certificate to the director. The director shall issue a marijuana handler permit card valid for three years from the date of issue of the course completion certificate. A person may renew a card issued under this section by taking a marijuana handler permit education course approved by the board and passing a written test demonstrating an understanding of the course subjects.

A licensee, employee, or agent of a marijuana establishment shall keep the marijuana handler permit card described in(c) of this section in that person's immediate possession or a valid copy on file on the premises at all times when on the licensed premises of the marijuana establishment.

The board will not issue a marijuana handler permit to a person who

has been convicted of a felony in the state and either

less than five years have elapsed from the time of the person's conviction; or(B) the person is currently on probation or parole for that felony,

has within the two-year period immediately preceding submission of an application, been convicted of a class A misdemeanor in the state involving a controlled substance other than a Schedule VIA controlled substance, under AS 11.71.190,

has within the two-year period immediately preceding submission of an application, been convicted of a class A misdemeanor in the state relating to selling, furnishing, or distributing marijuana; or,

is currently under indictment for an offense listed in this section.

- **<u>6.4</u>**
  - Employees must be familiar with regulations.
  - Describe initial and ongoing training for all employees
    - METRC
    - Continuing Education
  - Given memos/training on new/updated regulations and statutes that affect them.
- **<u>Section 8</u>**
- <u>3 AAC 306.750</u>

Marijuana or a marijuana product may only be transported to a licensed marijuana establishment by a licensee or an agent or employee of a licensee.

A marijuana establishment from which a shipment of marijuana or marijuana product originates is responsible for preparing, packaging, and securing the marijuana or marijuana product during shipment, for recording the transfer in the marijuana inventory tracking system, and for preparing the transport manifest. An individual transporting marijuana in compliance with this section shall have a marijuana handler permit required under 3 AAC306.700.

When marijuana or a marijuana product is transported, the marijuana establishment that originates the transport shall use the marijuana inventory tracking system to record the type, amount and weight of marijuana or marijuana product being transported, the name of the transporter, the time of departure and expected delivery, and the make, model, and license plate number of the transporting vehicle. A complete printed transport manifest on a form prescribed by the board must be kept with the marijuana or marijuana product at all times.

During transport, the marijuana or marijuana product must be in a sealed package or container and in a locked, safe, and secure storage compartment in the vehicle transporting the marijuana or marijuana product. The sealed package may not be opened during transport. A vehicle transporting marijuana, or a marijuana product must travel directly from the shipping marijuana establishment to the receiving

marijuana establishment and may not make unnecessary stops in between except to deliver or pick up marijuana or a marijuana product at another licensed marijuana establishment.
When a marijuana establishment receives marijuana or a marijuana product transported in compliance with this section, the recipient of the shipment shall use the marijuana inventory tracking system to report the type, amount, and weight of marijuana or marijuana product received. The recipient shall refuse to accept any shipment of marijuana or marijuana product that is not accompanied by the transport manifest.
A marijuana establishment shall keep records of all marijuana or marijuana products shipped from or received at that marijuana establishment as required under 3 AAC306.755.
A marijuana establishment may transport marijuana or a marijuana product to and from trade show or similar industry event in accordance with 3 AAC 306.760 and this section

- **8.1**
  - Details are very important here- MCB will review
    - explain the entire process from seed to sale.
  - Transport manifests
  - METRC
  - MJ Handler Permit
  - locked container that goes within vehicle
  -
- **9.2**
    - combine your logo to this box

- **MJ-02 Premises Diagram**
  - Clarify where digital/paper storage is in the building (or in which building and where)
  - Identify the sink in the bathroom
  - If there are 3 Connexus, each one must be drawn out in diagram 1
    - Together and separately
  - Clearly identify which rooms are used for what and put the location of your tables in the diagram
    - If your tables are shelving or bunked, they must still be under the 499 sq ft maximum
      - This must perfectly match your MJ-01
  - Clearly identify which connex is which and show how one moves in between the 3 Connexus,
    - are there interior/exterior doors?

- **MJ-04 Cultivation Supplemental**
  - Remove all language regarding appendix
  - 4.1
    - Make sure this section perfectly matches your MJ-02
      - Clearly spell out all used tables and show your math
  - 4.6
    - List all pesticides and/or pest control products
      - Remove Appendix language
  - 5.2
    - Explain how you will make the marijuana unusable
      - Solid and liquid waste must be addressed
        - What are you using and how?
    - You must grind up the marijuana waste with compostable or non-compostable
      - Must be equal parts
        - "50/50 ratio"
    - Storage, management and disposal of waste must be addressed collectively
      - Give details

        - Give MCB/AMCO notice 3 days before destruction
    - 7.3
        - Explain the testing procedures and protocol in detail
            - Random homogenous sample of each harvest batch
            - Segregate and quarantine the harvest batch.
            - Not sell or transport until all testing completed
            - Prepared signed statement for testing facility and maintain a copy for records
    - 8.1, 8.2
        - Remove all language regarding appendices
        - Attach sample labels, they must show ALL of the following:
          <u>Both</u> bud and products:
            - Retail store name and logo
            - License number of retail facility
            - Total THC
            - Warnings (verbatim)
            - Cannot be listed as organic.

          Bud/flower
            - Soil amendment/fertilizer/pesticides/etc.
            - Testing facility
            - Name and license number of cultivators
            - Harvest batch #
            - Net weight of marijuana
            - Results of microbial testing

- **MJ-07 Public Notice Posting Affidavit**
    - Provide new ones with the DBA corrected

- **Publisher's Affidavit/ Ad**
    - Provide new ones with DBA and regulation corrected
  - Caradundy Cultivation LLC are applying under 3 AAC306.400(a)(2) for a new Limited Marijuana Cultivation Facility license, license #26987, doing business as Caradundy Cultivation, located at 12580 W Westen Dr, Houston, AK, 99623, UNITED STATES.
    Interested persons may object to the application by submitting a written statement of reasons for the objection to their local government, the applicant, and the Alcohol & Marijuana Control Office (AMCO) not later than 30 days after the director has determined the application to be complete and has given written notice to the local government. Once an application is determined to be complete, the objection deadline and a copy of the application will be posted on AMCO's website at https://www.commerce.alaska.gov/web/amco. Objections should be sent to AMCO at marijuana.licensing@alaska.gov or to 550 W 7th Ave, Suite 1600, Anchorage, AK 99501.

- **MJ-08- Local Government Notice**
    - DBA is Caradundy Cultivation, Not Caradundy Cultivation LLC
    - Correct this on all forms.
- **MJ-09 Financial Disclosure**
    - DBA is Caradundy Cultivation, Not Caradundy Cultivation LLC
    - Correct this on all forms.

- **Proof of Possession for Proposed Premises**
    - Provide a lease between Dustin Farrow and Caradundy Cultivation LLC

- Along with all the other requirements of a legally binding lease, the lease must contain:
- The disclaimer that the landlord may not take possession of any marijuana or marijuana product, and that AMCO will be contacted in the event that this is necessary.

- **Entity Documents**
  - Provide a copy of the LLC's Operating Agreement

- **Residency**
  - **Applicant's Alaska Residency**
    - Ensure that all entity officials have filed for PFD for 2021
      - I am unable to verify your residency at this time.
        - Please provide proof that you received the 2021 PFD

It is very important that you submit the above corrections and/or documents in a timely manner so that AMCO staff has adequate time to review the corrections and/or additional documents which must be found to be complete within 90 days of the date of this letter.

Respectfully,

Randi Baker, Occupational Licensing Examiner
For,
Glen Klinkhart, Interim Director
marijuana.licensing@alaska.gov