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:	DKW Farms LLC	**License Number:**	11234		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	DKW Farms LLC				
Premises Address:	4269 Richardson Hwy				
City:	Valdez	**State:**	ALASKA	**ZIP:**	99686

Mailing Address:	P.O.Box 2078				
City:	Valdez	**State:**	ALASKA	**ZIP:**	99686

Primary Contact:	Dwain Dunning		
Main Phone:	907-835-4277	**Cell Phone:**	907-831-1463
Email:	cd_dunning@cvinternet.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:

DKW Farms policy will state that all doors and accesses to the building will be locked at all times. A commercial-grade door and double lock assembly will be installed for exterior entrances. The premises will be monitored 24/7 by Valkyrie Security and Asset Protection Inc. A 'Restricted Access' sign will be posted outside the entrance of the facility.

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

Visitors will only be permitted into restricted areas as per 3 AAC 306.710. Also a visitors log book will be kept in the entry office where visitors will be required to show identification, sign and print names, and record the date and time of their visit. Once identification has been verified, visitors will receive a visitor's id badge.

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

A logbook will be kept in the entry office of the restricted access facility. Visitors will be required to give their names, valid picture ID to prove the person is 21 years of age or older, as well as the time and date of their visit. Logbooks will be kept on the premises for a minimum of three years.

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:

Exterior lights will be placed on all sides of the build, and it will be DKW Farms policy to keep these lights running at all times.

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

As per 3 AAC 306.720, the security system will be installed and monitored by Valkyrie Security and Asset Protection Inc. at all times. If alarms are triggered, the local police department along with the owners will be notified.

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:

As per 3 AAC 306.720, our chosen security service will monitor the premises on a 24/7 basis. Data storage will be handled off/on-site with monitoring handled off-site.

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

All usable marijuana will be stored in a locked storage area within the restricted portion of the building. We will only sell product to licensed dispensaries, manufacturing or cultivation facilities. All inventory will be tracked to the gram with Metrc. The camera placements will record and cover the entirety of the interior of the building, with camera's placed at the only entrance/exit along with the exterior of the building. All camera's will be monitored and recording on a 24/7 basis

Describe your policies and procedures for preventing loitering:

This cultivation facility sits on a remote, less than three acre parcel of land, with one point of access from the road system. "No Trespassing" signs will be posted at entrance and surrounding property. The adjoining property belongs to one of the affiliates and all other property is undeveloped belonging to the city of Valdez

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:

Along with Valkyrie's security system, there is a 6-hour backup battery to operate all security features installed in the building

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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:

If the alarm is activated, it will be DKW Farms policy to wait for local law enforcement to arrive and secure the area. Any information requested by the police relating to the event will be turned over as soon as possible.

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:

Security cameras will be placed so that an unobstructed and clear view of the entrance/exit of the licensed premises(wall mounted), the entrance to the restricted access area along with the restricted access areas(fixed positions so that the lighting hoods do not block this view from normal activity)

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 on site surveillance recording equipment will be stored in a secure area(the restricted area of the licensed premises only accessible from the interior by authorized personnel). The exterior door and jam for entrance/exit is steel, main lock handle and dead bolted are installed, the interior door to the restrictive area will be lockable. It is understood that Valkyrie's security system will also include copied off site storage of it. They will be preserved for a minimum of 40 days and easily accessed for viewing.

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:

A digital copy of all business transactions, log books that will contain the name, date and time of each visitor, a current employee list that will include the full name of each employee and marijuana handlers card will be scanned and kept on the Company's computer, and backed up on an external hard drive. All video surveillance will be kept in a Cloud storage provided by Valkyrie. Records to fully account for business transactions for the current years and four proceeding years will be kept on the license property.

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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 state-implemented system, Metrc, is the tracking system DKW Farms intends to use.

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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:

All DKW Farms employees will be required to obtain and maintain a current marijuana handlers permit as required in 3 AAC 306.320. All training will be handled online or in a classroom course.

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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:

There will be no liquid wastewater generated for disposal. The only waste for disposal will be solid form from the non-usable vegetative plant along with used potting soil unless a tested sample of product fails than the batch will be disposed of in the same manner. Also noting the failed batch in the Metrc inventory system for disposal. The non-usable waste will be stored on site in the restrictive area while the process for this is being done, to dry it till it can be ground to dust then mixed with used potting soil and kitchen waste, then disposed of at the local land fill.

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

It will be mixed with used potting soil and kitchen waste then delivered to the Valdez bailer facility who operates the land fill

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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:

When the plant is matured,it will be cut,trimmed and hung to dry. Once dried it will be trimmed again for removal of the buds. The non-usable waste will be stored on site in the restrictive area while the process for this is being done, to dry it till it can be ground to dust then mixed with at least equal parts of used potting soil which can contain other compost able materials, then disposed of at the local land fill. A record of this amount will be kept along with the final destination.

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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:

When the plants have fully bloomed,it will be cut,trimmed and hung to dry. Once dried it will be trimmed again for removal of the buds. The drying time process varies with factors in the plant and air. The buds will be vacuumed sealed in packages no greater than 1 LB and labeled with tracking information. A sample of the batch will be sent to a marijuana testing facility and the other packages of the batch will be kept in a locked area in the restrictive area of the building.

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

The marijuana will be stored in a secured metal locked box in any vehicle used to transport such. It will be secured in a locked storage compartment of the vehicle transporting it. ie; covered lockable pickup bed, a car trunk.

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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:

4 inch letters and numbers for a street address
DKW Farms will not be using any forms of advertisement on the licensed premises.

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:

Valid photo ID is required to gain visitor access. Persons under the age of 21 will not be allowed access to the restricted building. The building will be locked and secured at all times.

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.

Signature of licensee

Dwain Dunning
Printed name

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

SELAH BAUER
Notary Public, State of Alaska
Commission # 160816003
My Commission Expires
August 16, 2020

Notary Public in and for the State of Alaska.

My commission expires: Aug. 16, 2020

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(Additional Space as Needed):