



Marijuana Control Board

Meeting Minutes

November 28, 2017

Third Judicial District

Alaska Scientific Crime Detection Laboratory, Public Classroom

4805 Dr. Martin Luther King Jr. Avenue

Anchorage, Alaska

● ADMINISTRATION

9:02am

A. Call to Order

B. Roll Call

Board Members Present:

Peter Mlynarik, Chair, Public Safety Member

Mark Springer, Vice Chair, Rural Member

Brandon Emmett, Industry Member

Nick Miller, Industry Member

Loren Jones, Public Health Member

Staff Members Present:

Erika McConnell, Director

Sarah Oates, Program Coordinator

Legal Counsel Present:

Harriet Milks, Assistant Attorney General

C. Approval of Agenda

Mark Springer moves to approve the agenda.

Brandon Emmett seconds the motion.

None opposed, motion carries.

● NEW LIMITED MARIJUANA CULTIVATION FACILITY APPLICATIONS

A. License #12612:

Absolem's Garden

9:03am

TAB 41

Licensee:

Absolem's Garden, LLC

Premises Address:

13247 East Wycoff Drive

Palmer, AK 99645
Local Government: Matanuska-Susitna Borough

*Mark Springer moves to approve license 12612 Absolem's Garden with delegation.
Brandon Emmett seconds the motion.
Lorrie Moffitt and Paul Lucio, applicants, identify themselves for the record and answer Board questions about the application.
Motion carries unanimously.*

B. License #12805: Sunrise Gardens 9:12am TAB 42
Licensee: Purple Quail, LLC
Premises Address: 14017 West Sunrise Drive
Big Lake, AK 99652
Local Government: Matanuska-Susitna Borough

*Mark Springer moves to approve license 12805 Sunrise Gardens with delegation.
Brandon Emmett seconds the motion.
Butch Toms and Deborah Hutchens, applicants, identify themselves for the record and answer Board questions about the application and the public objections.
Motion carries unanimously.*

C. License #12919: Blueberry Hill, LLC 9:24am TAB 43
Licensee: Blueberry Hill, LLC
Premises Address: 6990 S Yohn Bay Place
Wasilla, AK 99623
Local Government: Matanuska-Susitna Borough

*Mark Springer moves to approve license 12919 Blueberry Hill, LLC with delegation.
Brandon Emmett seconds the motion.
Jared Drinkwater and David Kane, applicants, identify themselves for the record and answer Board questions about the application.
Mark Springer notes to the staff that as part of the delegation for these licenses, he would like to make sure that applicants provide a complete security diagram to the office prior to the initial inspection.
Loren Jones states that as part of the delegation, the applicant needs to clear up the different descriptions for waste disposal between Form MJ-01 and Form MJ-04.
Motion carries unanimously.*

D. License #13047: Granny's Greens, LLC 9:34am TAB 44
Licensee: Granny's Greens, LLC
Premises Address: 5930 E Porcupine Avenue
Wasilla, AK 99654
Local Government: Matanuska-Susitna Borough

*Mark Springer moves to approve license 13047 Granny's Greens, LLC with delegation.
Brandon Emmett seconds the motion.
Lance Wells, legal counsel, Michael Hubbard, applicant, and an (inaudible) employee identify themselves for the record and answer Board questions about the application.
Motion carries unanimously.*

E. License #13293: **Thrifty Hippie Cultivation, LLC** **9:38am** **TAB 45**
 Licensee: Thrifty Hippie Cultivation, LLC
 Premises Address: 1350 S Pioneer Drive
 Palmer, AK 99645
 Local Government: Matanuska-Susitna Borough

*Mark Springer moves to approve license 13293 Thrifty Hippie Cultivation, LLC with delegation.
 Brandon Emmett seconds the motion.
 Clinton Dunlap, applicant, identifies himself for the record and answers Board questions about the application.
 Motion carries unanimously.*

F. License #13503: **Alaska GreenWorks, LLC** **9:42am** **TAB 46**
 Licensee: Alaska GreenWorks, LLC
 Premises Address: 10263 Nigh Road #7
 Anchorage, AK 99515
 Local Government: Municipality of Anchorage

*Mark Springer moves to approve license 13503 Alaska GreenWorks, LLC with delegation.
 Brandon Emmett seconds the motion.
 Shawn Clark, applicant, identifies himself for the record and answers Board questions about the application.
 Mark Springer adds to the delegation the requirement that the applicant provide a site plan for Form MJ-02 that shows the other businesses in the building.
 Motion carries, 4-1 (Mark Springer votes No).*

G. License #13803: **Peak Season, LLC** **9:50am** **TAB 47**
 Licensee: Peak Season, LLC
 Premises Address: 1145 Vicki Lane
 North Pole, AK 99705
 Local Government: Fairbanks North Star Borough

*Mark Springer moves to approve license 13803 Peak Season, LLC with delegation.
 Brandon Emmett seconds the motion.
 Mike Allen, applicant, identifies himself for the record and answers Board questions about the application.
 Motion carries unanimously.*

● NEW RETAIL MARIJUANA STORE APPLICATIONS

A. License #10113: **Great Alaskan Bud Company** **10:00am** **TAB 48**
 Licensee: SP&C Enterprises, LLC
 Premises Address: 1905 Livengood Avenue
 Fairbanks, AK 99701
 Local Government: City of Fairbanks

*Mark Springer moves to approve license 10113 Great Alaskan Bud Company with delegation.
 Brandon Emmett seconds the motion.*

Shawn Coyle, applicant, identifies himself for the record and answers Board questions about the application.

Mark Springer states that it would be helpful to have an overview diagram that shows the surrounding areas of the building.

Motion fails, 2-3 (Mark Springer and Loren Jones vote Yes).

Peter Mlynarik states that his reasoning for the denial is the lack of detail and outdated information in the application.

Brandon Emmett states that he agrees with Chair Mlynarik, and that it does not seem like the applicant is ready to run this business right now.

Nick Miller states that the application is not consistent with the verbal answers provided to the questions, and that the applicant should have updated the answers before this Board meeting.

B. License #11119:	Gudlief Organization	10:20am	<u>TAB 49</u>
Licensee:	Robin C Thomas		
Premises Address:	303-C West E Street Nome, AK 99762		
Local Government:	City of Nome		

Mark Springer moves to approve license 11119 Gudlief Organization with delegation.

Brandon Emmett seconds the motion.

Robin Thomas identifies himself for the record and answers Board questions about the application.

Loren Jones requests that the applicant make changes to MJ-01 regarding waste disposal and checking of identification for all visitors, not just those who appear to be under 21.

Peter Mlynarik states that the restroom would have to be removed as a restricted access area, as security cameras are required for all restricted access areas.

Jim Dyer, JKD

Motion fails, 1-4 (Loren Jones votes Yes).

Peter Mlynarik states the lack of detail and inaccuracies are his reasons for the denial.

Brandon Emmett states that his reasoning is that the Board has seen a correlation between how complete an application is and how ready a licensee is to operate, plus notices of violation that have been issued.

Mark Springer and Nick Miller state that they echo the comments of the other members.

● **BREAK** **10:47am**

● **NEW RETAIL MARIJUANA STORE APPLICATIONS**

C. License #12964:	Fairdanks Cannabis	11:01am	<u>TAB 50</u>
Licensee:	West Front Andrew, LLC		
Premises Address:	29 College Road, Suite 8C Fairbanks, AK 99701-1739		
Local Government:	City of Fairbanks		

Mark Springer moves to approve license 12964 Fairdanks Cannabis with delegation.

Brandon Emmett seconds the motion.

Vivian Hong and Justin Chang, representing and translating for Buik Hong, applicant (also present telephonically), identify themselves for the record and answer Board questions about the application.

Motion carries unanimously.

- D. License #13217: Glacier Valley Shop 11:06am TAB 51**
Licensee: ForgetMeNot Enterprises, Inc.
Premises Address: 8505 Old Dairy Road, Suite 1
Juneau, AK 99801
Local Government: City and Borough of Juneau

Mark Springer moves to approve license 12964 Fairdanks Cannabis with delegation.

Brandon Emmett seconds the motion.

Jana Weltzin, legal counsel, and Norvin Perez, applicant, identify themselves for the record, pass out documents to the Board, and answer Board questions about the application.

Carmen Cintron, public member, says that this license will be good, as there are no stores in the valley, and it will create jobs.

Motion carries, 4-1 (Peter Mlynarik votes No).

● **NEW MARIJUANA PRODUCT MANUFACTURING FACILITY APPLICATIONS**

- A. License #12254: Lady Gray Gourmet Medibles 11:13am TAB 52**
Licensee: Lady Gray, LLC
Premises Address: 36322 Pine Street, Suite 1
Soldotna, AK 99669
Local Government: Kenai Peninsula Borough
Consideration: Conditions pursuant to 3 AAC 306.060(b)

Erika McConnell informs the Board that the applicant is on the way and should be arriving in about an hour and a half.

Mark Springer moves to postpone license 12254 Lady Gray Gourmet Medibles pending arrival of the applicant.

Brandon Emmett seconds the motion.

Jana Weltzin, legal counsel, identifies herself for the record.

None opposed, motion carries.

- B. License #12487: Treat Yo' Self 11:14am TAB 53**
Licensee: Aaron J Ross
Premises Address: 2632 Mistletoe Drive
North Pole, AK 99705
Local Government: Fairbanks North Star Borough

Mark Springer moves to approve license 12487 Treat Yo' Self with delegation.

Brandon Emmett seconds the motion.

Aaron Ross, applicant, identifies himself for the record.

Mark Springer amends his motion to approve each product individually.

Brandon Emmett agrees to the amendment.

Mark Springer asks which premises address is accurate.

Aaron Ross states that the Fairbanks North Star Borough informed him that he was using an inaccurate address, and he clarifies that the correct address is 2632 Mistletoe Drive.

Brandon Emmett moves to approve product Canna Butter.

Mark Springer seconds the motion.

Mark Springer reminds the applicant that photos of all products will need to be provided to staff once the license is operational.

Motion carries unanimously.

Brandon Emmett moves to approve product Canna Coconut Oil.

Mark Springer seconds the motion.

Brandon Emmett reiterates that once this product is being produced, a photo of the product will need to be provided to the Board.

Motion carries unanimously.

Brandon Emmett moves to approve product Captain Munchies Crunch.

Mark Springer seconds the motion.

Aaron Ross answers Board questions about the cereal bar products regarding demarcations, servings, and labeling.

The Board members discuss concerns about whether the cereal bar products would be considered adulterated products or appealing to children.

Motion carries, 4-1 (Peter Mlynarik votes No).

Brandon Emmett moves to approve product Cinnamon Toast Munch.

Mark Springer seconds the motion.

Motion carries unanimously.

Brandon Emmett moves to approve product Fruit Hoop Dreams.

Mark Springer seconds the motion.

Mark Springer voices concerns about the color of the product and its appeal to children.

Motion carries, 3-2 (Mark Springer and Peter Mlynarik vote No).

Brandon Emmett moves to approve product Coco Chronic Krispy.

Mark Springer seconds the motion.

Peter Mlynarik states that he has the same concerns about this one.

Motion carries, 3-2 (Mark Springer and Peter Mlynarik vote No).

Brandon Emmett moves to approve product Vibrant Vibes Krispy.

Mark Springer seconds the motion.

Motion carries, 3-2 (Mark Springer and Peter Mlynarik vote No).

Brandon Emmett moves to approve product Tom's Famous Fudge.

Mark Springer seconds the motion.

Motion carries unanimously.

Brandon Emmett moves to approve product Santa's Special Cookie.

Mark Springer seconds the motion.

Motion fails, 1-4 (Brandon Emmett votes Yes).

*Brandon Emmett moves to approve Marley's Macadamia Nut Cookie.
Mark Springer seconds the motion.
Motion carries, 4-1 (Mark Springer votes No).*

*Brandon Emmett moves to approve Jane's Mallow Krispy.
Mark Springer seconds the motion.
Motion fails, 2-3 (Brandon Emmett and Nick Miller vote Yes).
Loren Jones states that it looks too much like a commercial product of crispy bars that you can buy in any grocery store.*

*Brandon Emmett moves to approve Half-Baked Brownie.
Mark Springer seconds the motion.
Motion carries unanimously.*

*Brandon Emmett moves to approve product Green Dream.
Mark Springer seconds the motion.
Brandon Emmett states that the Board has approved other products like this, but that it has requested that the products not be brightly colored.
Aaron Ross states that he would be willing to make that change.
Motion carries unanimously.*

*Brandon Emmett moves to approve product Golden S'more Square.
Mark Springer seconds the motion.
Motion carries unanimously.*

Motion to approve the application with delegation carries unanimously.

● **LUNCH**

11:53am

● **NEW MARIJUANA PRODUCT MANUFACTURING FACILITY APPLICATIONS**

A. License #12254:	Lady Gray Gourmet Medibles	1:00pm	<u>TAB 52</u>
Licensee:	Lady Gray, LLC		
Premises Address:	36322 Pine Street, Suite 1 Soldotna, AK 99669		
Local Government:	Kenai Peninsula Borough		
Consideration:	Conditions pursuant to 3 AAC 306.060(b)		

*Mark Springer moves to approve license 12254 Lady Gray Gourmet Medibles with delegation and independent consideration of the proposed products.
Brandon Emmett seconds the motion.
Jana Weltzin, legal counsel, and Jamie Grossl, applicant, identify themselves for the record and answer Board questions about the application.
Sarah Oates asks if Mark Springer would like to add the Kenai Peninsula Borough conditions to the approval.
Mark Springer states that he would.
Brandon Emmett nods in agreement.*

Mark Springer voices concerns about the logo, specifically that the woman appears to be a nurse.

Jamie Grossl states that Lady Gray is her mother, who is a retiring nurse, and she reminds the Board that they had approved an application for an establishment named Medicine Woman.

Brandon Emmett moves to approve product Berry Mojito Fruit Leather.

Jana Weltzin requests that this product be tabled so that the documents in the packet can be cleaned up.

Brandon Emmett retracts his motion.

Brandon Emmett moves to approve Almond Joyfuls.

Mark Springer seconds the motion.

Loren Jones states that if a product is being used as an ingredient in another product, then the approved name of the ingredient product should be what is listed in the ingredients of the other product.

The Board members discuss whether wording on the label be removed, specifically: "CBD is known for lessening the paranoid or sometimes panicky feelings that occasionally appear when ingesting too much THC. CBD capsules are a great thing to keep on hand, or CBD rich flower for smoking to help you keep a good balance if paranoia does creep in."

Jana Weltzin states that the language will be removed from the label.

Mark Springer requests that the applicant provide more detail regarding the manufacturing process.

Motion carries unanimously.

Brandon Emmett moves to approve product Banana Chocolate Chip Mini Muffins.

Mark Springer seconds the motion.

Loren Jones requests that the same changes be made as requested of the previous product.

Motion carries unanimously.

Brandon Emmett moves to approve product Banana Chocolate Chip Walnut Muffins.

Mark Springer seconds the motion.

Peter Mlynarik requests that the wording of the ingredients be consistent for all products (eg: infused coconut oil versus cannabis-infused coconut oil).

Motion carries unanimously.

Brandon Emmett moves to approve product Berry Mojito Fruit Leather.

Mark Springer seconds the motion.

Loren Jones states that he did not see the cannabis-infused alcohol tincture from the ingredient list as a product for the Board to approve.

Jamie Grossl states that the Fireball Tincture is what will be what is used.

Loren Jones requests that the ingredient list be updated to reflect that.

Mark Springer reminds the applicant that photos of all products will need to be sent to the staff once the licensee is producing them.

Motion carries unanimously.

Brandon Emmett moves to approve product Blueberry Dream Muffins.

Mark Springer seconds the motion.

Motion carries unanimously.

*Brandon Emmett moves to approve product Butter Mints.
Mark Springer seconds the motion.
Motion carries unanimously.*

*Brandon Emmett moves to approve product Chocolate Hazelnut Spread.
Mark Springer seconds the motion.
Mark Springer asks if a label will be put on the jar.
Jana Weltzin and Jamie Grossl state that they will submit an updated label that will go on the jar of each of the nut butters.
Motion carries unanimously.*

*Brandon Emmett moves to approve product Chocolate Peanut Butter Spread.
Mark Springer seconds the motion.
Mark Springer requests that additional detail be provided for the manufacturing process.
Motion carries unanimously.*

*Brandon Emmett moves to approve product Cinnamon Raisin Almond Butter.
Mark Springer seconds the motion.
Motion carries unanimously.*

*Brandon Emmett moves to approve product Elation.
Mark Springer seconds the motion.
Loren Jones requests that the ingredients listed on the application match those listed on the label.
Motion carries unanimously.*

*Brandon Emmett moves to approve product Frozen Orange Milk Chocolate Cookie Dough.
Mark Springer seconds the motion.
Loren Jones requests that the applicant recommend on the label that the baked cookies be put back into the packaging.
Mark Springer requests that a warning be added to the label stating that the cookie dough contains alcohol.
Motion carries unanimously.*

*Brandon Emmett moves to approve product Fireball Tincture.
Mark Springer seconds the motion.
The Board members request that a warning be added to the label stating that the tincture contains alcohol.
Motion carries unanimously.*

*Brandon Emmett moves to approve product Frozen Snickering Doodles Dough.
Mark Springer seconds the motion.
Jana Weltzin states that the same alcohol warning will be added to the label.
Mark Springer recommends that the applicant add language on the label clearly indicating that it is a perishable product.
Motion carries unanimously.*

*Brandon Emmett moves to approve product FruitLove Granola.
Mark Springer seconds the motion.*

*Jana Weltzin states that the applicant will add a label to the inner Mylar bag.
Motion carries unanimously.*

*Brandon Emmett moves to approve product Gourmet Chocolate (Almond Sea Salt).
Mark Springer seconds the motion.
Motion carries unanimously.*

*Brandon Emmett moves to approve product Mocha Walnut Mini Muffins.
Mark Springer seconds the motion.
Mark Springer requests that a warning about perishability be added.
Motion carries unanimously.*

*Brandon Emmett moves to approve product Orange Milk Chocolate Cookies.
Mark Springer seconds the motion.
Motion carries unanimously.*

*Brandon Emmett moves to approve product RAWlicious Brownie.
Mark Springer seconds the motion.
Motion carries unanimously.*

*Brandon Emmett moves to approve product Rosin.
Mark Springer seconds the motion.
Motion carries unanimously.*

*Brandon Emmett moves to approve product Snickering Doodles.
Mark Springer seconds the motion.
Loren Jones states that the label might need to be updated to remove "classic favorite".
Motion carries unanimously.*

*Brandon Emmett moves to approve product Sunny Day Granola.
Mark Springer seconds the motion.
Motion carries unanimously.*

*Brandon Emmett moves to approve product Alaskan Cannabis Nectar.
Mark Springer seconds the motion.
Loren Jones states that this appears to be an adulterated product.
Jamie Grossl states that she would add to this label and those of the nut butters that the product should be stirred well before being used, as the ingredients could separate over time.
Motion carries, 4-1 (Loren Jones votes No).
Jana Weltzin adds that the separate label for the jar will be added.*

*Brandon Emmett moves to approve product Cannabis Caps.
Mark Springer seconds the motion.
Loren Jones requests that the ingredient list be cleared up.
Motion carries unanimously.*

*Brandon Emmett moves to approve product Cannabis Coconut Oil.
Mark Springer seconds the motion.
Motion carries unanimously.*

*Brandon Emmett moves to approve product Cannabis Butter.
Mark Springer seconds the motion.
Motion carries unanimously.*

*Brandon Emmett moves to approve Mocha Chocolate Chunk Cookies.
Mark Springer seconds the motion.
Motion carries unanimously.*

*The Board members discuss whether the name and logo of the establishment needs to be changed to remove any medical connotation.
Jana Weltzin proposes removing the cross from the hat of the woman in the logo but keeping the name the same.
Brandon Emmett states that he feels that is an appropriate compromise.
Mark Springer states that he agrees.
Motion to approve the license with delegation and Kenai Peninsula Borough conditions carries unanimously.*

● **BREAK** **2:20pm**

● **NEW MARIJUANA PRODUCT MANUFACTURING FACILITY APPLICATIONS**

C. License #13175:	Fire Eater	2:34pm	<u>TAB 54</u>
Licensee:	Sideshow Food, LLC		
Premises Address:	36160 Spur Highway, Suite A Soldotna, AK 99669-3448		
Local Government:	Kenai Peninsula Borough		
Consideration:	Conditions pursuant to 3 AAC 306.060(b)		

*Loren Jones moves to approve license 13175 Fire Eater with delegation and the Kenai Peninsula Borough conditions. He asks that as they go through the 91 or so products, that they be grouped into categories by product type for discussion and voting.
Brandon Emmett seconds the motion.
Mark Christensen, site manager, and Nicole Christensen, applicant, identify themselves for the record and answer Board questions about the application.*

The applicants state that they will be producing concentrates for use in-house only, which is why they are not included in the product approval list.

*Loren Jones voices concern about the fact that the ingredient list for the products states that “cannabis extract” will be used, but the specific type of concentrate is not provided.
Mark Springer echoes that every other applicant has specifically stated which type of extract or concentrate will be used as an ingredient, and that he would want to see that here.
Brandon Emmett recommends that the applicant provide a list of potential concentrates that would be used as ingredients in the products.
The Board members discuss concerns about the ambiguity of “cannabis extract” in the ingredient lists of all of the products.*

Loren Jones moves to table this until the next meeting and requests that the vendor submit to the Board for each series of products the type of concentrate that will be used as an ingredient. Mark Springer seconds the motion.
Motion carries unanimously.

D. License #13222:	Southeast Essentials	3:09pm	<u>TAB 55</u>
Licensee:	ForgetMeNot Enterprises, Inc.		
Premises Address:	8505 Old Dairy Road, Suite 3 Juneau, AK 99801		
Local Government:	City and Borough of Juneau		

Mark Springer moves to approve license 13222 with delegation and independent consideration of the proposed products.

Brandon Emmett seconds the motion.

Jana Weltzin, legal counsel, identifies herself for the record and requests that the Board table consideration of seven products (Glacier Dew Drops, Chocolate Chip Cookie Bites, Juneau Breeze Caramel Bites, Hikers' Dreamy Bites, CO2 Capsules, Black Bear Nuggets, and Cannabis Oil for Vaporization) until the next Board meeting.

The Board members agree to table the products requested by Ms. Weltzin.

Norvin Perez, applicant, identifies himself for the record.

Glacier Dew Drops, Chocolate Chip cookies, Caramel Bites,

Carmen Cintron, public member, says that this license will be good, as there are no stores in the valley, and it will create jobs.

Brandon Emmett moves to approve product Rosin.

Mark Springer seconds the motion.

Motion carries unanimously.

Brandon Emmett moves to approve product Bubble Hash.

Mark Springer seconds the motion.

Motion carries unanimously.

Brandon Emmett moves to approve product Super Pre-roll.

Mark Springer seconds the motion.

Motion carries unanimously.

Loren Jones asks to clarify that the Board is voting to approve the license with delegation, including the three approved products, and that the other products will be tabled until the next meeting.

The Board members nod in agreement.

Motion carries, 4-1 (Peter Mlynarik votes No).

● NEW MARIJUANA CONCENTRATE MANUFACTURING FACILITY APPLICATIONS

A. License #12536:	Will's World	3:20pm	<u>TAB 56</u>
Licensee:	Will's World, LLC		
Premises Address:	12151 E Palmer-Wasilla Highway, Unit 1C		

Palmer, AK 99645
Local Government: Matanuska Susitna Borough

Mark Springer moves to approve license 12536 Will's World with delegation and independent consideration of the proposed concentrates.

Brandon Emmett seconds the motion.

Jana Weltzin, legal counsel, and Bill Little, applicant, identify themselves for the record and answer Board questions about the application.

Brandon Emmett moves to approve all of Will's World's products, as a package.

Mark Springer seconds the motion.

Motion carries unanimously.

Motion to approve the license with delegation carries unanimously.

B. License #13424:	Midnight Sun Manufacturing, LLC	3:29pm	<u>TAB 57</u>
Licensee:	Midnight Sun Manufacturing, LLC		
Premises Address:	28011 Old Parks Highway Willow, AK 99688		
Local Government:	Matanuska-Susitna Borough		

Mark Springer moves to approve license 13424 Midnight Sun Manufacturing, LLC with delegation and independent consideration of the proposed concentrates.

Brandon Emmett seconds the motion.

Jana Weltzin, legal counsel, and Phil Schneider, applicant, identify themselves for the record and answer Board questions about the application.

Brandon Emmett moves to approve all of the products as one package.

Mark Springer seconds the motion.

Motion carries unanimously.

Motion to approve the license with delegation approves unanimously.

● LICENSE RENEWAL APPLICATIONS

A. License #10012:	Frozen Budz	3:33pm	<u>TAB 58</u>
Licensee:	Destiny S Neade and Nick J Neade		
License Type:	Marijuana Product Manufacturing Facility		
Premises Address:	3915 Peger Road Fairbanks, AK 99709		
Local Government:	Fairbanks North Star Borough		
For Consideration:	Notice of Violation		

Mark Springer moves to renew license 10012 Frozen Budz with delegation.

Brandon Emmett seconds the motion.

Motion carries unanimously.

B. License #10126: **The Herbal Cache** **3:36pm** **TAB 59**
 Licensee: R and S Enterprises, LLC
 License Type: Retail Marijuana Store
 Premises Address: 158 Holmgren Place, Suite 101
 Girdwood, AK 99587
 Local Government: Municipality of Anchorage
For Consideration: **Notice of Violation**

*Mark Springer moves to renew license 10126 The Herbal Cache with delegation.
 Brandon Emmett seconds the motion.
 Motion carries unanimously.*

C. License #10236: **Cannabaska** **3:38pm** **TAB 60**
 Licensee: AlaskaSense, LLC
 License Type: Retail Marijuana Store
 Premises Address: 521 W Tudor Road, Unit 201
 Anchorage, AK 99503
 Local Government: Municipality of Anchorage
For Consideration: **Notice of Violation**

*Mark Springer moves to renew license 10236 Cannabaska with delegation.
 Brandon Emmett seconds the motion.
 Jana Weltzin, legal counsel, identifies herself for the record and answers Board questions about notices of violation issued to the establishment.
 Motion carries unanimously.*

D. License #10293: **AK Fuzzy Budz** **3:41pm** **TAB 61**
 Licensee: AKGLD, LLC
 License Type: Standard Marijuana Cultivation Facility
 Premises Address: 2612 Eagle Street
 Anchorage, AK 99503
 Local Government: Municipality of Anchorage
For Consideration: **Notice of Violation**

*Mark Springer moves to renew license 10293 AK Fuzzy Budz with delegation.
 Brandon Emmett seconds the motion.
 James Millhouse, licensee, and Rich Beezley, employee, identify themselves for the record and answer Board questions about the notice of violation.
 Motion carries unanimously.*

E. License #10901: **The High Expedition Company** **3:43pm** **TAB 62**
 Licensee: The High Expedition Company
 License Type: Retail Marijuana Store
 Premises Address: 13465 E Main Street
 Talkeetna, AK 99676
 Local Government: Matanuska-Susitna Borough
For Consideration: **Multiple Objections**

Mark Springer moves to renew license 10901 The High Expedition Company with delegation.

Brandon Emmett seconds the motion.

Jana Weltzin, legal counsel, identifies herself for the record. She states that an investigation was lodged as a result of complaints from the public, and that the enforcement team concluded that the accusations were unfounded.

Erika McConnell confirmed that an investigation took place and is now closed.

Peter Mlynarik requests that this type of information be provided to the Board in the future.

Motion carries, 4-1 (Peter Mlynarik votes No).

● REGULATIONS

A. Proposed Regulations Projects

B. Reconsideration of Packaging and Labeling Regulations Project (adopted 7/14/17)

3:50pm

TAB 63

Loren Jones asks if the Board would have to start all over, or if it could amend the regulation. Harriet Milks states that Law recommended that the Board withdraw this project and then consider making changes and starting over with a new project.

Brandon Emmett moves to withdraw this regulation project.

Mark Springer seconds the motion.

Motion carries unanimously.

C. Plant Count for New Cultivators; Testing Trim and Kief Separately; Reporting Test Equipment Failure

4:01pm

TAB 65

Status: Comment period closed September 22, 2017

Potential Board Actions: Vote to adopt; OR
Substantially amend and put out for public comment

Erika McConnell states that this is three different, but related, topics that are grouped together for administrative purposes. She requests that the Board take independent action on the topics.

Reporting Test Equipment Failure

Mark Springer moves to adopt 3 AAC 306.670 as amended.

Brandon Emmett seconds the motion.

The Board members consider public comments received.

Motion carries unanimously.

Plant Count for New Cultivators

The Board members consider public comments received and AS 17.38.070(b)(6).

Erika McConnell states that she understands that this is not the technical definition of mature or immature, but the staff wanted to be able to reference the concepts of both being under a certain height and having no visible crystals, buds, or flowers without having to say all of that whenever wanting to express those concepts. This is why the staff is proposing to define immature in that way.

Brandon Emmett states that that is his recollection, as well – that the Board needs to have some sort of definition to identify what’s allowable and what’s not. He addresses public comments that state that some of the language would be inconsistent with the ballot initiative, specifically the requirement that after the initial inspection, all stock would have to come from licensed facilities.

Nick Miller passes out a document to the other Board members, which includes the language in AS 17.38.070 regarding lawful operation of a marijuana-related facility. He states that the statute says now that receiving marijuana seeds or immature plants from a person 21 years of age or older is a lawful act of a cultivation facility, so he does not support putting a regulation that is directly against what the ballot measure allows.

Sarah Oates clarifies that where the draft regulation states it would be amending 3 AAC 306.405(b), it should actually state 3 AAC 306.405(c).

Erika McConnell states that the regulations allow for the activity described in AS 17.38.070 at the beginning of a license, and then the Board has tightened it by saying that once you get your license, you’re in the seed-to-sale tracking system, and you’re then limited.

Harriet Milks that she thinks that’s correct, and that she thinks the Board can interpret this in a way to control the industry. If there are no limits on [AS 17.38.070(b)(6)], then there is no limit to the number of immature marijuana plants a facility can receive. What’s a mature plant and an immature plant is not defined, so the Board can interpret that.

Brandon Emmett states that by law, someone couldn’t give more than twelve plants to a cultivation facility, but the number of seeds would be unlimited. He adds that he thinks the intent of the initiative is to allow for the diversification of the marijuana genome in Alaska. He states that if the Board puts this regulation in place, it will severely limit the number of strains in Alaska and will disable the industry from being able to innovate. He adds that he does not see how disallowing an establishment from receiving seeds would protect the industry.

Loren Jones states that there has been considerable discussion about trying to convert the black market into the regulated market. He adds that the Board wouldn’t know if plants that came from an individual came from someone’s legal personal grow or from an illegal commercial grow. He states that at some point, the Board has to have some way to regulate the introduction of new seeds or new plants, but he is not sure how to do that. He adds that the Board’s intent is to eliminate the black market, not monetize it.

Nick Miller states that a breeder is a guy who has twelve plants who is breeding certain strains. He states that guys do this as a hobby, and they are very good at it. He adds that allowing for breeders to introduce new strains would be very good for the industry, that he suspects that much of this would be done through seeds rather than immature plants, and that disallowing this activity would hurt the industry pretty badly.

Peter Mlynarik asks Mr. Miller to clarify that there are people out there who just want to see the industry diversified, so they just give up the plants without receiving any money or compensation.

Nick Miller states that they really believe in what they do, and they want feedback, but there is no money. He adds that there are some big breeders, seed banks, in the lower 48 who've made a business out of it, but that's not what he is talking about here; he is talking about somebody taking seeds or twelve immature plants from a legal personal grow.

Brandon Emmett states breeders are incentivized to assist the regulated industry by name-recognition.

Mark Springer states that he agrees – that there is a pretty significant vicarious component to growing marijuana, and there always has been. He adds that there is a reason why the ballot initiative talks about gifting and bartering of marijuana. He acknowledges that some of this will come from the black market. He states that the Board should encourage diversification in the genetics of marijuana that's grown [in Alaska]. He states that right now, you're stuck with the strains you've got, and [the Board] should find a way of encouraging new strains to be introduced into the market, to accommodate growth and competition in the licensed industry.

Erika McConnell reads 3 AAC 306.730 for the record and states that this is interpreted by staff to mean that [no licensee] can accept plants or seeds from a non-licensee after their cultivation facility is inspected. She states that this is the way the regulations were adopted, and that the Board has supported this by upholding a seizure that the staff did in a situation where someone brought in plants after they were inspected. She adds that if the Board makes it so that a licensed facility can bring in untracked clones, cuttings, and seeds from a non-licensee, that will create an untenable situation for the enforcement officers; it hamstring's enforcement's ability to implement the seed-to-sale tracking system. She states that if the Board is interested in trying to enable the concept of genetic diversity, she would suggest that the Board figure out a way to do it through a Board-approved process so that there is some sort of verification that the person who is providing the new seeds or strains is acting legally.

Loren Jones states that in AS 17.38.020 regarding personal use of marijuana, the word "seed" is not in the language at all. He states that in AS 17.38.030 regarding restrictions of personal cultivations and the penalties, there's nothing in there about seeds or giving them away. He adds that he agrees with staff – that the Board needs to do something to have a process by which new strains can be introduced.

Harriet Milks states that she does not know why the initiative in the personal use section does not refer to seeds, but seeds are included in the definition of "marijuana". She adds that in AS 17.38.070(b)(6), the language doesn't limit the establishment to receiving seeds from a licensed person or from an unlicensed person, and that's the place where the Board has the authority to do some tightening up with regulation.

Peter Mlynarik states that the Board can say that the person has to be licensed.

Harriet Milks states that that's what the Board has said so far.

Brandon Emmett states that he agrees with staff – that if the Board wishes to have a mechanism to allow for new strains to be introduced into the legal market, that there needs to be some sort of form.

● **ADJOURN**

4:33pm

*Brandon Emmett moves to adjourn.
Mark Springer seconds the motion.
None opposed, motion carries.*

Marijuana Control Board
Meeting Minutes
November 29, 2017
Third Judicial District
Alaska Scientific Crime Detection Laboratory, Public Classroom
4805 Dr. Martin Luther King Jr. Avenue
Anchorage, Alaska

● **ADMINISTRATION**

9:02am

A. Call to Order

B. Roll Call

Board Members Present:

Peter Mlynarik, Chair, Public Safety Member
Mark Springer, Vice Chair, Rural Member
Brandon Emmett, Industry Member
Nick Miller, Industry Member
Loren Jones, Public Health Member

Staff Members Present:

Erika McConnell, Director
Sarah Oates, Program Coordinator

Legal Counsel Present:

Harriet Milks, Assistant Attorney General

● **REGULATIONS**

C. **Plant Count for New Cultivators; Testing Trim and Kief Separately;**
Reporting Test Equipment Failure

9:03am

TAB 65

Status:

Comment period closed September 22, 2017

Potential Board Actions:

Vote to adopt; OR

Substantially amend and put out for public comment

Plant Count for New Cultivators

The Board members continue discussion, and consider AS 17.38.070(b)(6) and public comments received.

Mark Springer states that the Board should consider tackling this issue similarly to others by forming a committee.

Nick Miller states that he agrees and proposes that they table until January to have staff bring new language for consideration. He recommends the staff drafting language using the following

guidelines: licensed cultivation facilities may introduce new strains into their cultivations through written notice to the director by the following means: by the introduction of six clones, and by the introduction of ten seeds.

Peter Mlynarik states that he thinks there should be some guidance to enforcement.

Erika McConnell states that she thinks the Board has already given some guidance, between the resolution passed in July 2016, and the interpretation of 3 AAC 306.730 which doesn't allow for plants to be introduced after the initial inspection.

Mark Springer states that he would like to get some technical information on Metrc, specifically whether it can be set up to allow the introduction of new clones and seeds from outside of the regulated industry.

Erika McConnell states that Metrc does have that ability, and that staff is working with Metrc to turn that off so that only the staff may enable that function for a

Mark Springer moves to postpone deliberation on the plant count regulations until the January meeting, with some side-board discussion between Board members and staff, with the expectation that there will be some product for deliberation in January.

Brandon Emmett seconds the motion.

Harriet Milks states that there cannot be any side-board discussion between Board members and staff; the Board can give some direction to the staff at this meeting, but after the meeting, that discussion will cease until the next meet.

Mark Springer states that he stands corrected, and removes the side-board discussion from his motion.

Motion carries, 4-1 (Peter Mlynarik votes No).

Testing Trim and Kief Separately

Brandon Emmett moves to take staff's recommendation to do more work on this section.

No second.

Erika McConnell reminds the Board that there is a new testing working group set up, and that the Board might considering wrapping this project into that group.

Brandon Emmett moves to move this section under the umbrella of the testing committee, and to provide the Board with some direction after that committee convenes.

Mark Springer seconds the motion.

Motion carries unanimously.

D. Quality Control; Waste Disposal (#2); Notify AMCO of Crime on Premises

9:20am

TAB 66

Status:

Comment period closed September 29, 2017

Potential Board Actions:

Vote to adopt; OR

Substantially amend and put out for public comment

Quality Control

Brandon Emmett moves to adopt new subsection 3 AAC 306.460(d) and new section 3 AAC 306.557.

Mark Springer seconds the motion.

Motion carries, 4-1 (Peter Mlynarik votes No).

Waste Disposal (#2)

Erika McConnell requests that the Board ask the staff to reevaluate the threshold on the amount of waste and when they have to notify us, as she's concerned about serial destruction of waste, and then ask the staff to evaluate what the waste log is in Metrc and see if a notification to staff can be automated when waste disposal is logged.

Brandon Emmett moves to postpone the three items discussed and have the staff bring a new draft back to the Board in January.

Mark Springer seconds the motion.

Loren Jones asks for clarification on the motion.

Peter Mlynarik clarifies that the motion is postponing waste disposal, which is covered in 3 AAC 306.660 and 3 AAC 306.740.

Motion carries unanimously.

Notify AMCO of Crime on Premises

Brandon Emmett moves to adopt the addition of new subsection 3 AAC 306.715(e).

Mark Springer seconds the motion.

Motion carries unanimously.

E. Definition of "Financial Interest"; Advertising Restrictions **9:32am** **TAB 67**

Status: Comment period closed September 29, 2017

Potential Board Actions: Vote to adopt; OR
Substantially amend and put out for public comment

Definition of "Financial Interest"

Brandon Emmett states that he generally opposes these changes, as there are quite a lot of businesses that currently operate with percentage-based leases. He states that as this is written, it could really shake up the industry.

Nick Miller states that he agrees, as graduated leases are common practice in the commercial industry. He adds that he believes this is specifically allowed in liquor licensing, as well.

Harriet Milks reminds the Board that the Cole Memorandum and AS 17.38 require that these businesses are being run by legitimate tax-paying owners. She adds that this industry has a federal oversight that needs to be considered by the Board.

Erika McConnell clarifies that a graduated lease changes month-by-month, whereas a percentage-based lease allows for a percentage of the profits to go to the landlord.

The Board members discuss the public comments received, along with staff and legal comments, and they consider the possibility of grandfathering existing businesses in that have approved percentage leases.

Loren Jones moves to adopt 3 AAC 306.015(e)(1) as amended.

*Peter Mlynarik seconds the motion.
Motion fails, 2-3 (Loren Jones and Peter Mlynarik vote Yes).*

Advertising Restrictions

Loren Jones moves to form a subcommittee to work with staff to address some of the issues raised by staff and in the public comments regarding these regulations.

Mark Springer seconds the motion.

Nick Miller volunteers to be a part of the subcommittee, if that is the choice of the Board.

Motion carries unanimously.

F. Random Sampling **9:58am** **TAB 68**

Status: One proposal for initial board consideration

Potential Board Actions: Amend and/or put out for public comment

Brandon Emmett moves to have the project that would amend 3 AAC 306.465 and 3 AAC 306.665 be moved to (the testing) committee.

Nick Miller seconds the motion.

Brandon Emmett amends his motion to take staff's recommendation to abandon the project to amend 3 AAC 306.465, and to move the project to amend 3 AAC 306.665 to committee.

Nick Miller agrees to the amendment.

Motion carries unanimously.

G. Financial Background Investigations **10:00am** **TAB 69**

Status: One proposal for initial board consideration

Potential Board Actions: Amend and/or put out for public comment

Mark Springer moves to send out for public comment the amendments to 3 AAC 306.015(a).

Brandon Emmett seconds the motion.

Nick Miller states that he would like staff to bring to the January meeting a copy of what an amended MJ-09 would look like if this project were to pass. He additionally states that a couple of small changes should be made before putting the draft out for public comment, specifically, on page 7 [of the draft] under (B) and (C), it states "director", and he thinks the staff meant to say "direction".

Harriet Milks states that on page 2 [of the draft], (iv) where it states "Being the spouse of an applicant or licensee", that many regulations nowadays expand upon that to include cohabitant or relative, and that the Board may want to define who is a relative for the purposes of this section. She adds that limiting it to the spouse is kind of inconsistent with social realities.

Mark Springer amends his motion to send the entire packet out for public comment.

Brandon Emmett nods in agreement.

Loren Jones moves to amend the motion to ask staff to work on replacing "spouse" with an appropriate definition of relative, assuming that would mean anyone over 21. He states that he would like to keep the net fairly narrow.

Peter Mlynarik seconds the motion.

Loren Jones amends his motion to read "spouse or cohabitant".

Motion carries, 3-2 (Brandon Emmett and Nick Miller vote No).

Loren Jones moves to amend the draft to add back in “or percentage” in 3 AAC 306.015(e)(1)(B)(i).

Brandon Emmett seconds the motion.

Motion carries unanimously.

Mark Springer moves to strike 3 AAC 306.015(e)(1)(B)(i).

Loren Jones seconds the motion.

● **BREAK**

10:45am

● **REGULATIONS**

G. Financial Background Investigations

11:02am

TAB 69

Status: One proposal for initial board consideration

Potential Board Actions: Amend and/or put out for public comment

Erika McConnell clarifies that this change would be making those people with financial interests, licensees.

Mark Springer withdraws the motion to strike 3 AAC 306.015(e)(1)(B)(i).

Loren Jones states that he is okay with that.

Nick Miller moves to table this until the January meeting, as it’s a complex issue, and he feels like there may be more work to do on this project.

Brandon Emmett seconds the motion.

Erika McConnell suggests that the Board move on to the other projects and then come back to this at the end of the meeting, if there is time.

Nick Miller states that he would support that, and he withdraws his motion.

Brandon Emmett states that he is okay with that.

**H. Require Corporate Bylaws; Removal of “Affiliates”;
Only Licensed Business on a Lease**

11:08am

TAB 70

Status: One proposal for initial board consideration

Potential Board Actions: Amend and/or put out for public comment

Mark Springer moves to send the entire package (all three projects) out for public comment.

Loren Jones seconds the motion.

Motion carries unanimously.

I. Streamline Edibles Testing

11:15am

TAB 71

Status: One proposal for initial board consideration

Potential Board Actions: Amend and/or put out for public comment

Brandon Emmett moves to have this project moved into the purview of the testing committee.

Mark Springer seconds the motion.

Motion carries unanimously.

- J. Definition of Resident** **11:16am** **TAB 72**
Status: One proposal for initial board consideration
Potential Board Actions: Amend and/or put out for public comment

*Nick Miller moves to add the words "a new" into 3 AAC 306.015(b) and remove "renew".
Brandon Emmett seconds the motion.
Motion carries, 3-2 (Loren Jones and Peter Mlynarik vote No).*

*Mark Springer moves to put 3 AAC 306.015(b) and (e)(2) out for public comment.
Brandon Emmett seconds the motion.
Motion carries unanimously.*

- K. Local Government Approval of Odor Emissions** **11:33am** **TAB 73**
Status: One proposal for initial board consideration
Potential Board Actions: Amend and/or put out for public comment

*Mark Springer moves to send 3 AAC 306.430(c)(2) as amended out for public comment.
Nick Miller seconds the motion.
Motion carries unanimously.*

- L. Charging for Multiple Inspections** **11:35am** **TAB 74**
Status: One proposal for initial board consideration
Potential Board Actions: Amend and/or put out for public comment

*Mark Springer moves to send 3 AAC 306.100 new subsection (h) out for public comment.
Brandon Emmett seconds the motion.
Motion carries, 4-1 (Nick Miller votes No).*

- G. Financial Background Investigations** **11:39am** **TAB 69**
Status: One proposal for initial board consideration
Potential Board Actions: Amend and/or put out for public comment

Mark Springer states that maybe the Board should take some time to look at what other states do regarding financial background investigations.

Peter Mlynarik and Brandon Emmett agree that although they may not support numerous sections of the draft, that they would like to see what the public has to say about the draft.

*Brandon Emmett moves to put the draft out for public comment.
Nick Miller seconds the motion.
Nick Miller reminds the Board that he would like staff to bring a proposed MJ-09 to the January meeting.
Motion carries unanimously.*

● **LUNCH**

11:48am

● **FORMS APPROVAL**

A. MJ-01: Marijuana Establishment Operating Plan

1:11pm

TAB 75

Brandon Emmett moves to approve MJ-01: Marijuana Establishment Operating Plan.

Mark Springer seconds the motion.

Motion carries, 4-1 (Nick Miller votes No).

B. MJ-02: Premises Diagram

1:20pm

TAB 76

Mark Springer moves to adopt MJ-02: Premises Diagram.

Brandon Emmett seconds the motion.

Erika McConnell states that she intended for Diagram 2 to be the entire leased space.

Sarah Oates states that the language should be any areas for which the licensee has right of possession, as many licensees own the property.

Nick Miller requests that Diagram 3 state "site plan or as-built" so that a licensee doesn't get the impression that it has to spend a bunch of money to hire an engineer or architect.

Mark Springer adds another diagram requirement for the licensee to provide an aerial photo.

Motion to adopt carries unanimously, with the added requirements and clarified language.

C. MJ-03: Retail Marijuana Store Operating Plan Supplemental

1:28pm

TAB 77

Mark Springer moves to adopt MJ-03: Retail Marijuana Store Operating Plan Supplemental.

Brandon Emmett seconds the motion.

Motion carries unanimously.

D. MJ-04: Marijuana Cultivation Facility Operating Plan Supplemental

1:32pm

TAB 78

Mark Springer moves to adopt MJ-04: Marijuana Cultivation Facility Operating Plan Supplemental.

Brandon Emmett seconds the motion.

Mark Springer requests that applicants be given clearer instruction to attach additional pages as necessary, rather than provide less detail or smaller fonts.

Loren Jones and Peter Mlynarik request that question 6.1 be revised to allow a licensee who has received an exemption to the odor control requirement from their local government to provide documentation of the exemption in lieu of the question.

Motion carries unanimously.

E. MJ-05: Marijuana Product Manufacturing Facility Operating Plan Supplemental

1:51pm

TAB 79

Mark Springer moves to adopt MJ-05: Marijuana Product Manufacturing Facility Operating Plan Supplemental.

Brandon Emmett seconds the motion.

Erika McConnell proposes adding a question that asks whether a product is perishable, and if so, to have the applicant provide the shelf life.

The Board members agree to add the proposed questions.

Motion carries unanimously.

F. MJ-06: Marijuana Testing Facility Operating Plan Supplemental 1:59pm TAB 80

Mark Springer moves to adopt MJ-06: Marijuana Testing Facility Operating Plan Supplemental.

Brandon Emmett seconds the motion.

Motion carries unanimously.

Nick Miller recommends to have the forms become effective 60 days from the date that they are adopted.

Peter Mlynarik asks if February 1, 2018 would be okay.

The other Board members nod in agreement.

● DEATH OF A LICENSEE

2:03pm

Erika McConnell informs the Board that a cultivation licensee has passed away, and that she has told the spouse of the licensee that the spouse may take care of the plants, but that the spouse may not sell or transfer any marijuana.

Peter Mlynarik asks if the spouse has a marijuana handler permit.

Erika McConnell states that she believes that the spouse does.

Brandon Emmett states that he supports the director's decision.

Erika McConnell states that the widow is in the process of becoming the personal representative of the estate, at which time, she will transfer the license into her name.

The Board members nod in agreement with the director's decision.

● MARIJUANA MAILBOX

A. All correspondence received in the marijuana@alaska.gov inbox from August 26 – October 27, 2017.

TAB 81

● BOARD COMMENTS

2:07pm

Mark Springer states that he has been made aware that the City of Bethel has a big problem with students eating edibles. He requests that licensees work with industry associations to reach out to schools and student associations for education and awareness of youth.

Brandon Emmett thanks the staff and states that he will do everything he can to inform youth that marijuana is for people who are 21 and over only.

Nick Miller and Peter Mlynarik thank the staff.

● **NEXT MARIJUANA CONTROL BOARD MEETING** **2:14pm**

Agenda deadline for January 24-25 meeting: January 5, 2018

Next meeting will be January 24-26, 2018 in Juneau.

● **ADJOURN** **2:15pm**

Brandon Emmett moves to adjourn.

Mark Spring seconds the motion.

None opposed, motion carries.

Minutes prepared by:



Sarah D. Oates
Program Coordinator