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:	AKfunding LLC	**License Number:**	13588		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	AKfundingLLC				
Premises Address:	12975 W. Horizon Way				
City:	Houston	**State:**	ALASKA	**ZIP:**	99694

Mailing Address:	189 E. Nelson Ave				
City:	Wasilla	**State:**	ALASKA	**ZIP:**	99654

Primary Contact:	James Hess		
Main Phone:	907 521 8722	**Cell Phone:**	9079526106
Email:	info@akfunding.com		

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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:

All areas in the building are restricted access and is not open to the public at any time. All doors will be locked at all times.

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

The only visitors allowed in the restricted access are for official business or subcontractors working on the building. All visitors will be signed in to a log and given a visitor badge that is to be surrendered at the time that they leave the facility. Visitors will be escorted at all times. The number of visitors at any one time is limited to 2.

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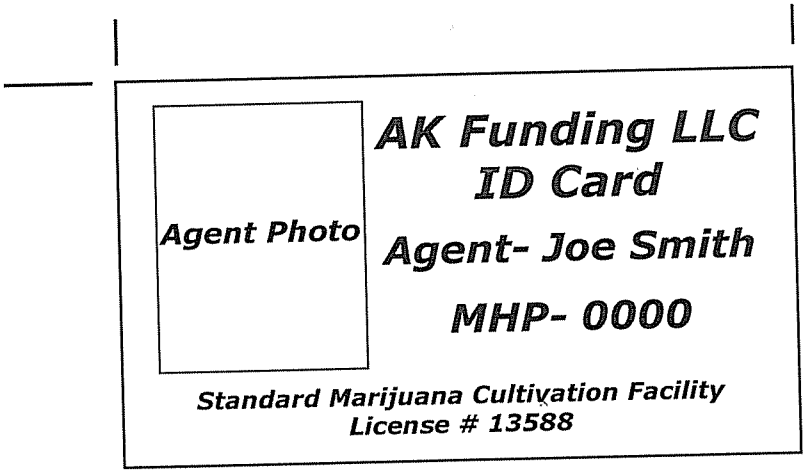
Describe your recordkeeping of visitors who are escorted into restricted access areas:

A log book of visitors describing name,id number, time in, time out, and purpose of visit, as well as visitors badges will be kept in a secure location with access only to the licensee.

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



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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:

The building will have exterior dawn to dusk motion sensor lights on all sides of the building. These lights are mounted on all four corners of the building shining both out and down the sides of the building to aid in surveillance.

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

An alarm system with sensors on every door and motion sensors covering the entire facility will be installed. There will be an internal siren as well as an external siren. The system also has auto dial capability to dial programmed numbers in the event of an alert.

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:

There are contact switches on all doors as well as motion sensors covering entire interior of building. There are no windows in the facility.

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

All product is to be tracked by the metrc system. All activity on the premises is video recorded. No Visitors will be allowed with out being logged in and out, be escorted and monitored at all times and must have a valid reason for entry. There are no employees.

Describe your policies and procedures for preventing loitering:

The entire facility is restricted access, with no unauthorized people or vehicles allowed on the grounds. The facility is on a large piece of private property with signs posted regarding no trespassing or loitering and any persons that are perceived to be loitering or trespassing will be asked to leave. Law enforcement will be contacted as a last resort if persons do not comply and leave.

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:

The Alarm system will be armed at all times. When the building is occupied, The system will be in "Home" mode and internal motion sensors will be deactivated, but all door and access alarms will remain activated. All other times the system will be in fully armed mode.

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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:

It is our policy to allow law enforcement to do their job and not to interfere with any person that intends to do harm or rob the establishment.
If anyone is present during a "situation", they are instructed to follow orders and not risk their life or well being. Give the intruder what he wants and allow him to leave peacefully.
If the alarms were triggered after hours when no one is present, the authorities will be notified
When things are safe to do so, video monitoring records will be turned over to the authorities for law enforcement.

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:

This system is to include an 8 channel video recorder that will include 8 cameras that are to be placed in a way that all restricted access areas are monitored and recorded. There is a separate 4 channel system that will monitor both coming and going from all entrances and exits and the exterior of the facility. Both systems will have 24 hour motion sensors and I will have access to all video from my mobile device or computer at all times. Both systems will preserve recordings well in excess of the required 40 days.

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:

In my personal office space allocated in the building. I will house a locked and secured cabinet that is both locked by a key and bolted to the framing members of the building to prevent tampering or removal of video storage equipment. Regular backups will be done to an external hard drive that is then stored off site.

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 maintaining all required records. Describe how you will prevent records and data, including electronically maintained records, from being lost or destroyed:

All records, both physical and electronic will be either physically copied or backed up to an external hard drive on a regular basis. Copied records will be stored off site.

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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:

The system used is the MTRC system that is approved by the State of Alaska for tracking and sharing of the data.

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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:

We do not plan on having any employees. The licensee will attend the classes and have a handlers card. Any agents needing access to the facility will also be required to have a handlers card and display ID at all times.

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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:

Any reusable growing medium that falls from the root ball will be recycled and reused.
Liquid waste is disposed of onsite and is estimated to be approximately 20 gallons per week.
Any trimmings or unused parts of the plant are to be ground up and mixed with wood mulch or lawn clippings to make them unusable and disposed of onsite.
Any regular trash will be disposed of at approved transfer sites.

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

Wood mulch from the clearing of the property for building construction. A landscaping company in Wasilla has been contacted to mix with their lawn clipping as a backup plan.

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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:

The waste will be mixed with wood mulch or grass clippings greater than 50% mulch to marijuana waste. The wood mulch has been claimed from the clearing of the building site. The lawn clippings are from regular landscaping. The mulch will either be buried onsite or spread over the 2 acres site to make it unusable.

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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:

AKfunding will transport all marijuana in the following ways whether it be flower for testing or transport, waste, or usable byproducts:
Once the marijuana product is ready to be delivered to another licensed facility, AKfunding will weigh and package the product into lots no larger than 5 pounds in airtight, food safe, plastic bags and stored in security bins to protect from opening or contamination. Packages will be sealed in such a way that they cannot be opened during transport. A transportation manifest to include product information, lot numbers, test results, and weight, as well as the delivery transporters name and the vehicles description, license plate number and the expected delivery time will be affixed to the shipment. Shipments will be delivered in a locked, secure storage compartment that is bolted to the body of the delivery vehicle. When transporting secured product, the vehicle will travel directly to the receiver with no unnecessary stops. All of this information will be entered into our tracking system.

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

In the transport vehicle will be a lockable storage compartment that is bolted to the body of the vehicle. The compartment will be approx 2 feet by 3 feet and be secured closed with a padlock. There will be no markings on the vehicle to indicate its ownership or use.

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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:

We will have no external signage, other than "no trespassing" or other security signs.

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:

The entire facility is restricted access and will only grant access to visitors necessary for the operation of the facility

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.

James Hess
Signature of licensee

JAMES HESS
Printed name

Subscribed and sworn to before me this 27 day of September, 2017.

OFFICIAL SEAL
Vickimari Horton
Notary Public State of Alaska
My Comm. Expires: 03/18/2018

Notary Public in and for the State of Alaska.

My commission expires: 03/18/2018

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(Additional Space as Needed):