



**Marijuana Control Board
Meeting Minutes
January 24, 2018
First Judicial District
Centennial Hall, Sheffield Ballroom #2
101 Egan Drive
Juneau, Alaska**

● **ADMINISTRATION**

9:00am

A. Call to Order

B. Roll Call

Board Members Present:

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

Staff Members Present:

Erika McConnell, Director
Sarah Oates, Program Coordinator

Legal Counsel Present:

Harriet Milks, Assistant Attorney General

C. Approval of Agenda

9:03am

*Brandon Emmett moves to approve the agenda.
Nick Miller seconds the motion.
None opposed, motion carries.*

D. Approval of the September 14-15, 2017 Meeting Minutes

9:04am

TAB 1

*Brandon Emmett moves to approve the September 14-15, 2017 meeting minutes.
Nick Miller seconds the motion.*

Motion carries unanimously.

- E. Approval of the November 14-15, 2017 Meeting Minutes 9:04am TAB 2

*Brandon Emmett moves to table the November 14-15 and 28-29 meeting minutes until April.
Travis Welch seconds the motion.
Motion carries unanimously.*

- F. Approval of the November 28-29, 2017 Meeting Minutes TAB 3

● **BOARD GOVERNANCE** 9:05am

- A. Selection of Board Chair

*Brandon Emmett moves to nominate Mark Springer as the new Chair.
Nick Miller seconds the motion.
Motion carries unanimously.*

Travis Welch, Chief of Police for the North Slope Borough Police Department introduces himself.

*Mark Springer moves to nominate Brandon Emmett as Vice Chair.
Nick Miller seconds the motion.
Motion carries unanimously.*

All Board members state that they have no changes to their ethics disclosures. Travis Welch states that he does not have any conflicts.

Harriet Milks speaks about the January 4, 2018 memorandum on marijuana enforcement written by U.S. Attorney General Jefferson Sessions, and how it may effect this Board and the industry.

● **EXECUTIVE SESSION** 9:14am

- A. **10489: John Collette:** Ester Horticulture and Research
2960 Ester Dome Road, Fairbanks

Appeal of seizure; OAH Case No. 17-0445-MCB

Erika McConnell informs the Board that the only people present during the executive session will be the members of the Board and Administrative Law Judge Kurtz.

*Brandon Emmett moves to enter into executive session.
Travis Welch seconds the motion.
Motion carries unanimously.*

Brandon Emmett moves to come out of executive session.

9:30am

Nick Miller seconds the motion.

Motion carries unanimously.

Brandon Emmett moves to adopt Administrative Law Judge Kurtz's decision as recommended.

Travis Welch seconds the motion.

Motion carries unanimously.

● **INFORMAL CONFERENCE (Continuation)**

9:32am

TAB 4

License #12289:

Raven Buds

Licensee:

Carol Bolt; Dave A Mullis; Kerri A Mullis

License Type:

Limited Marijuana Cultivation Facility

Premises Address:

2441 Lawlor Road, Cabin C

Fairbanks, AK 99709

Local Government:

Fairbanks North Star Borough

License denied on September 14, 2017

Kerri Mullis identifies herself for the record.

Brandon Emmett moves to reconsider the licensed based upon the new information provided by Ms. Mullis and the lack of information provided by TCC.

Travis Welch seconds the motion.

Motion carries, 4-1 (Loren Jones votes No).

Brandon Emmett moves to approve license 12289.

Nick Miller seconds the motion.

Brandon Emmett states that his only concern with the application had been whether it abutted a mental health facility, and it does not appear to him that it does.

Nick Miller states that he agrees.

April Monroe from Tanana Chiefs Conference provides testimony about the land, specifically regarding federal delegation of the land for use as a treatment facility for youth. She answers Board question about the facility and the property.

Kerri Mullis provides testimony regarding the property, access to her establishment, and Fairbanks Youth Services.

Mark Springer reads part of a letter from the federal Bureau of Land Management (BLM) to the US Army Corps of Engineers from the packet.

April Monroe addresses the BLM letter.

Travis Welch states that his understanding is that the entire 160 acres is intended to be used as a home for boys. He asks if the parcel directly butts up against the other piece of land, or if there is a buffer.

April Monroe states that Mr. Welch is correct.

Motion to approve fails, 2-3 (Brandon Emmett and Nick Miller vote Yes).

● **PUBLIC TESTIMONY**

10:06 am

Public testimony is limited to issues not on this agenda and that are not proposed regulations. Per the public notice of this meeting, public wishing to testify are advised to pre-register by emailing marijuana@alaska.gov no later than January 19, 2018, with their intent. The Board may hear testimony from public who have not pre-registered, but those who have pre-registered will be given preference for the time available. The Board is unable to hear public testimony on proposed regulations at this time. Written comments may also be submitted to the board via marijuana@alaska.gov. The call-in number is 1-800-315-6338, code 69176#.

Jason Brandeis, attorney, provides testimony in opposition to the testing PSA. He requests that the PSA be revised as outlined in his letter (found in the Marijuana Mailbox). He additionally requests that the Board consider opening a regulations project to address how ownership changes are reported.

Joe Schlanger starts to provide testimony about X-tracted Labs.

Mark Springer informs him that this application is on the agenda.

Cary Carrigan, Alaska Marijuana Industry Association, provides testimony in support of HB 273 and requests that the Board vote to support the bill. He requests that the Board request a legislative review of the marijuana tax structure. He thanks Harriet Milks for her contribution to the letter that was sent to the USAG.

Sara Williams, Phoenix Rising, provides testimony about a new product she has come up with called Alaska Cannabis Industry Compliance Checkup.

Kerby Coman provides testimony regarding a compliance check program and the 5mg per serving limit. He requests that the Board consider a smooth process to transition from a limited cultivation to a standard cultivation facility.

Barret Goodale provides testimony regarding pest management issues in cultivation. He requests that the Board come up with rules that would not require licensees to hold waste in their facilities.

Mark Springer informs Holly Sheldon Lee that she will have an opportunity to testify about a specific license application during that section of the agenda.

Holly Sheldon Lee provides testimony regarding on-site consumption and marijuana in Talkeetna.

Jana Weltzin, attorney, thanks and commends Peter Mlynarik for his service. She provides testimony about banking and financial implications, and she requests that the Board ask the legislature to revisit the current tax structure. She voices concerns about licensees' operating plans being posted online.

Brian Coyle, Steep Hill Testing Labs, provides testimony regarding the first meeting of the testing committee, the issue regarding harvest batch size, and testing of Aspergillus in concentrates.

● **BREAK**

10:35am

● **DIRECTOR BRIEFING**

A. Director's Report

10:47am

TAB 5

Erika McConnell speaks to the Board about AMCO operations, the legislative audit, introduced legislation, the statuses of open regulations projects, the approved products spreadsheet, and the testing working group and testing issues. She states that the next MCB meeting is scheduled for April 4-6 in Nome. Applications must be complete and any other documents for the board must be submitted to our office by March 16, 2018, to be on the April agenda.

Erika McConnell asks whether the Board wants her to keep the Frozen Budz products on the spreadsheet, or whether the Board would like her to remove them.

Mark Springer states that he would like them to remain on there with an asterisk, or have them moved or notated to show that the license is no longer active.

Erika McConnell asks if the Board will delegate to her the authority to require photos of the actual products made after operations begin, along with any missing photos from the applications.

Mark Springer and Brandon Emmett state that they do wish to delegate that authority.

None opposed.

Erika McConnell asks whether the products spreadsheet should be posted on AMCO's website.

Mark Springer and Brandon Emmett agree that it should.

None opposed.

Erika McConnell informs the Board that SteepHill Labs has requesting that the testing PSA be revised.

Erika McConnell asked the Board to consider the adoption of an emergency regulation that would require marijuana concentrates to be tested for Aspergillus (a change to the chart after 3 AAC 306.645(b)(2) to say "all concentrates" after Aspergillus, rather than water- and food-based concentrates).

Harriet Milks speaks to the Board about emergency regulations and the process.

Mark Springer states that it seems like the Board should also keep workplace safety in mind, in addition to consumer safety. He adds that the Board may also want to consider including some workplace safety requirements in the marijuana handler permit test.

Brandon Emmett states that every harvest contains some amount of Aspergillus. He states that he needs to declare a bit of a conflict here, as it would be more expensive for his business if all concentrates had to be tested for Aspergillus, but that he would not make any decision based upon that. He adds that he isn't sure how effective that regulation would be.

● **LICENSING UPDATE**

A. Licensing Report **11:17am** **TAB 6**

Sarah Oates speaks to the Board about licensing statistics, staff workloads and updates, liquor license renewal applications, and marijuana transfer applications. She informs the Board that updated forms have been made available on AMCO's website, along with a notice that any documents submitted on or after February 1, 2018, must be on the revised forms, as agreed to by the Board at the November 29th meeting.

● **APPLICATIONS FROM PREVIOUS MEETINGS**

A. Tabled Applications

- 1. License #12830:** **Arcticanna** **11:22am** **TAB 7**
Licensee: Nadia Ispas
License Type: Limited Marijuana Cultivation Facility
Premises Address: 756 Davenny Drive
Fairbanks, AK 99712
Local Government: Fairbanks North Star Borough
For Consideration: **Licensed premises/restricted access area issues**

Nadia Ispas identifies herself for the record.

*Brandon Emmett moves to approve license #12830 with delegation.
No second.*

- 2. License #13175:** **Fire Eater** **11:23am** **TAB 8**
Licensee: Sideshow Food, LLC
License Type: Marijuana Product Manufacturing Facility
Premises Address: 36160 Spur Highway, Suite A
Soldotna, AK 99669-3448
Local Government: Kenai Peninsula Borough
For Consideration: **Conditions pursuant to 3 AAC 306.060(b)**

*Brandon Emmett moves to approve license #13175 Fire Eater with delegation.
Nick Miller seconds the motion.*

Tammie Miller identifies herself for the record.

Mark Emmett states that his recollection is that the Board had concerns about the ingredients, specifically marijuana ingredients, in the products. He asks if the applicant is unable to be more specific about which ingredient will be used.

Tammie Miller states that she does not want to limit herself if a certain concentrate is unavailable at the time of production. She adds that whichever method and concentrate are used would be specified on the label.

Brandon Emmett states that the Board needs to see how the applicant would be making the concentrate that would go into each product. He adds that if she doesn't articulate that to the Board, it would be difficult for the Board to take that on face value.

Tammie Miller states that on Page 3 of MJ-05, she lists the different methods that she would use. She plans on primarily using the sugar method, but the others would serve as backup if necessary.

Brandon Emmett states that an issue with a previous licensee had been inconsistencies in producing marijuana butter or oil. He asks whether the applicant is confident in her ability to be consistent. Tammie Miller states that she is.

Loren Jones states that flour is misspelled as "flower" in the ingredients sections of the labels for all of the products.

Tammie Miller states that she will fix that.

Mark Springer voices concerns about the hard candies being appealing to children, as they are brightly-colored.

Brandon Emmett states that he recalls approving candies with the requirement that the bright colors are removed.

Tammie Miller states that she can remove the color to make a neutral-base color.

Mark Springer adds to the delegation the requirement that the hard candies be drab in color.

Mark Springer voices concern about the packaging of the marshmallows.

Loren Jones asks how or when the applicant will test the potency of the sodas, if she isn't adding the cannabis extract until the end.

Tammie Miller states that after the measured amount of cannabis extract is added to each bottle, the bottle(s) will be sent to the testing facility for potency testing.

Rich Beezley (associate of Tammie Miller) states that they plan on making a small batch for testing to make sure they are dosing correctly before going into mass-production.

Loren Jones voices concerns about the fact that cookie dough could not go back into the childproof packaging.

Rich Beezley states that their plan is to have resealable packaging that the cookies could be put back into.

Mark Springer states that when the applicant makes the cannabis sugar, that would be a product that has to be tested again. He asks whether cannabis uniformly diffuses when placed into a soda.

Mark Springer requests that the delegation include that the applicant add a recommendation on the soda labels that the consumer swirl the bottle and pour it into a glass before consuming.

Loren Jones moves to approve all of the products that are frozen cookie dough, but that part of the delegation be that the packaging includes the ability to repackage the cookies.

Brandon Emmett seconds the motion.

Mark Springer adds to the delegation the requirement that the actual ingredients be listed on the packaging.

Sarah Oates reminds the Board that at the last meeting, the Board required that an applicant add to the label that unconsumed baked cookies should be placed back into the child-resistant packaging.

Tammie Miller states that the cookie dough will be in a Mylar bag, which will then be placed into larger exit packaging, so that any unconsumed baked cookies could be placed into the larger exit packaging.

Motion carries unanimously.

Loren Jones moves to approve all of the products that end in "fudge".

Brandon Emmett seconds the motion.

Motion carries unanimously.

Loren Jones moves to approve all of the products that end in "marshmallow".

Brandon Emmett seconds the motion.

Motion carries unanimously.

Loren Jones moves to approve all of the products that contain "soda", with the delegation that the method of testing be laid out as clearly in writing as possible to the staff before it goes into production.

Brandon Emmett seconds the motion.

Motion carries unanimously.

Brandon Emmett moves to approve all products labeled "hard candy".

Nick Miller seconds the motion.

Mark Springer states that he would like to pull the product "Bubble Gum Candy" and "Cotton Candy" out for separate consideration.

Brandon Emmett states that he is okay with including that in his motion.

Tammie Miller states that she is okay with pulling those two products.

Mark Springer requests to add to the delegation that the candies are not bright colors.

Tammie Miller states that she can make them opaque, rather than bright colors.

Mark Springer states that he has concerns with the "Marshmallow Candy" as well.

Tammie Miller states that she will pull that product, as well.

Motion carries, 3-2 (Loren Jones and Mark Springer vote No).

Motion to approve the license with delegation carries unanimously.

● LUNCH

12:05pm

● **APPLICATIONS FROM PREVIOUS MEETINGS**

A. Tabled Applications

- | | | | |
|---------------------------|--|---------------|---------------------|
| 1. License #12830: | Arcticanna | 1:07pm | <u>TAB 7</u> |
| Licensee: | Nadia Ispas | | |
| License Type: | Limited Marijuana Cultivation Facility | | |
| Premises Address: | 756 Davenny Drive
Fairbanks, AK 99712 | | |
| Local Government: | Fairbanks North Star Borough | | |
| For Consideration: | Licensed premises/restricted access area issues | | |

Erika McConnell and Harriet Milks inform the Board members that they need to make a clear record of why they are denying the application.

Brandon Emmett moves to approve license #12830 Arcticanna with delegation.

Loren Jones states that the Board members could establish a record without there being a motion.

Loren Jones states his reasoning for denial is that the Board continually has concerns about the building and noncontiguous spaces. He states that now, the applicant is trying to make the entire residence her licensed premises, and he does not believe that that would ever be appropriate.

Brandon Emmett states that this applicant continues to show difficulties with understanding the regulation. He clarifies that he made the motion to approve for purposes of discussion, but that he planned on voting against the motion.

Nick Miller states that the Board has approved applications in residences, but only when they are in a clearly-segregated area, so he would not have voted to approve this license.

Travis Welch states that he concurs with the other Board members regarding the entire residence being the licensed premises.

Mark Springer states that he concurs with the other Board members, as this would require video cameras in every room, which would create privacy issues. He adds that no matter how good a ventilation system is, there would still be odor in a very small space, which isn't appropriate for a residence.

- | | | | |
|---------------------------|--|---------------|---------------------|
| 3. License #13249: | X-Tracted Laboratories | 1:14pm | <u>TAB 9</u> |
| Licensee: | Royal Mountain Extracts, LLC | | |
| License Type: | Marijuana Product Manufacturing Facility | | |
| Premises Address: | 38957 S Commercial Drive
Talkeetna, AK 99676 | | |
| Local Government: | Matanuska-Susitna Borough | | |
| For Consideration: | Concerns related to percentage-based lease;
Objections received | | |

Brandon Emmett moves to approve license #13249 X-Tracted Laboratories with delegation.

Nick Miller seconds the motion.

Loren Jones asks whether it would be appropriate to table this application, as residency is in question for one of the applicants.

Sarah Oates states that she has been informed by Chief Hoelscher that both of the two new owners' residencies are in question.

Jana Weltzin, legal counsel, and applicants Joe McAneney, Dan Nelson, Samuel Benson, and Christina Tersine identify themselves for the record.

Loren Jones moves to table the application until residency has been established for the two applicants.

No second.

The Board members discuss potential options for what to do with the application.

Brandon Emmett moves to table the application until the next or subsequent meeting, whenever the residency has been determined.

Loren Jones seconds the motion.

Motion to table carries unanimously.

4. License #13329:	R.C.H. Cultivation	1:23pm	<u>TAB 10</u>
Licensee:	Charles R Hnilicka III; Ryan A Hallsten		
License Type:	Standard Marijuana Cultivation Facility		
Premises Address:	2745 Hanson Road, Unit A Fairbanks, AK 99709-3940		
Local Government:	City of Fairbanks		
For Consideration:	Tabled at November 2017 meeting due to residency of one of the applicants.		

Brandon Emmett moves to approve license #13329 R.C.H. Cultivation with delegation.

Nick Miller seconds the motion.

Ryan Hallsten identifies himself for the record and answers Board questions about the application.

Loren Jones adds to the delegation that updated premises diagrams be done to ensure that there are not exits into residences.

Motion to approve with delegation carries unanimously.

B. Licenses in "Pending Inspection" Status for Over Six Months **1:33pm** **TAB 11**

Erika McConnell states that licenses issued by the Board are intended to be operated. She adds that approval from the Board should not stand indefinitely, as regulations and protected land uses may change. She asks whether the Board feels this is an appropriate time to bring these licenses back in front of the Board for consideration, and she states that she requested the applicants to provide status updates to the Board. She is not necessarily requesting any Board action.

1. License #10080:	Dream Green Farms	1:37pm
Licensee:	DGF Enterprises, Inc.	
License Type:	Standard Marijuana Cultivation Facility	
Premises Address:	2939 Porcupine Drive Anchorage, AK 99501-3118	
Approved By MCB:	June 9, 2016	
License Issued:	August 3, 2016	

Jana Weltzin, legal counsel, states that in March, 2017, the licensee had to stop construction to build up additional capital. They have resumed construction and plan on opening in 2018.

- 2. License #10071: Vern's Wicked Weed 1:51pm**
Licensee: Jeremy Erickson
License Type: Standard Marijuana Cultivation Facility
Premises Address: 3872 Halibut Point Road, Bay One
Sitka, AK 99835
Approved By MCB: September 7, 2016
License Issued: September 19, 2016

Jeremy Erickson states that he recently got married and plans to be open in six months.

- 3. License #10142: Farmer Jack's, LLC 1:38pm**
Licensee: Farmer Jack's, LLC
License Type: Standard Marijuana Cultivation Facility
Premises Address: 8820 King Street, Suites #5 and #6
Anchorage, AK 99515
Approved By MCB: July 7, 2016
License Issued: October 11, 2016

Josh Tobin hands out a letter to the Board members and reads part of it for the record. He states that he plans to open within 3-4 weeks.

- 4. License #10512: Southeast Alaska Laboratories, LLC 1:43pm**
Licensee: Southeast Alaska Laboratories, LLC
License Type: Marijuana Testing Facility
Premises Address: 5450B Jenkins Drive
Juneau, AK 99801
Approved By MCB: October 28, 2016
License Issued: November 9, 2016

Jessica Dreibelbis states that she is working on validating their methods and that they plan on being up and running within six months.

- 5. License #10074: 88 Double Happiness, LLC 1:53pm**
Licensee: 88 Double Happiness, LLC
License Type: Standard Marijuana Cultivation Facility
Premises Address: 2905 Tanglewood Drive
Anchorage, AK 99517
Approved By MCB: July 7, 2016
License Issued: December 16, 2016

Erika McConnell states that Mr. (Bernard) Souphanavong is traveling and unable to appear before the Board, but he sent an email with updates. She reads the email for the Board which provides updates regarding another business moving out.

Mark Springer requests that staff look at the proof of right of possession for this license and see if it contemplates Alaska Sprouts moving out of the space.

- 6. License #10097: Raspberry Roots 1:48pm**
Licensee: Raspberry Roots, LLC
License Type: Retail Marijuana Store
Premises Address: 501 Raspberry Road, Suite 101

Approved By MCB: Anchorage, AK 99518
September 7, 2016
License Issued: December 16, 2016

Jana Weltzin, legal counsel, states that the plan is to schedule an inspection around March 1, 2018.

- 7. License #10014: The Naked Herbalist 1:55pm**
Licensee: Peggy S. France; Miles S. France
License Type: Limited Marijuana Cultivation Facility
Premises Address: 47841 South Crop Circle
Willow, AK 99688
Approved By MCB: October 28, 2016
License Issued: January 24, 2017

Applicant is not present.

- 8. License #10162: The Frost Farms 1:56pm**
Licensee: The Frost Farms, LLC
License Type: Retail Marijuana Store
Premises Address: 8535 Dimond D Circle, Unit B
Anchorage, AK 99515
Approved By MCB: September 7, 2016
License Issued: February 22, 2017

Beth Brewington states that it should take about twelve weeks for construction, and that they plan to be open within 16-18 weeks.

- 9. License #10647: Alaska Herb Garden 1:48pm**
Licensee: Eden Management Group, LLC
License Type: Standard Marijuana Cultivation Facility
Premises Address: 6511 Arctic Spur Road
Anchorage, AK 99518
Approved By MCB: September 7, 2016
License Issued: February 22, 2017

Jana Weltzin, legal counsel, states that they are planning on scheduling an inspection around April 1, 2018.

- 10. License #10305: AK Bush Buds, LLC 1:57pm**
Licensee: AK Bush Buds, LLC
License Type: Limited Marijuana Cultivation Facility
Premises Address: Mile 82.5 Richardson Highway
Copper Center, AK 99573
Approved By MCB: December 6, 2016
License Issued: May 18, 2017

Tom Suter states that he drives truck and works a minimum of 53 hours a week. He explains the items that he has left to complete.

- 11. License #11091: Tempt, LLC 1:59pm**
Licensee: Tempt, LLC

License Type: Standard Marijuana Cultivation Facility
Premises Address: 2410 E 88th Avenue
Anchorage, AK 99507
Approved By MCB: February 2, 2017
License Issued: May 24, 2017

Applicant not present.

12. License #11384: Green Elephant, LLC 1:46pm
Licensee: Green Elephant, LLC
License Type: Standard Marijuana Cultivation Facility
Premises Address: 8420 Airport Boulevard, Building B
Juneau, AK 99801
Approved By MCB: May 15, 2017
License Issued: July 6, 2017

Rich Dudas states that he has been focusing his efforts on his other cultivation license more. He anticipates being ready for inspection by July 1.

13. License #10135: Musky Ox 1:49pm
Licensee: Musky Ox, LLC
License Type: Standard Marijuana Cultivation Facility
Premises Address: 741 Bennett Road
Fairbanks, AK 99712
Approved By MCB: December 6, 2016
License Issued: July 21, 2017

Jana Weltzin, legal counsel, states that this inspection is scheduled for this Thursday.

14. License #11214: Alaska Harvest Company, LLC 2:00pm
Licensee: Alaska Harvest Company, LLC
License Type: Standard Marijuana Cultivation Facility
Premises Address: 24900 Orion Street, Unit B
Kasilof, AK 99610
Approved By MCB: July 12, 2017
License Issued: July 21, 2017

Dean Bush states that he will be ready for inspection by February 5.

15. License #11957: Last Frontier Joint Operations, LLC 2:01pm
Licensee: Last Frontier Joint Operations, LLC
License Type: Standard Marijuana Cultivation Facility
Premises Address: 7180 Revilla Road, Suite 101
Ketchikan, AK 99901
Approved By MCB: July 12, 2017
License Issued: July 21, 2017

Mike Keiser states that he should be ready by the beginning of March for inspection.

C. Licenses in “Delegated” Status for Over Nine Months

2:02pm

TAB 12

Erika McConnell informs the Board that these applications have actually been in delegated status for over ten months.

Loren Jones requests that the director bring information to future meetings regarding items that are still pending.

- 1. License #10180: AK Shadows 2:06pm**
Licensee: Jesse Y Holzschuh
License Type: Standard Marijuana Cultivation Facility
Premises Address: 525 Anisha Drive
Fairbanks, AK 99709
Approved By MCB: July 7, 2016

Applicant not present.

- 2. License #10272: Lightning Strike Organics 2:07pm**
Licensee: Dru Malone
License Type: Limited Marijuana Cultivation Facility
Premises Address: 9400 Old Seward Highway
Anchorage, AK 99515
Approved By MCB: September 7, 2016

Dru Malone states that he is waiting for building permits, which he thinks he will get next week. He is hoping to be ready for an inspection in 4-5 months.

- 3. License #10301 R.C. Tinderbox, LLC 2:05pm**
Licensee: R.C. Tinderbox, LLC
License Type: Marijuana Concentrate Manufacturing Facility
Premises Address: 7801 King Street
Anchorage, AK 99518
Approved By MCB: October 28, 2016

Jana Weltzin, legal counsel, and Chris Euscher, applicant, update the Board on the status of the application. Ms. Euscher states that she is just waiting for a vapor tube, and that the application is scheduled in front of the Municipality on February 27.

- 4. License #10687: Dank Research 2:03pm**
Licensee: Alaska Biotech, LLC
License Type: Standard Marijuana Cultivation Facility
Premises Address: 16966 Parks Highway, Suite E
Houston, AK 99694
Approved By MCB: October 28, 2016

Erika McConnell informs the Board that Dank Research #10687 has lost right of possession of his premises and has withdrawn his application

- 5. License #10010: AK Bean Brains 2:12pm**
Licensee: Moose Run Farm, LLC
License Type: Limited Marijuana Cultivation Facility
Premises Address: 1840 E Dowling Road, Suite B

Anchorage, AK 99507
Approved By MCB: February 2, 2017

Dave Pope states that he plans to expand his premises to have more square footage than what is allowed for a limited, but that everything else about his application would be the same. He adds that he is about two months out from needing an inspection.

Mark Springer suggests that Mr. Pope consult with the staff on what to do about applying for a standard license.

6. License #11050: Houston Grass Station, LLC 2:06pm
Licensee: Houston Grass Station, LLC
License Type: Retail Marijuana Store
Premises Address: 15231 W Parks Highway
Houston, AK 99694
Approved By MCB: February 2, 2017

Jana Weltzin, legal counsel, states that this was a raw piece of land, so construction is taking longer than usual, but they are working on it.

● **BREAK** 2:16pm

● **BOARD CONSIDERATION**

A. License #10005: Rosie Creek Farm 2:31pm TAB 13
Licensee: RCFC, LLC
License Type: Standard Marijuana Cultivation Facility
Premises Address: 2659 Livingston Loop
Fairbanks, AK 99709
Local Government: Fairbanks North Star Borough
For Consideration: Appeal of director's denial to sell flower that fails due to presence of Aspergillus

Erika McConnell informs the Board that she has stopped approving requests to transfer flower and/or trim that has failed due to the presence of Aspergillus to make concentrate, because concentrate is not tested for the presence of Aspergillus. She reads sections of a report from the Cannabis Safety Institute titled Microbiological Safety Testing of Cannabis, which is attached to her memo. She notes that the report suggests failing tests for presence of any of the three species of Aspergillus that Alaska tests for, as well as another species which is not tested for in Alaska.

Jana Weltzin, legal counsel, states that she and her client are not opposed to testing of concentrates for Aspergillus.

Mike Emers, licensee, provides testimony regarding Aspergillus and ethanol extraction methods.

Justin Roland, Einstein Labs, provides testimony regarding extraction and filtration methods and reminds the Board that edibles have to be tested for microbials. He states that his particular filtration methods should catch all of the spores.

Brandon Emmett moves to vacate the director's denial and allow Rosie Creek Farm to sell the eight failed batches of flower to a product manufacturer, as long as any products made from those batches go through microbial testing before retail sale.

*Travis Welch seconds the motion.
Motion carries, 3-2 (Loren Jones and Mark Springer vote No).*

- | | | | |
|---------------------------|--|---------------|----------------------|
| B. License #12173: | Northern Lights Cultivation 2 | 2:59pm | <u>TAB 14</u> |
| Licensee: | Jesse Hoyt; Jacob G Rodriguez | | |
| License Type: | Standard Marijuana Cultivation Facility | | |
| Premises Address: | 4705 N Tongass Highway, Apartment 1
Ketchikan, AK 99901 | | |
| Local Government: | City of Ketchikan | | |
| For Consideration: | Reconsideration of application denied at November meeting | | |

Erika McConnell informs the Board the applicant had an informal conference with her submitted a revised premises diagram, the City of Ketchikan withdrew its protest and issued a conditional use permit to the applicant, and the applicant made other changes to his application that the Board had expressed concerns about.

*Brandon Emmett moves to approve license #12173 with delegation.
Brandon Emmett withdraws his motion.
Brandon Emmett moves to reconsider license #12173.
Nick Miller seconds the motion.
Motion carries unanimously.*

*Brandon Emmett moves to approve license #12173 with delegation.
Nick Miller seconds the motion.
Motion carries unanimously.*

- | | | | |
|---------------------------|--|---------------|----------------------|
| C. License #12254: | Lady Gray Gourmet Medibles | 3:05pm | <u>TAB 15</u> |
| Licensee: | Lady Gray, LLC | | |
| License Type: | Marijuana Product Manufacturing Facility | | |
| Premises Address: | 36322 Pine Street, Suite 1
Soldotna, AK 99669 | | |
| Local Government: | Kenai Peninsula Borough | | |
| For Consideration: | Product "Kief" not considered at November meeting | | |

*Brandon Emmett moves to consider product "Kief" for license #12254.
Nick Miller seconds the motion.
Jana Weltzin identifies herself for the record and answers Board questions.
Motion to approve carries unanimously.*

*Brandon Emmett moves to approve product "Kief" for license #12254.
Nick Miller seconds the motion.
Motion carries unanimously.*

- | | | | |
|---------------------------|--|---------------|----------------------|
| D. License #12833: | Alaskan Loven It, LLC | 3:07pm | <u>TAB 16</u> |
| Licensee: | Alaskan Loven It, LLC | | |
| Premises Address: | 2908 Kachemak Drive
Homer, AK 99603 | | |
| Local Government: | City of Homer | | |
| For Consideration: | Denial of new license application | | |

Nick Miller states that the applicant

Dan Coglianesi, applicant, identifies himself for the record.

Erika McConnell informs the Board that yesterday, the City of Homer submitted a protest to the staff because the applicant had plants growing prior to licensing, a violation of statutes and regulations.

Dan Coglianesi states that there was a misunderstanding – he assumed that upon completion of his application, that he could move some plants to the facility in preparation for this meeting. He adds that ten of the plants were seeds in pots.

Loren Jones moves to deny the application for license #12833 Alaskan Loven It, LLC.

Travis Welch seconds the motion.

Loren Jones states that this is almost an identical case to the one that the Board approved this morning, and given that, and the police report, the Board should vote to deny.

Motion carries unanimously.

E. License #10310:	Danish Gardens, LLC	3:15pm	<u>TAB 17</u>
Licensee:	Danish Gardens, LLC		
License Type:	Standard Marijuana Cultivation Facility		
Premises Address:	2430 Cinnabar Loop Anchorage, AK 99517-3138		
Local Government:	Municipality of Anchorage		
For Consideration:	Appeal of director's denial to retest flower that fails due to presence of Aspergillus		

Erika McConnell states that Danish Gardens and she have resolved the issue, so the Board does not need to take any action.

F. License #13556:	Alaska Thunder Skunk	3:16pm	<u>TAB 18</u>
Licensee:	Alaska Thunder Skunk, Inc.		
License Type:	Limited Marijuana Cultivation Facility		
Premises Address:	5300 N Infinite Road, Unit A-1 Wasilla, AK 99654		
Local Government:	Matanuska-Susitna Borough		
For Consideration:	Appealing Failed to Complete email/notice		

Andrew Campbell, applicant, and Sarah Butts pass out binders to the Board members with application documents and answer Board questions.

Erika McConnell informs the Board that the incomplete letter was sent to the applicant on September 22, 2017 with a deadline of December 21, 2017 by which the application needed to be completed. A reminder email was sent to staff on November 7, and nothing was heard from the applicant until two days before the deadline. Corrections were not received in time to meet the deadline set forth in regulation, and the staff informed the applicant that it needed to start over.

Brandon Emmett states that he's thinking back to a previous application that was similar in that it was incomplete with staff but the applicant had brought documents to the Board meeting. He states that the application was denied due to being incomplete, and he thinks that the Board should hold this applicant to the same standard if they did not meet the deadline.

Mark Springer states that it's his perspective as a Board member that the timeline is the timeline.

Sarah Butts states that she does not feel like email is an insufficient means of communication, and she states that the email from AMCO staff went into a spam box, which wasn't discovered by the applicant until November 16. She states the 90-day deadline was not included in the original letter that was sent by AMCO staff, and she adds that a six-month time period to complete a new application would be more appropriate than a 90-day time period.

Andrew Campbell states that the final corrections were submitted within 92 days.

Sarah Oates reads 3 AAC 306.020(b)(6), which requires that an applicant provide an electronic mail address at which the applicant agrees to receive all correspondence before and after it has received a license. She also points out that the incomplete letter does state the 90-day requirement.

Sarah Butts requests that the 90 days be put on a cover letter or be put in bold letters.

Sarah Oates reminds the Board that there are over 60 applications for new licenses that have not even been looked at by staff, in addition to the twelve transfer applications that are being processed. She adds that an additional cover letter would just make things more difficult. She states that regardless of the applicant's concerns regarding methods of communication, and whether the application may or may not have been completed after 92 days (as the staff did not review the documents received after 90 days), the regulation 3 AAC 306.025(f) is very clear. She reads the regulation for the record, which says that if an applicant fails to complete its application within 90 days after the director's notice, the applicant must file a new application and pay a new fee.

Sarah Butts states that she did offer to pay an additional fee but did not want to have to start completely over. She states that the Board is splitting hairs with the two days over. She adds that she is not seeking special treatment but asks that the Board look closely at this situation.

Mark Springer voices concerns that the applicant is investing money, yet he failed to read the entire incomplete letter, which included the 90-day deadline.

Sarah Butts states that the only two things that were lacking from the application after 90 days were the posting affidavit and the publisher's affidavit from the Frontiersman.

Mark Springer asks the director how soon the applicant could file a new application.

Erika McConnell states that if the applicant filed a new application, it would not make the April agenda, and it might make the July agenda, keeping in mind the number of applications that are in the queue and the fact that the second trained examiner who has been reviewing marijuana license applications is resigning in about a week.

Mark Springer asks what it would take to get this application in front of the Board in Nome.

Erika McConnell states that the Board would have to determine that it is okay that the applicant did not meet the 90-day deadline set forth in regulation, and direct her to have her staff continue reviewing the application for completeness and consideration in April.

Mark Springer states that the regulation doesn't give the Board any wiggle room at all.

Brandon Emmett states that the Board should really follow what is clearly written in the regulation.

*Brandon Emmett moves to uphold the staff's decision.
Travis Welch seconds the motion.
Motion carries unanimously.*

● **OPERATING PLAN CHANGES**

A. License #11638:	Catalyst Cannabis Company	3:35pm	<u>TAB 19</u>
Licensee:	Broken Dirt, LLC		
License Type:	Retail Marijuana Store		
Premises Address:	9900 Old Seward Highway, #4 Anchorage, AK 99515		
Local Government:	Municipality of Anchorage		

Jason Brandeis, legal counsel, and Will Schneider, licensee, identify themselves for the record and summarize the proposed changes.

Nick Miller recuses himself, as this licensee is on the Board of ACBA.

Erika McConnell states that there will be the requirement for this licensee that any visitor who uses the bathroom will need to be escorted, receive a visitor badge, and follow the other visitor procedures.

Brandon Emmett moves approve the operating plan changes for license #11638 Catalyst Cannabis Company.

Travis Welch seconds the motion.

Motion carries unanimously.

Nick Miller rejoins the meeting.

● **NEW MARIJUANA PRODUCTS**

A. License #10165:	Good, LLC	3:44pm	<u>TAB 20</u>
Licensee:	Good, LLC		
License Type:	Marijuana Product Manufacturing Facility		
Premises Address:	1949 Frank Avenue Fairbanks, AK 99708		
Local Government:	Fairbanks North Star Borough		

Brandon Emmett moves to approve the product GOOD Coconut Cooking Oil.

Nick Miller seconds the motion.

Motion carries unanimously.

Brandon Emmett moves to approve the product GOOD Gummies with a condition on coloration.

Nick Miller seconds the motion.

Brandon Emmett articulates that the condition would be that the candies be drab in color, and not brightly colored.

The licensee (unidentified) says that she does not have a problem with it.

Motion carries, 4-1 (Loren Jones votes No).

B. License #10271: **Top Hat Concentrates, LLC** **3:48pm** **TAB 21**
Licensee: Top Hat Concentrates, LLC
License Type: Marijuana Product Manufacturing Facility
Premises Address: 2315 Industrial Boulevard, Suite B
Juneau, AK 99801
Local Government: City & Borough of Juneau

Brandon Emmett and Nick Miller recuse themselves, as the licensee is a director of AMIA.

John Nemeth identifies himself for the record and answers Board questions.

No motion.

Loren Jones states that he has serious concerns about the breath spray.

Brandon Emmett states that he was just informed that Lacy Wilcox (AMIA director) is not a licensee, as he had thought. He requests that the Chair, as the ethics director, consider allowing he and Nick Miller to unrecuse themselves.

Mark Springer states that he is okay with Mr. Emmett and Mr. Miller rejoining for voting and discussion.

Jason Brandeis, legal counsel, identifies himself for the record and answers Board questions.

Brandon Emmett moves to approve the breath spray (Magical Mist).

Nick Miller seconds the motion.

Motion carries, 3-2 (Loren Jones and Mark Springer vote No).

Brandon Emmett moves to approve Top Hat Concentrates' product Bare Spray Personal Lubricant.

Nick Miller seconds the motion.

Motion carries, 4-1 (Loren Jones votes No).

● **NEW STANDARD MARIJUANA CULTIVATION FACILITY APPLICATIONS**

A. License #11605: **Always Redeye, LLC** **4:00pm** **TAB 22**
Licensee: Always Redeye, LLC
Premises Address: 2001 Anka Street
Juneau, AK 99801
Local Government: City & Borough of Juneau

Brandon Emmett moves to approve license #11582 Bells Flats Botanicals with delegation.

Brandon Emmett withdraws his motion.

Brandon Emmett moves to approve license #11605 Always Redeye, LLC with delegation.

Nick Miller seconds the motion.

Sarah Oates informs the Board that staff received an email requesting that the application be considered tomorrow due to a flight delay of the applicant.

The Board members agree to postpone consideration until tomorrow.

B. License #13257: **Alaska Growth** **4:02pm** **TAB 23**
Licensee: Alaska Growth, LLC
Premises Address: 49787 Island Lake Road
Nikiski, AK 99635

Local Government: Kenai Peninsula Borough
For Consideration: Conditions pursuant to 3 AAC 306.060(b)

Brandon Emmett moves to approve license #13257 Alaska Growth with delegation and Kenai Peninsula Borough conditions.

Nick Miller seconds the motion.

Jana Weltzin, legal counsel, and Edith, manager, identify themselves for the record and answer Board questions regarding the application.

Loren Jones requests that the narrative be corrected to indicate that there is more than one entrance and exit to the facility, as indicated on the diagram.

Mark Springer adds to the delegation that the licensee will be running carbon filters for odor control.

Motion carries unanimously.

C. License #13577:	Fiberflite	4:10pm	<u>TAB 24</u>
Licensee:	Darren H Phillips		
Premises Address:	120 Jarvis Street, Unit C Sitka, AK 99835		
Local Government:	City & Borough of Sitka		

Brandon Emmett moves to approve license #13577 Fiberflite with delegation.

Travis Welch seconds the motion.

Darren Phillips identifies himself for the record and answers Board questions regarding the application.

Motion carries unanimously.

D. License #14073:	Black Bear Nursery	4:19pm	<u>TAB 25</u>
Licensee:	Black Bear Enterprises, LLC		
Premises Address:	6209 Mike Street, Suite 2C Anchorage, AK 99518		
Local Government:	Municipality of Anchorage		

Brandon Emmett moves to approve license #14073 Black Bear Nursery with delegation.

Nick Miller seconds the motion.

Jana Weltzin, legal counsel, and Eli Lehrmann, applicant, identify themselves for the record and answer Board questions regarding the application. They state that the office will be a shared office space between all of the licenses held by the licensee, as allowed by the Board.

Motion carries unanimously.

● **RECESS**

Brandon Emmett moves to recess until tomorrow at 9:00am.

Nick Miller seconds the motion.

None opposed, meeting is recessed.

Local Government: Fairbanks, AK 99701-2835
City of Fairbanks

*Brandon Emmett moves to approve license #14467 Tanana Herb Company, LLC with delegation.
Nick Miller seconds the motion.*

Joseph Hachey, employee, and Leslea Nunley, applicant, identify themselves for the record and answer Board questions regarding the application.

Motion carries unanimously.

G. License #14477: **Fox Creek, LLC** **9:14am** **TAB 28**
Licensee: Fox Creek, LLC
Premises Address: 2304 Old Elliot Highway
Fairbanks, AK 99712
Local Government: Fairbanks North Star Borough

*Brandon Emmett moves to approve license #14477 Fox Creek, LLC with delegation.
Nick Miller seconds the motion.*

Grant Anderson, applicant, and Jason Brandeis, legal counsel, identify themselves for the record and answer Board questions regarding the application.

The Board members request that staff ensure that DEC approves of the proposed wastewater plan.

A. License #11605: **Always Redeye, LLC** **9:22am** **TAB 22**
Licensee: Always Redeye, LLC
Premises Address: 2001 Anka Street
Juneau, AK 99801
Local Government: City & Borough of Juneau

*Brandon Emmett moves to approve license #11605 Always Redeye, LLC with delegation.
Nick Miller seconds the motion.*

Casey Wilkins, applicant, identifies himself for the record and answers Board questions regarding his application. He states that he was informed this week by the City that there are two addresses for the building and that his actual address is 2005 Anka Street. He requests that the Board let him work that out with the City.

Mark Springer states that that will be added to the delegation.

*Brandon Emmett asks if the applicant plans on having a self-contained CO2 system.
Casey Wilkins states that he does.*

Brandon Emmett requests that approval from the Fire Marshal for the CO2 system be added to the delegation.

Motion carries unanimously.

● **NEW LIMITED MARIJUANA CULTIVATION FACILITY APPLICATIONS**

- A. License #11582:** **Bells Flats Botanicals** **9:28am** **TAB 29**
Licensee: Gregory J Egle
Premises Address: 10788 Chiniak Drive
Kodiak, AK 99615
Local Government: Kodiak Island Borough

*Brandon Emmett moves to approve license #11582 Bells Flats Botanicals with delegation.
Nick Miller seconds the motion.*

Greg Egle identifies himself for the record and answers Board questions regarding the application.

Mark Springer states that the delegation will include a more detailed premises diagram that includes storage areas, as well as a Google-Earth-type photo that is better quality and shows surrounding information (streets and structures).

Motion carries unanimously.

- B. License #12452:** **Great Alaskan Bud Company, LLC** **9:35am** **TAB 30**
Licensee: Great Alaskan Bud Company, LLC
Premises Address: 2515 A Maria Street
Fairbanks, AK 99709
Local Government: Fairbanks North Star Borough

*Brandon Emmett moves to approve license #12452 Great Alaskan Bud Company, LLC with delegation.
Nick Miller seconds the motion.*

Dan Sweigert, POA for Carol Bolt, identifies himself for the record.

The Board members discuss the fact that whenever an applicant is absent from a Board meeting, the Board has voted to table the application until the next meeting so that the Board may speak with the actual applicants about the application.

*Brandon Emmett moves to table license #12452 Great Alaskan Bud Company, LLC until the April meeting.
Nick Miller seconds the motion.
Motion carries unanimously.*

- C. License #12572:** **Henleys' Happy Harvest, LLC** **9:38am** **TAB 31**
Licensee: Henleys' Happy Harvest, LLC
Premises Address: 35633 Baranof Street
Kenai, AK 99611
Local Government: Kenai Peninsula Borough
For Consideration: Conditions pursuant to 3 AAC 306.060(b)

*Brandon Emmett moves to approve license #12572 Henleys' Happy Harvest, LLC with delegation and Kenai Peninsula Borough conditions.
Nick Miller seconds the motion.*

Julie Henley and Harold Henley identify themselves for the record and answer Board questions regarding the application.

Motion carries unanimously.

D. License #12989: **Pinnacle Projects** **9:48am** **TAB 32**
Licensee: Vanzee N Dan
Premises Address: 37035 Nicholas View Lane
Soldotna, AK 99669
Local Government: Kenai Peninsula Borough
For Consideration: Conditions pursuant to 3 AAC 306.060(b)

*Brandon Emmett moves to approve license #12989 Pinnacle Projects with delegation and Kenai Peninsula Borough conditions.
Nick Miller seconds the motion.*

Dan VanZee identifies himself for the record, clarifies that his name is not VanZee Dan, and answers Board questions regarding his application.

Erika McConnell states that Mr. VanZee had transposed his first and last names in the application system, which will need to be resolved.

*Mark Springer states that he feels that is an editorial issue.
The other Board members nod in agreement.*

Motion to approve with delegation and conditions carries unanimously.

E. License #13211: **The Giving Tree** **9:56am** **TAB 33**
Licensee: Rachel E Burris; Joseph D Burris, Jr.
Premises Address: 2351 N Prospect Drive
Wasilla, AK 99623
Local Government: Matanuska-Susitna Borough

*Brandon Emmett moves to approve license #13211 The Giving Tree with delegation.
Nick Miller seconds the motion.*

Joseph Burris identifies himself for the record and answers Board questions regarding the application.

Erika McConnell informs the Board that the staff has taken two steps to address the issue about locations of security equipment being available on public documents: a revision to Form MJ-02: Premises Diagram (approved by the Board at the November 29th meeting) which now informs applicants to exclude security equipment from diagrams; and removal of premises diagrams in past applications from the website.

Motion carries unanimously.

F. License #13659: **The Noble Dudes, LLC** **10:07am** **TAB 34**
Licensee: The Noble Dudes, LLC
Premises Address: 11740 E Weathervane Circle; Shop
Palmer, AK 99645
Local Government: Matanuska-Susitna Borough

Brandon Emmett moves to approve license #13659 The Noble Dudes, LLC with delegation.

Nick Miller seconds the motion.

Brandon Ross and Kristerfer Byers identify themselves for the record and answer Board questions regarding the application.

Mark Springer adds to the delegation the requirement that a better picture (Google Earth) of the property be submitted.

Erika McConnell states that she looked at the MJ-02 and noted that the dimensions provided for the areas under cultivation equate to 512 square feet, which is more than what's allowed for a limited cultivation.

Mark Springer states that the delegation will include the requirement that one of the 4'x4' tables be removed in order to meet the less than 500-square-feet-under-cultivation requirement. The applicants nod in agreement.

Motion to approve with delegation carries unanimously.

G. License #13752:	Northern Dreams, LLC	10:14am	<u>TAB 35</u>
Licensee:	Northern Dreams, LLC		
Premises Address:	11705 B N Jonesville Mine Road Sutton, AK 99674-8030		
Local Government:	Matanuska-Susitna Borough		

Brandon Emmett moves to approve license #13752 Northern Dreams, LLC with delegation. Nick Miller seconds the motion.

Andrew Wessel, applicant, and Sara Williams, consultant, identify themselves for the record and answer Board questions regarding the application.

Loren Jones requests that the delegation include that the applicant submit a revised lease which makes the tenant, rather than the landlord, responsible for operating costs of the business.

Motion carries, 4-1 (Mark Springer votes No).

● **BREAK** **10:26am**

● **NEW LIMITED MARIJUANA CULTIVATION FACILITY APPLICATIONS**

H. License #14099:	The Frosty Flower	10:47am	<u>TAB 36</u>
Licensee:	James P Sullivan		
Premises Address:	9300 N Palmer-Fishhook Road Palmer, AK 99645		
Local Government:	Matanuska-Susitna Borough		

Brandon Emmett moves to approve license #14099 The Frosty Flower with delegation. Nick Miller seconds the motion.

James Sullivan identifies himself for the record and answers Board questions regarding his application.

Motion carries unanimously.

- I. License #14187: Zenic Gardens, LLC 10:52am TAB 37**
Licensee: Zenic Gardens, LLC
Premises Address: 10100 E Gilbert Court
Palmer, AK 99645
Local Government: Matanuska-Susitna Borough

*Brandon Emmett moves to approve license #14187 Zenic Gardens, LLC with delegation.
Nick Miller seconds the motion.*

Lara Thompson identifies herself for the record and answers Board questions regarding her application.

Mark Springer adds to the delegation the requirement that the applicant provide a picture that shows the neighborhood a little further zoomed-out.

Motion carries unanimously.

- J. License #14245: Pharma Initiative, LLC 10:59am TAB 38**
Licensee: Pharma Initiative, LLC
Premises Address: 4315 E Dimond Way
Wasilla, AK 99654
Local Government: Matanuska-Susitna Borough

*Brandon Emmett moves to approve license #14245 Pharma Initiative, LLC with delegation.
Nick Miller seconds the motion.*

David Huskey and Aaron Edwards identify themselves for the record and answer Board questions regarding the application.

Mark Springer states that he wants the applicant to change its name (from Pharma) because this state does not have a medicinal industry.

Brandon Emmett states that he would like to remain consistent, as the Board has approved two other applications with "medicine" or "medible" in the business name.

Aaron Edwards requests that the Board allow them to keep the name at this point.

Motion to approve with delegation fails, 2-3 (Brandon Emmett and Nick Miller vote Yes).

Loren Jones states that he will serve notice of reconsideration at the April meeting if the applicant changes its name.

- K. License #14352: Althea's Morning Bear Cultivation 11:12am TAB 39**
Licensee: Brennan J Norden
Premises Address: 21565 Evelyn May Street
Kasilof, AK 99610
Local Government: Kenai Peninsula Borough
For Consideration: Conditions pursuant to 3 AAC 306.060(b)

Brandon Emmett moves to approve license #14352 Althea's Morning Bear Cultivation with delegation and Kenai Peninsula Borough conditions.

Nick Miller seconds the motion.

Brennan Norden, applicant, and an inaudible representative identify themselves for the record and answer Board questions regarding the application.

Motion carries unanimously.

L. License #15025:	Mad Mota	11:22am	<u>TAB 40</u>
Licensee:	Mark A Ridl; Maria E Tapia		
Premises Address:	4980 W Greensward Drive Wasilla, AK 99623		
Local Government:	Matanuska-Susitna Borough		

Brandon Emmett moves to approve license #15025 Mad Mota with delegation.

Nick Miller seconds the motion.

Mark Ridl and Maria Tapia identify themselves for the record and answer Board questions regarding the application.

Mark Springer adds to the delegation the requirement that the applicant provide a more zoomed-out aerial photo of the property and surrounding properties.

Motion carries unanimously.

● NEW RETAIL MARIJUANA STORE APPLICATIONS

A. License #14083:	Alaska Weeds	11:27am	<u>TAB 41</u>
Licensee:	Green Bear Enterprises, LLC		
Premises Address:	6209 Mike Street, Suite 2A Anchorage, AK 99518		
Local Government:	Municipality of Anchorage		

Brandon Emmett moves to approve license #14083 Alaska Weeds with delegation.

Nick Miller seconds the motion.

Jana Weltzin, legal counsel, and Eli Lehrmann, applicant, identify themselves for the record and answer Board questions regarding the application.

The Board members discuss the issue of storing business records on-premises and having shared office space.

Motion carries unanimously.

● **NEW MARIJUANA PRODUCT MANUFACTURING FACILITY APPLICATIONS**

A. License #13697: **Sparkle Farms Alaska** **11:40am** **TAB 42**
Licensee: SFA, LLC
Premises Address: 218 Kelly Drive
Ketchikan, AK 99901
Local Government: Ketchikan Gateway Borough

Chris Wilhelm identifies himself for the record.

Loren Jones states that he has numerous concerns about the application, including inconsistencies of the ingredients in the products.

The Board members agree to delay Sparkle Farms until 2:00pm.

● **NEW LIMITED MARIJUANA CULTIVATION FACILITY APPLICATIONS**

J. License #14245: **Pharma Initiative, LLC** **11:46am** **TAB 38**
Licensee: Pharma Initiative, LLC
Premises Address: 4315 E Dimond Way
Wasilla, AK 99654
Local Government: Matanuska-Susitna Borough

Loren Jones votes to take up the reconsideration of Pharma Initiative today.

Brandon Emmett seconds the motion.

Motion carries unanimously.

Loren Jones moves that the Board approve Pharma Initiative with delegation, and that the delegation include that the applicant be administratively required to change the name before the license is issued.

Brandon Emmett seconds the motion.

The applicants agree to the delegation.

Motion carries unanimously.

● **LUNCH** **11:50am**

Brandon Emmett moves to break for lunch until 2:00pm.

Nick Miller seconds the motion.

Motion carries unanimously.

● **NEW MARIJUANA PRODUCT MANUFACTURING FACILITY APPLICATIONS**

A. License #13697: **Sparkle Farms Alaska** **2:00pm** **TAB 42**
Licensee: SFA, LLC
Premises Address: 218 Kelly Drive
Ketchikan, AK 99901
Local Government: Ketchikan Gateway Borough

Chris Wilhelm identifies himself for the record.

Loren Jones moves to table until April and ask the applicant to go back and review the products and where the ingredients' names don't match the concentrate product that they want the Board to approve, make those changes, and make that clear in the procedures. He also notes that he did not see "oatmeal" in the ingredients for oatmeal cookies.

Brandon Emmett seconds the motion.

Loren Jones adds that there are also issues regarding "tincture", and in some places, the instructions just say to add "cannabis", rather than a specific concentrate.

Brandon Emmett states that he concurs with Mr. Jones.

Mark Springer states that he agrees, and that he has some name issues with a lot of the products.

Motion carries unanimously.

● REGULATIONS

A. Proposed Regulations Projects

2:04pm

Brandon Emmett suggests that the Board recommend to the legislature that it alter the marijuana tax structure to be percentage-based in order to preserve the marijuana industry.

Loren Jones states that the tax structure was in the original initiative. He cautions against percentage-based tax structures potentially resulting in much-higher amounts being paid.

Brandon Emmett moves that the Board adopt a resolution to the legislature to allow the tax division to bring forward a request to the altering of the tax structure.

Nick Miller seconds the motion.

Motion carries 4-1 (Loren Jones votes No).

Brandon Emmett states that he will bring a draft to the next meeting.

Loren Jones moves to start a regulations project on the date of issuance and on the overlapping premises for business records.

Brandon Emmett seconds the motion.

Motion carries unanimously.

Loren Jones requests that staff bring some options to the Board in April regarding ownership changes (stock changes of an entity) and regarding changing a limited cultivation to a standard cultivation license.

Mark Springer states that he would like to know what the Board's options would be when it comes to limiting the number of licenses issued. He adds that he would like the Board to get some Metrc numbers to see what sort of unsold volume exists at any given time. He requests that the Board receive some good training on Metrc the next time the Board meets in Anchorage.

Erika McConnell states that she is working on scheduling training for the next Anchorage meeting.

Mark Springer states that he would like to examine the possibility of allowing out-of-state investment or out-of-state licensing for testing facilities.

Brandon Emmett states that he supports the possibility of allowing for out-of-state investment for testing facilities.

Mark Springer moves to open a regulation project to permit out-of-state investment in testing (facility) licenses.

*Brandon Emmett seconds the motion.
Motion carries, 4-1 (Loren Jones votes No).*

*Mark Springer asks if AMCO is set up to respond to a situation when a licensee goes bankrupt and there's marijuana on the premises.
Erika McConnell states that she will look into it.*

B. Revocation of Handler's Permit

2:30pm

TAB 43

Status: Comment period closed December 15, 2017
Potential Board Actions: Vote to adopt; OR
Substantially amend and put out for public comment

*Erika McConnell reads into the record a comment that was submitted by Jana Weltzin during a previous public comment period for this project.
Jana Weltzin hands out to the Board members printed copies of her comment.*

Loren Jones moves to adopt the handler permit regulation project which changes 3 AAC 306.700 and adds a new section 3 AAC 306.8xx.

Brandon Emmett seconds the motion.

Erika McConnell asks if the motion would include the change recommended in her memo.

Mark Springer states that it is an editorial change.

Nick Miller requests that the director be added as having authority to suspend or revoke a handler permit.

Loren Jones agrees to the amendment.

Brandon Emmett states that he takes issue with the subsections pertaining to convictions.

Motion carries unanimously.

Loren Jones requests that the staff come back at the April meeting with recommendations of how many of Ms. Weltzin's suggestions should be put into a new regulation project.

C. Trade Shows; Require Corporation Bylaws; Multiple Businesses on a Lease; Removal of Affiliates; Charging for Multiple Inspections; Local Government Approval of Odor Emissions

2:44pm

TAB 44

Status: Comment period closed January 11, 2018
Potential Board Actions: Vote to adopt; OR
Substantially amend and put out for public comment

The Board members consider the public comments received for the regulations project.

Loren Jones moves that the Board adopt the recommendations for the regulations regarding affiliates by amending 3 AAC 306.020(b)(2), 3 AAC 306.020(b)(2)(B) and (C) and (D), and 3 AAC 306.020(b)(3)(C), and by repealing 3 AAC 306.990(a)(1).

Brandon Emmett seconds the motion.

Motion carries unanimously.

Loren Jones moves that the Board adopt the amendment to 3 AAC 306.020(b)(3)(C) that requires corporate bylaws.

No second.

Loren Jones moves that the Board adopt the amendment to 3 AAC 306.020(b)(9) regarding multiple businesses on a lease.

Nick Miller seconds the motion.

Motion carries unanimously.

Brandon Emmett moves to adopt the amendment to 3 AAC 306.100 to add a new subsection (h) regarding charging for multiple inspections.

Travis Welch seconds the motion.

Motion carries unanimously.

Brandon Emmett moves to adopt the amendment to 3 AAC 306.430(c)(2) regarding local government approval of odor emissions.

Nick Miller seconds the motion.

Motion carries unanimously.

Brandon Emmett moves to adopt the new regulation 3 AAC 306.760 regarding trade shows.

Nick Miller seconds the motion.

Motion carries unanimously.

Sarah Oates requests that the Board consider the corporate bylaws regulation project, as licensing staff has received bylaws that have shown undisclosed financial interests.

Loren Jones moves that the Board adopt the amendment to 3 AAC 306.020(b)(3)(C) that requires corporate bylaws.

Nick Miller seconds the motion.

Motion carries, 4-1 (Brandon Emmett votes No).

D. Financial Background Investigations; Definition of Resident

3:38pm

TAB 45

Status:

Comment period closed January 3, 2018

Potential Board Actions:

Vote to adopt; OR

Substantially amend and put out for public comment

The Board members discuss the public comments received for the regulations project.

Erika McConnell suggests that the Board schedule a separate work session or subcommittee regarding financial background investigations to ensure that whatever language comes of this project is comfortable to all Board members.

Mark Springer asks if any Board members would be interested in sitting with staff to work on the draft language for financial background investigations, between now and April.

Nick Miller and Loren Jones volunteer to work on this with staff.

Brandon Emmett moves to table the financial background investigations regulation project until the April meeting.

Travis Welch seconds the motion.

Motion carries unanimously.

Brandon Emmett moves to adopt the recommended changes to 3 AAC 306.015(e)(2) regarding definition of a resident.

Nick Miller seconds the motion.

Sarah Oates asks if Mr. Emmett would also like to include the changes to 3 AAC 306.015(b) in his motion, as that is part of the regulation project.

Brandon Emmett states that he would like to include that as part of his motion.

Nick Miller approves, as second.

Motion carries unanimously.

● **DISCUSSION REGARDING HEARINGS**

4:05pm

Nick Miller states that he feels that all hearings should be publicly noticed, as a Board policy.

Mark Springer asks if it would be sufficient to Mr. Miller if a notice was put on the AMCO website.

Nick Miller states that if that's what the Board chooses, then yes.

Harriet Milks states that she will do some research into the matter, so that the Board can continue the discussion tomorrow with better guidance.

● **MARIJUANA MAILBOX**

4:14pm

- A. All correspondence received in the marijuana@alaska.gov inbox from October 28, 2017 – January 5, 2018.

TAB 46

The Board members discuss comments received in the marijuana mailbox.

Mark Springer requests that discussion regarding possible changes to marijuana handler course provider requirements be included on the April meeting agenda.

● **BOARD COMMENTS**

4:19pm

Brandon Emmett thanks the staff and the public, and he welcomes Mr. Welch to the Board.

Nick Miller thanks the staff for helping the applicants and for their service.

Travis Welch thanks attendees and voices appreciation for the opportunity.

Mark Springer reiterates everything said about the staff, and he directs the director to express to the Commission to express to the Attorney General the Board's deep appreciation for AAG Milk's excellent work.

Erika McConnell asks if the Board wishes to authorize her to approve requests to sell to a product manufacturer batches of marijuana flower or trim that fail due to the presence of Aspergillus, with the condition that the product made from the failed harvest batches be tested for microbials.

Brandon Emmett moves to authorize the director to approve requests to sell to a product manufacturer batches of marijuana flower or trim that fail due to the presence of Aspergillus, with the condition that the product made from the failed harvest batches are tested for microbials, and the test results are brought to the Board.

Travis Welch seconds the motion.

Motion carries unanimously.

● **RECESS**

4:24pm

Marijuana Control Board
Meeting Minutes
January 26, 2018
First Judicial District
Centennial Hall, Hickel Meeting Room
101 Egan Drive
Juneau, Alaska

● **ADMINISTRATION**

9:00am

A. Call to Order

B. Roll Call

Board Members Present:

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

Staff Members Present:

Erika McConnell, Director
Sarah Oates, Program Coordinator

Legal Counsel Present:

Harriet Milks, Assistant Attorney General

● **ENFORCEMENT UPDATE**

A. Enforcement Report

9:01am

TAB 47

James Hoelscher, Enforcement Supervisor, congratulates Mark Springer for his appointment as Chair and welcomes Travis Welch to the Board. He updates the Board on enforcement issues including new staff, compliance check and shoulder tap programs, and statistics. He adds that enforcement has started to see an uptick in the number of burglaries, and he recommends that the Board consider increasing some of the security requirements.

Mark Springer requests that the staff send an advisory to licensees regarding the number of attempted burglaries and factors that have allowed success.

B. Notices of Violation Issued and Licensee Responses

9:26am

TAB 48

Erika McConnell passes out Coyote & Toad's response to its NOV which failed to make it into the tab. James Hoelscher provides a summary of each NOV and licensee response (when sent) to the Board.

Mark Springer states that the industry association and Board might want to track what licensees are doing to mitigate odor complaints so that they may develop some best-practices.

Brandon Emmett states that he is seeing a trend between many of these NOV's and the use of Green Bits.

Nick Miller recommends to incoming licensees that they reach out to existing licensees for help.

James Hoelscher reads for the record Susan Nowland's response to the Alaska Fireweed NOV regarding minors on premises and visitors.

Mark Springer requests that the Board postpone consideration of the Alaska Fireweed NOV until the April meeting for potential sanctions.

The Board members nod in agreement.

C. License #11140:	Fat Tops, LLC	9:31am	<u>TAB 49</u>
Licensee:	Fat Tops, LLC		
License Type:	Retail Marijuana Store		
Premises Address:	36380 Murray Lane Soldotna, AK 99669		
Local Government:	Kenai Peninsula Borough		

James Hoelscher states that there was a lengthy amount of time between the NOV for Fat Tops was issued and when a response to the NOV was sent by the licensee's attorney, Lance Wells.

Mark Springer notes for the record that Lance Wells is sitting at the table.

James Hoelscher answers Board questions regarding reporting of marijuana waste disposal through Metrc and written notification to AMCO.

David Parker answers Board questions regarding the events that led to the issuance of the NOV.

Lance Wells, legal counsel, states that the letter was sent to AMCO at November 30th because he had not received the NOV until the last Board meeting. He talks about the notices of violations and asks Mr. Parker questions about the NOV.

Mark Springer voices concerns about the NOV.

Brandon Emmett voices concerns about the number of violations that the licensee has received in such a short period of time.

Brandon Emmett states that he is not going to suggest a fine at this time, but that the licensee is on notice that if there is another NOV issued in the near future, he is going to suggest a hefty fine.

Mark Springer points out that the audit was performed on many or all retail licensees, and not just Fat Tops.

Loren Jones states that he would like to see what the Board can do as a follow-up or offer the licensee to help correct errors.

Erika McConnell states that last year, Metrc provided a training for licensees, and yet only one licensee signed up.

Lance Wells states that Mr. Parker has hired someone from the outside to come up and help him with his accounting, so this should not happen again.

● **BREAK** **10:43am**

● **PUBLIC HEALTH UPDATE: Dr. Jay Butler, Chief Medical Officer and Director of the Division of Public Health, and Eliza Muse, Public Health Specialist** **11:00am**

Dr. Jay Butler and Eliza Muse identify themselves for the record, hand out material to the Board members, and present to the Board regarding various marijuana policies and how they affect public and behavioral health. They answer Board questions about the presentation data and about current and prospective education programs regarding marijuana consumption.

Mark Springer states that it would be informational and interesting to the Board if there could be a 20-30-minute presentation during an Anchorage meeting on adverse childhood experiences.

Mark Springer states that he hopes that DHSS will reach out to the industry to do some collaborative work.

*Eliza Muse informs the Board that all of the materials are available on the DHSS website:
www.marijuana.dhss.alaska.gov*

The Board members thank Dr. Butler and Ms. Muse for their presentation and time.

● **NEXT MARIJUANA CONTROL BOARD MEETING**

Agenda deadline for April 4-6 meeting: March 16, 2018

● **ADJOURN** **11:45am**

Brandon Emmett moves to adjourn.

Travis Welch seconds the motion.

Motion carries unanimously.

Minutes prepared by:



Sarah D. Oates
Program Coordinator