THE STATE of ALASKA
GOVERNOR BILL WALKER

Department of Commerce, Community, and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE
550 West 7th Avenue, Suite 1600
Anchorage, AK 99501
Main: 907.269.0350

September 13, 2017

Blueberry Hill, LLC
DBA: Blueberry Hill, LLC
Via email: drinkwaterjared@yahoo.com

Re: Limited Marijuana Cultivation Facility #12919

Dear applicant,

The AMCO Office is reviewing the documents submitted for the proposed marijuana establishment license referenced above. The following items need to be corrected and/or resubmitted**.**

- **Online Application**
  - I rolled your application back to "New" status so that you can make the necessary changes to update your online application and generate updated Public Notice and Cover Page; you will need them.
    - KGB Investments, LLC needs to be added to the online application.
    - David Kane & Carolyn Albertsen (Drinkwater) need to move to under Entity Officials, then remove David and Carolyn from the "Affiliate" section since they are proposed licensees.
    - Resubmit the online application once changes have been made.
    - **What is Carolyn's legal name right now?**

- **MJ-00 Application Certifications**
  - Please submit a completed MJ-00 for each David and Carolyn. They were not submitted.

- **MJ-01 Operating Plan**
  - You operating plan needs substantial improvement. Your answers do not reflect you have a good understanding of the statutes and regulations either in general or specific to the license type you are applying for. Please re-review Title 17.38 of Alaska Statutes and Chapter 306 of the Alaska Administrative Code both found on our website, re-do your MJ-01 Marijuana Establishment Operating Plan, and re-submit for review. You really need more elaborate detail on each box explaining how your establishment is going to meet the requirements of the statutes and regulations. The following are examples of what to watch out for when re-doing your operating plan (**these are examples but they may not be the only things you need to address**):
    - Page 2: provide more detail on your policies and procedures for preventing unescorted members of the public to enter Restricted Access Area(s). There is a log you need to maintain with certain information of the visitors being escorted into restricted access areas. There is a ratio of licensee/employee/agent to visitor

that must be followed. What else could you tell the board about your processes regarding this section?

- Page 3, first box: continue addressing your prevention of unescorted members of the public entering Restricted Access Area(s) **incorporating** your record keeping of visitors who are escorted into Restricted Access Areas.
- Page 4, first box: describe how your exterior lighting will facilitate surveillance of the premises (i.e. how many lights will you have, at what point they light up, etc.)
- Page 4, second box: you state there is only a single door, but I see at least two doors. So by a single door, what do you mean? More detail needed (i.e. after 30 seconds of what, will the bell ring very loud? What are your actions to take when this happens? Who will be notified? What switch?)
- Page 4, third box: continue elaborating about your alarm system **incorporating** exterior doors and windows that must be activated when the licensed premises is closed for business. More detail needed (i.e. is the alarm system on all the time? If not, who activates it? At what point is it activated? What type of alarm system is it?)
- Page 5, first box: incorporate in your answer how your establishment will prevent diversion of marijuana by employees. And, what do you mean by Owner/Financial?
- Page 5, second box: your answer does not really answer how you will prevent loitering and your actions to take when loiterers do not want to comply.
- Page 6: what do you mean by "Financial interested people"?
- Page 7, first box: you need to explain how the 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.
- Page 7, second box: your answer must address every point of the question being asked here. Also, what room are you referring to?
- Page 9: describe your establishment's due diligence in preserving and maintaining all required records, and how you will prevent records and data, including electronically maintained records, from being lost or destroyed.
- Page 12, first box: this box must include how and where you are going to store the marijuana waste during the 3 day waiting period before rendering the waste unusable. Also, the three day waiting period must be given in writing by email to our enforcement section, please include in your answer that you understand this.
- Page 13: the answer in this box sounds confusing.
- Page 15: the answer in this page does not adequately address 3 AAC 306.470; 3 AAC 306.475, and 3 AAC 306.750.
- Page 18: Do you have a better policy to prevent persons under the age of 21 from gaining access to any portion of the licensed premises and marijuana?

- **MJ-02 Premises Diagram**
  - Please provide sort of an aerial view diagram that clearly shows the location of the proposed premises and what surrounds it.
  - The diagram that shows your layout needs to show the following (remember, the rooms and dimensions must be congruent with page 2 of MJ-04 and dimension must be legible):
    - Licensed premises (use one color and label)

        - Restricted access area(s) within the licensed premises (use different color and label). In the case where the licensed premises and the restricted access area(s) is going to be one in the same which is usual for cultivation facilities it must clearly be outlined and labeled.
        - Label the surveillance room
        - Show camera placements

- **MJ-04 Cultivation Supplemental**
    - Page 2: you need to make sure that this page is congruent with what you are showing on your layout diagram. You also need to describe individually the space(s) to include dimension of the space(s) that will be under cultivation (i.e. how big is the clone room, the propagation room, etc.)
    - Page 4, first box: the 3-day notice, before rendering the marijuana unusable and disposing of it, must be given in writing by email to our enforcement section. Please make a statement that you understand this in this box.
    - Page 5: please expand upon your answer and explain how your establishment will comply with 3 AAC 306.465.

- **MJ-07 Public Notice Posting Affidavit**
    - Once you have updated your online application as mentioned above. You will need to post the updated Public Notice at both the location of the proposed premises and another conspicuous location. It only has to be re-posted for 5 days.
    - I will need a new MJ-07 completed and signed in front of a notary after the re-post.

- **MJ-08 Local Government Notice Affidavit**
    - Once you have updated your online application as mentioned above. You will need to notify the local government and the community council by submitting to them the updated Public Notice.
    - I will need a new MJ-08 completed and singed in front of a notary.

- **MJ-09 Statement of Financial Interest**
    - Carolyn's last name on her MJ-09 is missing a letter. Please add the letter to it.

- **Proof of Possession for Proposed Premises**
    - The Real Property Detail you submitted as proof of right to possession is inadequate. We need proof that Blueberry Hill, LLC has right to possession of the proposed premises.
    - If you are going to provide a commercial lease, the lease must be a legally binding lease and it should include the following:
        - An acknowledgment from the landlord/lessor that the premises will be used as a marijuana establishment, and
        - A disclaimer that the landlord/lessor may not take possession or remove marijuana from the premises and AMCO will be contacted (this is usually under the "Default" section).

- **Entity Documents**
    - Please provide the Operating Agreements for both Blueberry Hill, LLC and KGB Investments, LLC (I will be looking for each operating agreement to list the correct

ownership structure, this ownership structure must coincide with what Division of Corporations states including percentages for each member for each LLC)

If we do not receive your completions within 90 days, per 3 AAC 306.025(f), you must file a new application and pay a new fee.

Respectfully,

Jane Sawyer, Occupational Licensing Examiner
For,
Erika McConnell, Director
marijuana.licensing@alaska.gov