Alcohol and Marijuana Control Office
550 W 7th Avenue, Suite 1600
Anchorage, AK 99501
marijuana.licensing@alaska.gov
https://www.commerce.alaska.gov/web/amco
Phone: 907.269.0350

Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

What is this form?

An operating plan is required for all marijuana establishment license applications. Applicants should review **Title 17.38** of **Alaska Statutes** and **Chapter 306** of the **Alaska Administrative Code.** This form will be used to document how an applicant intends to meet the requirements of those statutes and regulations. If your business has a formal operating plan, you may include a copy of that operating plan with your application, but all fields of this form must still be completed per 3 AAC 306.020(c).

What must be covered in an operating plan?

Applicants must identify how the proposed premises will comply with applicable statutes and regulations regarding the following:

- Security
- Inventory tracking of all marijuana and marijuana product on the premises
- Employee qualification and training
- Waste disposal
- Transportation and delivery of marijuana and marijuana products
- Signage and advertising
- Control plan for persons under the age of 21

Applicants must also complete the corresponding operating plan supplemental forms (**Form MJ-03, Form MJ-04, Form MJ-05,** or **Form MJ-06)** to meet the additional operating plan requirements for each license type.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Dru Malone	**License Number:**	10272		
License Type:	Limited Cultivation Facility				
Doing Business As:	Lightning Strike Organics				
Premises Address:	9400 Old Seward Highway				
City:	Anchorage	**State:**	ALASKA	**ZIP:**	99515

Mailing Address:	9400 Old Seward Highay				
City:	Anchorage	**State:**	ALASI	**ZIP:**	99515

Primary Contact:	Dru Malone		
Main Phone:	907-344-7636	**Cell Phone:**	907-602-0096
Email:	lightwaveglass@acsalaska.net		

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Section 2 – Security

Review the requirements under 3 AAC 306.710 – 3 AAC 306.720 and 3 AAC 306.755, and identify how the proposed premises will meet the listed requirements.

Describe how the proposed premises will comply with each of the following:

Restricted Access Areas (3 AAC 306.710):

Describe how you will prevent unescorted members of the public from entering restricted access areas:

Restricted areas are all behind locked doors that will be clearly marked with signage reading "Restricted Area No public access." Only one of the two access doors is an exterior door and will not be used for general access. The other entry door is accessed thru the first floor bussiness and up a flight of stairs. It does not open into a public area.

Describe your processes for admitting visitors into and escorting them through restricted access areas:

Each visitor will be required to sign in and sign out. All visitors will be escorted around the facility by myself or a licensed employee. I do not anticipate many visitors as this will be in general discourged.

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Describe your recordkeeping of visitors who are escorted into restricted access areas:

A sign in sheet will be used and kept in the bussiness records

Provide a copy of a sample identification badge to be displayed by each licensee, employee, or agent while on the premises:

LIGHTENING STRIKE
CULTIVATION FACILITY
License # 10272
Employee Name
Marijuana Handlers Lic. #

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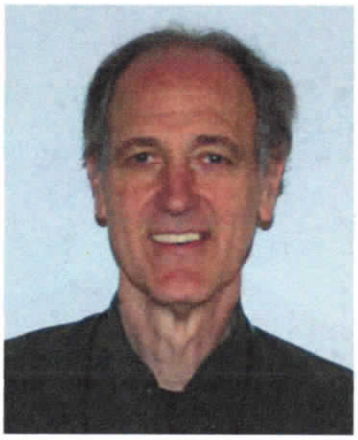

LIGHTENING STRIKE
CULTIVATION FACILITY
License # 10272
Dru Malone
Marijuana Handlers Lic. #

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Security Alarm Systems and Lock Standards (3 AAC 306.715):

Exterior lighting is required to facilitate surveillance. Describe how the exterior lighting will meet this requirement:

There is standard lighting around the exterior of the building. The security cameras contain their own interior lighting source along with infared capability for vision up to 100 feet at night.

With the added exterior lighting from the surrounding businesses it is not dark around the building at night.

An alarm system is required for all license types. Describe the security alarm system for the proposed premises:

The alarm system will cover the two entrance doors and 4 windows. the cultivation area is on a second floor therefore is a bit more difficult to enter without permission.

Along with the perimeter alarm the security cameras also have motion detection and will alert me of anyone approaching the entrance to the restriced area when the business is closed. I can then log on via the internet and evaluate the situation.

The alarm system must be activated on all exterior doors and windows when the licensed premises is closed for business. Describe how the security alarm system meets this requirement:

When I leave at night I activate the alarm and when I arrive in the mourning I deactivate it.

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Describe your policies and procedures for preventing diversion of marijuana or marijuana product:

All harvested marijuana will only be handled by myself or by one employee. With only one employee involved in the handling of harvested marijuana it should be quite simple to prevent any diversion.

Describe your policies and procedures for preventing loitering:

No loitering is allowed inside or outside of the establishment. There is little to no foot traffic around this establishment so any comings and goings are easily noticed.

Describe your policies and procedures regarding 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 the proposed premises:

With all the precautions above there will be no need for additional security devices.

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Describe your policies and procedures regarding the actions to be taken by a licensee, employee, or agent when any automatic or electronic notification system alerts a local law enforcement agency of an unauthorized breach of security:

The video survailance system has the capability to notify me when anyone approaches the doors when the business is closed. The video system is online and I can then go online and see who is there and what they are doing. If they then breach the restricted area the alarm will sound and again I will recieve a notification of the intrusion. I or my employee can then contact the police and let them know what is occuring and it is not a false alarm.

Video Surveillance (3 AAC 306.720):

All licensed marijuana establishments must meet minimum standards for surveillance equipment. Applicants should be able to answer "Yes" to all items below.

Video surveillance and camera recording system covers the following areas of the premises:	Yes	No
Each restricted access area and each entrance to a restricted access area	■	☐
Both the interior and exterior of each entrance to the facility	■	☐
Each point of sale area	■	☐

Each video surveillance recording:	Yes	No
Is preserved for a minimum of 40 days, in a format that can be easily accessed for viewing	■	☐
Clearly and accurately displays the time and date	■	☐
Is archived in a format that does not permit alteration of the recorded image, so that the images can readily be authenticated	■	☐

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Describe how the video cameras will be placed to produce a clear view adequate to identify any individual inside the licensed premises, or within 20 feet of each entrance to the licensed premises:

Cameras are placed opposite of the door in each room of the growing area with a clear view from a high angle and outside the door of each staircase leading to the restricted areas. 90 degree veiwing angles will identify anyone entering and moving around the resticted area.

Describe the locked and secure area where video surveillance recording equipment and records will be housed and stored and how you will ensure the area is accessible only to authorized personnel, law enforcement, or an agent of the board:

The recording equipment will be enclosed in a locked srtorage cabinet or box inside the interior office. I will be the only one with a key.

Location of Surveillance Equipment and Video Surveillance Records:	Yes	No
Surveillance room or area is clearly defined on the premises diagram	■	☐
Surveillance recording equipment and video surveillance records are housed in a designated, locked, and secure area or in a lock box, cabinet, closet or other secure area	■	☐
Surveillance recording equipment access is limited to a marijuana establishment licensee or authorized employee, and to law enforcement personnel including an agent of the board	■	☐
Video surveillance records are stored off-site	☐	■

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Business Records (3 AAC 306.755):

All licensed marijuana establishments must maintain, in a format that is readily understood by a reasonably prudent business person, certain business records. Applicants should be able to answer "Yes" to all items below.

Business Records Maintained and Kept on the Licensed Premises:	Yes	No
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 are maintained on the marijuana establishment's licensed premises; 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 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	■	☐
A log recording the name, and date and time of entry of each visitor permitted into 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	■	☐
Transportation records for marijuana and marijuana product as required under 3 AAC 306.750(f)	■	☐

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A marijuana establishment is required to exercise due diligence in preserving and maintained all required records. Describe how you will prevent records and data, including electronically maintained records, from being lost or destroyed:

Being in business for 40 + years I am experienced at record storage. Paper records that are archived go into labeled boxes and put into storage. Electronic records are archived on-line for long term storage.

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Section 3 – Inventory Tracking of All Marijuana and Marijuana Product

Review the requirements under 3 AAC 306.730, and identify how the proposed establishment will meet the listed requirements.

All licensed marijuana establishments must use a marijuana inventory tracking system capable of sharing information with the system the board implements to ensure all marijuana cultivated and sold in the state, and each marijuana product processed and sold in the state, is identified and tracked from the time the marijuana propagated from seed or cutting, through transfer to another licensed marijuana establishment, or use in manufacturing a product, to a completed sale of marijuana or marijuana product, or disposal of the harvest batch of marijuana or production lot of marijuana product.

Applicants should be able to answer "Yes" to all items below.

Marijuana Tracking and Weighing:	Yes	No
A marijuana inventory tracking system, capable of sharing information with the system the board implements to ensure tracking for the reasons listed above, will be used	■	☐
All marijuana delivered to a marijuana establishment will be weighed on a scale certified in compliance with 3 AAC 306.745	■	☐

Describe the marijuana tracking system that you plan to use and how you will ensure that it is capable of sharing information with the system the board implements:

I will use the state selected vendor for tracking all plants. That should make it easy to access these records.

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Section 4 – Employee Qualification and Training

Review the requirements under 3 AAC 306.700, and identify how the proposed establishment will meet the listed requirements.

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

Applicants should be able to answer "Yes" to all items below.

Marijuana Hander Permit:	Yes	No
Each licensee, employee, or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or marijuana product, or who checks the identification of a consumer or visitor, shall obtain a marijuana handler permit from the board before being licensed or beginning employment at the marijuana establishment	■	☐
Each licensee, employee, or agent who is required to have a marijuana handler permit shall keep that person's marijuana handler permit card in that person's immediate possession (or a valid copy on file on the premises of a retail marijuana store, marijuana cultivation facility, or marijuana product manufacturing facility) when on the licensed premises	■	☐
Each licensee, employee, or agent who is required to have a marijuana handler permit shall ensure that that person's marijuana handler permit card is valid and has not expired	■	☐

Describe how your establishment will meet the requirements for employee qualifications and training:

Employees will be required to submit all paperwork showing their completion of required training. This paperwork will be kept on premises for review.

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Section 5 – Waste Disposal

Review the requirements under 3 AAC 306.740, and identify how the proposed establishment will meet the listed requirements.

Applicants should be able to answer "Yes" to the statement below.

Marijuana Waste Disposal:	Yes	No
The marijuana establishment shall give the board at least 3 days notice in the marijuana inventory tracking system required under 3 AAC 306.730 before making the waste unusable and disposing of it	■	☐

Describe how you will store, manage, and dispose of any solid or liquid waste, including wastewater generated during marijuana cultivation, production, process, testing, or retail sales, in compliance with applicable federal, state, and local laws and regulations:

All plants are soil grown and watered as needed. All soil is recycled for reuse. There is almost zero waste water generated during cultivation, production, processing, and testing. Most water generated by dehumidifiers is recycled. Any small amount of water produced from clean up goes to AWWU. The toilet generates much more waste water than cultivation.
Solid waste is almost zero as stated elsewhere.

Describe what material or materials you will mix with the ground marijuana waste to make it unusable:

house hold ammonia.

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Marijuana waste must be rendered unusable for any purpose for which it was grown or produced before it leaves the marijuana establishment. Describe the process or processes that you will use to make the marijuana plant waste unusable:

All leaves, stems, roots and most of the stalks are recycled into the growing medium. The type of plant I will be growing is short and does not produce much leaf or stalk. There will be almost no waste generated from the plants. If for unforseen reasons some plant waste needs to leave the premises it would be sprayed with household ammonia and taken directly to the dump.

This facility is 100% organic and socially conscious regarding the enviornment. Everything possible is done to eliminate waste by process design.

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Section 6 – Transportation and Delivery of Marijuana and Marijuana Products

Review the requirements under 3 AAC 306.750, and identify how the proposed establishment will meet the listed requirements.

Applicants should be able to answer "Yes" to all items below.

Marijuana Transportation:	Yes	No
The marijuana establishment from which a shipment of marijuana or marijuana product originates will ensure that any individual transporting marijuana shall have a marijuana handler permit required under 3 AAC 306.700	■	☐
The marijuana establishment that originates the transport of any marijuana or marijuana product will 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	■	☐
The marijuana establishment that originates the transport of any marijuana or marijuana product will ensure that 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	■	☐
During transport, any marijuana or marijuana product will be in a sealed package or container in a locked, safe, and secure storage compartment in the vehicle transporting the marijuana or marijuana product, and the sealed package will not be opened during transport	■	☐
Any vehicle transporting marijuana or marijuana product will travel directly from the shipping marijuana establishment to the receiving marijuana establishment, and will not make any unnecessary stops in between except to deliver or pick up marijuana or marijuana product at any other licensed marijuana establishment	■	☐
When the marijuana establishment receives marijuana or marijuana product from another licensed marijuana establishment, the recipient of the shipment will use the marijuana inventory tracking system to report the type, amount, and weight of marijuana or marijuana product received	■	☐
The marijuana establishment will refuse to accept any shipment of marijuana or marijuana product that is not accompanied by the transport manifest	■	☐

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Describe how marijuana or marijuana product will be prepared, packaged, and secured for shipment:

Once the product is dried it will be cured for anywhere from 2 to 6 months depending on the strain, Once tested and ready for sale it will packeged in 1/4 oz or 1/2 oz containers in 1/2 pound lots or in bulk 1/2 pound, 1 pound or 5 pound sealed packages depending on market demand.They are then placed in locked storage awaiting transport. Each package or container will be labeled with all required information relating to its contents and transported as required by law.

Describe the type of locked, safe, and secure storage compartments that will be used in any vehicles transporting marijuana or marijuana product:

All product will be transported in the locked trunk or box in a car by myself or by a recognized delivery service dedicated to this part of the process. This is yet to be determined.

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Section 7 – Signage and Advertising

Describe any signs that you intend to post on your establishment with your business name, including quantity and dimensions:

There will be no outside signage for the cultivation facility except for restricted area signs on the cultivation area door.

Being a limited cultivation facility I see limited need for advertising to the public except for package branding used inside a retail store.A website will be used for branding and informational purposes to describe the materiels and process used in the cultivation of the Lightening Strike marijuana brand.

If you are not applying for a retail marijuana store license, you do not need to complete the rest of Section 7, including Page 17.

Restriction on advertising of marijuana and marijuana products (3 AAC 306.360):

All licensed retail marijuana stores must meet minimum standards for signage and advertising.

Applicants should be able to answer "Agree" to all items below.

No advertisement for marijuana or marijuana product will contain any statement or illustration that:	Agree	Disagree
Is false or misleading	☐	☐
Promotes excessive consumption	☐	☐
Represents that the use of marijuana has curative or therapeutic effects	☐	☐
Depicts a person under the age of 21 consuming marijuana	☐	☐
Includes an object or character, including a toy, a cartoon character, or any other depiction designed to appeal to a child or other person under the age of 21, that promotes consumption of marijuana	☐	☐

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No advertisement for marijuana or marijuana product will be placed:	Agree	Disagree
Within one thousand feet of the perimeter of any child-centered facility, including a school, childcare facility, or other facility providing services to children, a playground or recreation center, a public park, a library, or a game arcade that is open to persons under the age of 21	■	☐
On or in a public transit vehicle or public transit shelter	■	☐
On or in a publicly owned or operated property	■	☐
Within 1000 feet of a substance abuse or treatment facility	■	☐
On a campus for post-secondary education	■	☐

Signage and Promotional Materials:	Agree	Disagree
I understand and agree to follow the limitations for signs under 3 AAC 306.360(a)	■	☐
The retail marijuana store will not use giveaway coupons as promotional materials, or conduct promotional activities such as games or competitions to encourage sale of marijuana or marijuana products	■	☐
All advertising for marijuana or any marijuana product will contain the warnings required under 3 AAC 306.360(e)	■	☐

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Section 8 – Control Plan for Persons Under the Age of 21

Describe how the marijuana establishment will prevent persons under the age of 21 from gaining access to any portion of the licensed premises and marijuana items:

As a cultivation facility there will seldom be visitors. If there is any question of age ID's will be checked when visitors sign in.

I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

F. Drew Malone
Signature of licensee

F. Drew Malone
Printed name

Subscribed and sworn to before me this 13 day of June, 2016.

STATE OF ALASKA
NOTARY PUBLIC
Karen L. Cassel
My Commission Expires: December 15, 2018

Karen L. Cassel
Notary Public in and for the State of Alaska.

My commission expires: 12/15/2018

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(Additional Space as Needed):