



**Marijuana Control Board  
Meeting Minutes  
June 13, 2018  
Third Judicial District  
Atwood Building  
550 W. 7<sup>th</sup> Avenue, Rooms 102 & 104  
Anchorage, Alaska  
Call-in Number: 1-800-315-6338, code 69176#**

● **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

**Staff Members Present:**

Erika McConnell, Director  
Sarah Oates, Program Coordinator

**Legal Counsel Present:**

Harriet Milks, Assistant Attorney General

- C. Approval of Agenda**

**9:02am**

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

- D. Approval of the May 7, 2018 Meeting Minutes**

**9:03am**

**TAB 1**

*Brandon Emmett moves to approve the May 7, 2018 meeting minutes.  
Nick Miller seconds the motion.  
None opposed, motion carries.*

● **BOARD GOVERNANCE**

**9:03am**

*Harriet Milks states that this is the time for each Board member to declare any changes to conflicts or potential conflicts under the Executive Ethics Act.*

*Loren Jones states that he has no changes.*

*Nick Miller states that he has no changes.*

*Brandon Emmett states that he has no changes.*

*Mark Springer states that he has no changes.*

*Harriet Milks reminds the Board about the importance of ex parte contacts. She adds that it's important to remind individuals or entities who try to speak to individual members about the Board's regulatory jurisdiction, that the individual or entity should bring the question or issue to the entire Board. Additionally, ex parte contacts should be disclosed to the rest of the Board and to the public.*

● **EXECUTIVE SESSION**

- A. 10006 & 10012: Frozen Budz:** Destiny S Neade & Nick J Neade  
3915 Peger Road, Fairbanks (Fairbanks North Star Borough)

**9:09am**

**Appeal of license revocations; OAH Case Nos. 17-1307-MCB and 18-0125-MCB**

*Brandon Emmett moves to enter into executive session.*

*Nick Miller seconds the motion.*

*Mark Springer states that those present will be the Board members and Judge Mandala.*

*None opposed, motion carries.*

*Brandon Emmett moves to come out of executive session.*

**9:20am**

*Nick Miller seconds the motion.*

*None opposed, motion carries.*

*Mark Springer states that in the matter of Destiny S. Neade & Nick J. Neade DBA Frozen Budz, licenses 10006 and 10012, OAH Case Nos. 17-1307-MCB and 18-1025-MCB, the Board heard from Judge Mandala and reviewed the stipulated agreement, proposed decision and order, which is signed by director Erika McConnell and Destiny S. Neade and Nicholas J. Neade. He reads the signed proposed decision and order for the record.*

*Brandon Emmett moves to adopt the proposed decision and order.*

*Nick Miller seconds the motion.*

*Brandon Emmett states that he feels what's important here is that the people be protected from bad actors.*

*Motion carries unanimously.*

● **PUBLIC TESTIMONY**

9:25am

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](mailto:marijuana@alaska.gov) no later than June 8, 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](mailto:marijuana@alaska.gov). The call-in number is 1-800-315-6338, code 69176#.

*Robert Michael provides testimony regarding the time period for adopting the original set of regulations, the federal government's patent on medical marijuana, overregulation, and the black market.*

*Brian Coyle hands out documents to the Board members and provides testimony regarding the Department of Environmental Conservation's desk audit report of the marijuana testing facilities. He states that the state is unable to effectively regulate marijuana testing facilities, and proposes and strongly encourages that the State make it a priority to create its own testing lab to conduct the testing. He also requests that the Board set aside some time at this meeting to talk about the audit report.*

*Cary Carrigan provides testimony regarding concerns about the speed at which the AMCO staff responds to emails and requests for guidance from the industry. He states that there is not an attentiveness and responsiveness to the requests from the people who want to be helped by AMCO, and then those people are being punished by enforcement. He adds that he would hope that people on the phone who have questions about Metrc will get an opportunity to ask them. He commends the testing working group for working quickly to address the issues, and he states that he wishes enforcement would respond quickly.*

*Mark Springer instructs Mr. Carrigan that he should inform the Board about lack of clarity in the regulations by using the marijuana mailbox, since the Board is who writes the regulations. He additionally recommends that Mr. Carrigan act as a liaison for the industry, and schedule monthly meetings with the staff with a list of questions and concerns, rather than flooding the staff emails.*

*Kerby Coman provides testimony requesting for license transfers to be prioritized over new license applications, and regarding AS 17.38 regarding rulemaking – stating that he feels that the regulations are superseding the statutes.*

*Jana Weltzin provides testimony requesting posting of the recordings of the meetings online. She adds that her public comments on certain regulations were not included in the tabs until yesterday, and that the wrong access codes were posted on the AMCO website until yesterday. She states that a new phone system should be purchased to improve public participation. She adds that transfer applications should be handled like other change forms, rather than added to the same queue as new applications. She states that she has received several positive comments from clients about James Hoelscher since the last Board meeting about him being more helpful.*

*Emily Nenon thanks the Board and staff for managing the tremendous workload, and provides testimony regarding Senate Bill 63 – the indoor smoking bill. She states that the passed legislation requires that any indoor smoking would have to take place in a standalone building, with recognition*

*that ventilation cannot protect non-users from the immediate effects of second-hand smoke inhalation.*

*Sarah Henkel provides testimony regarding Franwell owning all of the data in Metrc, and she requests that that data be made available to the public.*

● **TAX/SUPPLY DISCUSSION**

**10:00am**

**A. Department of Revenue invited**

*Ken Alper, Director of the Tax Division, Deputy Director Brandon Spanos, and Audit Supervisor Kelly Mazzei identify themselves and speak to the Board about marijuana tax.*

*Ken Alper informs the Board that the Division is going to seek legislation in 2019 that would enable the Division to tax black market operators. He also states that the Division is working on a regulation project that would create a third tax structure (in addition to the \$50/oz flower tax and the \$15/oz trim tax).*

*Brandon Emmett encourages the Tax Division to explore a legislative proposal for a tax structure that would incentivize Alaskans (in the regulated industry) to be able to sell their product for whatever the market dictated it was worth, it would really help the state get rid of the black market shippers who are sending up inexpensive marijuana and concentrate from out of state.*

*Ken Alper states that what they're butting up against is the limited language in the statute that requires taxes based upon specific parts of the plant.*

*Loren Jones asks about tax stamps, excise taxes on tobacco and alcohol, and internet sales of tobacco.*

*Brandon Spanos states that most internet sellers of tobacco are located out of the country, and the Division goes after the ones they know about to tax them. He adds that there is a multi-state agreement regarding this issue that the Division is bound by and enforces. He states that it is difficult to track illegal businesses that are shipping into the state, but that the criminal enforcement arm of the Department of Revenue is responsible for enforcing the laws on illegal operators.*

*Erika McConnell states that she was at a conference recently, and another attendee proposed the idea of taxing marijuana based on potency.*

*Brandon Emmett states that he thinks that probably anything is better than what we have now. He states that the State needs to find a way to make the tax structure realistic, whatever that may be.*

*Loren Jones states that \$50/oz is what was written in the legislation that went before the people to vote on. He states that the potency tax bothers him a lot, especially considering the audit report that just came out.*

*Brandon Emmett states that he would not have this position if the black market was almost stamped out.*

*Ken Alper states that the initiative was written to treat marijuana like alcohol, and that alcohol is taxed at the wholesale level. He adds that (the Division) is not currently built to take in a retail sales taxes, but that it could make it work with a budgetary increase. He states that \$50/oz isn't really a gigantic tax, but that having it taxed so early in the process is making it difficult for the regulated market to compete with the black market – at least that's what he's hearing from Mr. Emmett.*

*Mark Springer states that he would kind of prefer that (the Board) stay out of the nuts and bolts of taxation of the industry, and leave that to the Department of Revenue.*

*Kelly Mazzei states that the Tax Division is receiving approximately 76% of marijuana tax payments in the form of cash.*

*Brandon Emmett asks whether the Division has explored working with credit unions to accept payments for taxes, and then electronically transfer them to the Division.*

*Brandon Spanos states that the Division would certainly be willing to work with financial institutions, but that no credit unions or banks are currently willing to do so in Alaska. He adds that the treasury divisions of the various states are meeting later this month to continue discussion on the issue.*

*Ken Alper states that if the industry wants there to be a major change to the tax structure and there is consensus, the Division would certainly be willing to work with the industry to determine what the cost would be.*

● **BREAK** **10:32am**

● **METRC OVERVIEW** **10:47am**

**A. Scott Denholm and Kelly Jenkins, Metrc**

*Scott Denholm and Kelly Jenkins introduce themselves for the record.*

*Scott Denholm states that they want to see this industry as a workable, profitable, and successful business program, and he adds that his team is always open to feedback. He states that Metrc nor Franwell owns or sells the data in Metrc – it is the property of the State, and it is up to the State to decide what it wants to do with that data. He adds that Metrc will not provide that information to anyone without the approval of the State, as it is prohibited by the contract. He states that states like Colorado have allowed access to certain universities so that they may study the data.*

*Mark Springer asks whether Oregon allows access to the media.*

*Scott Denholm states that both Colorado and Oregon have pulled certain data from Metrc and then shared that with the media, but that no media outlet has any access to Metrc.*

*Kelly Jenkins provides a demonstration for the Board and public of how Metrc works.*

*Scott Denholm provides a summary to the Board about training classes and opportunities, stating that there has been very low attendance by the industry. He adds that industry engagement with Metrc is significantly less than that in other states.*

*Scott Denholm and Kelly Jenkins answer Board questions about the system and the history.*

*Brandon Emmett states that at some point, the Board should adopt a resolution to disseminate information to the appropriate entities at the State's discretion so that the Board can actually use the information that Metrc provides.*

*Sarah Oates states that she has concerns about the fact that turnout to trainings has been so low, and she asks how Metrc notifies licensees about training opportunities.*

*Scott Denholm states that they have a scheduler on their website that shows availability and enables anyone with a marijuana handler permit to sign up.*

*The Board members and staff discuss the possibility of posting additional information on the AMCO website.*

*A few licensees request that Metrc send out emails to all licensees regarding available training opportunities.*

● **LUNCH BREAK**

**12:00pm**

● **DIRECTOR BRIEFING**

**A. Director's Report**

**1:00pm**

**TAB 2**

*Erika McConnell asks whether the Board wants to direct the staff to prioritize transfer applications over new applications, or whether it wants staff to continue to have a single queue.*

*The Board members discuss and all generally agree that transfer applications should be prioritized over new applications.*

*Erika McConnell updates the Board regarding her travel and passed legislation. She informs the Board that legislative requests are due at the end of the summer, and she requests that Board members bring proposed requests to the August meeting.*

*Mark Springer requests that the director invite Patryce McKinney from the Department of Environmental Conservation to discuss the testing facility audit report with the Board on Friday.*

*Erika McConnell informs the Board and public that the deadline for the August 15-16 agenda is July 27.*

*Mark Springer requests that a financial report be provided at least every couple of meetings, which would include the amount of licensing fees that have been allocated to local governments.*

*Harriet Milks speaks to the Board about the passage of Senate Bill 63 – the indoor smoking bill. She states that the bill allows local governments’ to have input over whether indoor smoking is allowed.*

*Mark Springer requests that a copy of the bill be provided in the Board members’ legal books.*

*Nick Miller asks whether the bill allows for local governments to opt out.*

*Harriet Milks states that it does.*

*The Board members discuss the possibility of having a third party expert review the applications for testing facility licenses.*

## ● ENFORCEMENT BRIEFING

### A. Enforcement Supervisor’s Report

1:48pm

TAB 3

*James Hoelscher updates the Board regarding enforcement travel, a syllabus for training for local law enforcement agencies, enforcement statistics, and the status of the compliance check and shoulder tap program. He states that whenever a regulation has been unclear to enforcement, he has brought the question to the director(s), and then to the AAG for guidance, when necessary; if the issue is still unclear, then it has been brought to the Board for guidance.*

*Mark Springer asks whether enforcement staff have been able to equip vehicles with lights and sirens, and to obtain other materials and resources necessary to carry out their jobs.*

*James Hoelscher states that he and the director have been working on equipping vehicles and getting other materials.*

*Mark Springer requests that the enforcement staff be provided with whatever physical resources they need in order to execute their duties.*

### B. Transportation Discussion

2:08pm

*James Hoelscher reads transportation regulations to the Board, and asks whether a vehicle that is transporting marijuana is considered to be an extension of the licensed premises, and whether enforcement powers would extend to that vehicle. He raises concerns about the lack of security requirements in the current Alaska transportation regulations.*

*Loren Jones states that all edible products that are sold in Juneau arrive on a plane, and are most likely carried in a backpack. He states that he agrees with Mr. Hoelscher’s concerns, but that the Board needs to consider the transportation issues caused by the topography and geography of the state.*

Mark Springer states that the extension of the licensed premises to the transportation vehicle seems legitimate to him, and that he would not be opposed to a regulation project that fleshes out transportation rules pertaining to that.

Loren Jones asks what a travel manifest would look like when marijuana has to be transported on a plane.

James Hoelscher states that he can bring redacted copies of transport manifests to the next meeting that would show how it's done. He adds that if a licensee has access to the internet, that it could change the transport manifest if a situation occurs when it needs to be updated.

James Hoelscher states that enforcement has been very consistent in saying that another person (who is not a licensee, employee, or agent) can be present in a vehicle during transport, as long as that person is 21 years of age or older and understands what is going on in that vehicle. He asks whether particular scenarios would be acceptable to the Board. He states that he thinks that if a licensee is on the road system and ends up in a scenario that in which it would have to stay overnight somewhere, that perhaps there should be a regulation project that would require the marijuana to be in a locked box.

James Hoelscher states that in his opinion, a faulty marijuana product that gets returned to a retail store should be required to be destroyed by the retail store, and not by the product manufacturer.

Nick Miller states that from a retail perspective, it is important that a retail store be able to move the marijuana somewhere, either to a product manufacturer or back to the cultivator, if it is not (selling).

James Hoelscher states that the statute does not allow for marijuana to be transferred from a retail store back to a cultivator.

**C. Notices of Violation Issued and Licensee Responses** **2:42pm** **TAB 4**

James Hoelscher states that if there's an NOV for which the staff would like there to be additional Board action, that it will be brought to the Board in the form of an accusation.

● **BREAK** **2:45pm**

● **ENFORCEMENT BRIEFING**

**C. Notices of Violation Issued and Licensee Responses** **3:08pm** **TAB 4**

Erika McConnell reiterates Mr. Hoelscher's comment that if there's an NOV for which the staff would like there to be additional Board action, that it will be brought to the Board in the form of an accusation.



**1. Executive Session to consider designation of proprietary information under 3 AAC 306.905 for NOV #AB17-0000445 3:09pm**

*Brandon Emmett moves to go into executive session to consider designating an NOV confidential with the presence of counsel, the respondent, the director, and any enforcement staff determined necessary.*

*Nick Miller seconds the motion.*

*Motion carries unanimously.*

*Brandon Emmett moves to come out of executive session.*

**3:28pm**

*Nick Miller seconds the motion.*

*Motion carries unanimously.*

*Brandon Emmett moves that for the notice of violation dated April 3, 2018 for license #10005, that the NOV be redacted because of personal confidentiality issues, and that the response be withheld.*

*Nick Miller seconds the motion.*

*Mark Springer states that the redactions will consist of individual names and personal financial information - bank accounts, interest rates, etc.*

*Motion carries unanimously.*

*Jana Weltzin, legal counsel, and Mike Emers, licensee of Rosie Creek Farm, identify themselves for the record, address the notices of violation issued on April 3, 2018, and answer Board questions regarding the violations.*

*Investigator Amanda Stonecipher states that she believes that Investigator Mike Chiesa has multiple photos to support every notice of violation that was written for Rosie Creek Farm.*

*Jana Weltzin requests that she and Mr. Emers be provided with copies of the photographs.*

*Erika McConnell states that she will get the photos to the Board (and licensee).*

*The Board members, Ms. Weltzin, and Mr. Emers discuss issues regarding certification versus registration of scales that are used by cultivators.*

*Mark Springer states that some communication from Weights and Measures would be necessary, regarding registration and/or certification of scales, is necessary.*

*Mike Emers hands out a Metrc screenshot to the Board members, which shows the options for selecting either the flowering or vegetative phase when changing the phase of an immature plant. He states that the plants that were put straight into the flowering phase in Metrc are auto-flower plants, which do not have vegetative phases.*

*Brandon Emmett moves that this Board vacates the flowering versus not NOV and that scales NOV, pending further discussion of this Board.*

*Harriet Milks states that she does not believe the Board has the authority to vacate NOVs, and that the option would be to just take no action.*

*Brandon Emmett states that he stands corrected, and that Mr. Emers needs to tighten up on some of these things.*

● RECESS

**4:30pm**

**Marijuana Control Board**  
**Meeting Minutes**  
**June 14, 2018**  
**Third Judicial District**  
**Atwood Building**  
**550 W. 7<sup>th</sup> Avenue, Rooms 102 & 104**  
**Anchorage, Alaska**  
**Call-in Number: 1-800-315-6338, code 69176#**

● **ADMINISTRATION**

A. **Call to Order** 9:00am

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

**Staff Members Present:**

Erika McConnell, Director  
Sarah Oates, Program Coordinator

**Legal Counsel Present:**

Harriet Milks, Assistant Attorney General

● **ENFORCEMENT BRIEFING** 9:01am

*Sarah Oates hands out a Measurement Standards Information on Commercial Weighing of Marijuana document from Weights and Measures to the Board members.*

*James Hoelscher states that he has spoken with the Chief of Weights and Measures, who informed AMCO that scales are required to be registered, and that registered and certified is considered to be the same thing.*

<b>E. License #10489:</b>	<b>Ester Horticulture and Research</b>	<b>9:04am</b>	<b><u>TAB 6</u></b>
Licensee:	John Collette		
License Type:	Limited Marijuana Cultivation Facility		
Premises Address:	2960 Ester Dome Road		
	Fairbanks, AK 99709		

*John Collette states that he had included the gas stop in his transportation route, whereas Rosie Creek changed his manifest to remove the gas station.*

*Amanda Stonecipher describes the discrepancies between the conflicting manifests.*

*James Hoelscher states that it is imperative that a transportation route be documented properly, for the safety of the licensee (or transporter), and in case the transporter gets stopped by law enforcement.*

*John Collette states that the vehicle information is in the manifest, in full.*

*Amanda Stonecipher states that the vehicle on the manifest is the one that was used after the transporter landed in Anchorage; the Fairbanks vehicle was not documented on the manifest.*

*Mark Springer states that for future NOV's, if there is an accompanying document that is a component of the NOV, that it would be helpful for the Board to see that.*

*Mark Springer suggests that if he was a licensee that had an NOV that very well might be the result, at least partially, of some kind of an engineering issue at Metrc, that he would be calling Metrc.*

<b>D. License #11966:</b>	<b>Great Northern Cannabis</b>	<b>9:22am</b>	<b><u>TAB 5</u></b>
Licensee:	Great Northern Cannabis, Inc.		
License Type:	Retail Marijuana Store		
Premises Address:	541 W. 4th Ave. Anchorage, AK		

*Jason Brandeis, legal counsel, and Anita Bradbury, retail manager, identify themselves for the record.*

*Jason Brandeis states that it is his and the licensee's interpretation of the regulations, prepackaged marijuana did not need to be weighed at the time that it is received by the retail store, since it would have been weighed by the originating marijuana establishment.*

*Loren Jones states that this board has a lot of discussion about this issue, and that the Board has been pretty clear – once a retail store receives marijuana, it is responsible for weighing it to identify any discrepancy.*

*Jason Brandeis states that he agrees that it would be good business practice to do so, but that there is a distinction between good business practices and what is strictly required by the regulations. He adds that he has spoken with a number of licensees since receipt of the NOV, and it does not seem to be common practice for a retail store to weigh prepackaged marijuana upon receipt. He states that it seems quite burdensome for a licensee to have to weigh marijuana before packaging, transport it, and then weigh it again upon receipt.*

*Brandon Emmett states that if this is the way that enforcement is interpreting this regulation, then the Board needs to accept a wide range of tare weights for prepackaged marijuana because of the diverse types of packages that have been approved by this Board.*

*Erika McConnell states that weighing marijuana when it received by a retail store is important to protect the retailer, and it is important to prevent diversion, which is one of the points of the Cole Memo. She adds that there's nothing in the regulations that states that prepackaged marijuana should be treated differently than deli-style.*

*James Hoelscher reads 3 AAC 306.750 and states that it's pretty clear. He adds that prepackaged marijuana would include an extra step, which would be to weigh the empty packaging first or tare the scale with the package.*

*Mark Springer states that the transferor should indicate the weight of the empty package.*

*Jason Brandeis states that this is certainly an opportunity for the Board to provide some advisory guidance for licensees. He adds that the particular regulation that Mr. Hoelscher read was not cited as an alleged violation by the licensee.*

*Erika McConnell states that 3 AAC 306.730(b) makes it clear that the receiving facility has to weigh the delivered marijuana.*

*Brandon Emmett states that he disagrees – that logically, prepackaged marijuana would have been weighed on scales by the transferor and would not be dumped out by the recipient to be reweighed.*

*Mark Springer states that the term “delivered” implies responsibility on the part of the recipient. He reminds licensees that notices of violation are, in a lot of cases, instructive, and unless brought forward in the form of an accusation, will not result in additional action against the licensee.*

*Nick Miller states that maybe the Board does need to change the regulations (to not require weighing by the recipient of prepackaged marijuana), as what is currently required is not practical.*

*James Hoelscher states that no other state differentiates between deli-style and prepackaged – they all deal with bulk weights. He states that there's a practical way to do this. He reminds the Board that during transportation, there is no camera coverage, and the Board does not regulate who can be in the vehicle, which makes that the prime time for diversion to occur.*

*Brandon Emmett states that the Board cannot have different standards for the enforcement team than for licensees – if the investigators are allowed to count packages of prepackaged marijuana without weighing them to determine how much marijuana is there, then enforcement should have to, as well.*

*James Hoelscher states that enforcement is not a licensee.*

*Harriet Milks suggests that a simple fix would be to insert the words “by the receiving licensee” in 3 AAC 306.730(b).*

*Jason Brandeis states that he thinks that Ms. Milks's suggestions are really good, and that what the industry is looking for here is guidance. He reminds the Board that a NOV is the second level of communication with a licensee, and that something less than a NOV might be more*

appropriate. He requests that a licensee receives some sort of formal notification from the Board if it determines that no additional action will be taken for a NOV, to go into the license file.

Mark Springer states that it is prudent for a retailer to know how much quality it is really receiving – it's a regulated, high-value product, and weights should be compared to the manifest from the cultivator.

Jason Brandeis asks what the licensee does now.

Mark Springer confirms that the retail store has a scale, and states that the receiving licensees should start weighing received packages.

James Hoelscher states that enforcement does not plan on taking any additional action in the form of an accusation for this NOV.

● **BREAK**

9:58am

● **ENFORCEMENT BRIEFING**

**F. Cannabis Classic: Cory and Kendra Wray**

10:10am

TAB 7

Erika McConnell states that the event organizers of the Cannabis Classic are Cory and Kendra Wray, who appear to live in Oregon. She states that the first issue here is that anybody can sign up to be a judge (to determine the best marijuana and marijuana products) by paying \$350. She adds that if there were set volunteer judges, this wouldn't be an issue, but the fact that they are selling spots to consume marijuana, that that is considered to be selling marijuana without a license. She is recommending a \$10,000 penalty for selling marijuana without a license.

Brandon Emmett states that he has spoken with High Times, who is considering doing a cup in Alaska, and he asked whether they were considering selling judgeships, as that would be against the regulations. High Times stated that they did not sell judgeships in any of its competitions.

Erika McConnell states that she contacted the Wrays before the competition to inform them that their bake-off and people's choice award was not legal, as that would be both selling marijuana without a license, as well as public consumption of marijuana. She adds that the Wrays changed the website a bit, but that public consumption occurred at the event in the form of smoking, and that the Wrays did nothing to prevent it. She is recommending a \$10,000 penalty for allowing and encouraging public consumption of marijuana.

Kendra Wray states that Cory is not present, that they just found out yesterday the amounts of the fines that are being requested, and that they have not contacted a lawyer. She asks the Board to delay action on this.

Harriet Milks explains the Board's options today, as well as the Wrays' appeal rights.

Kendra Wray states that she does not believe that they are selling cannabis in any way, and that they have been providing education in Alaska through the Alaska Cannabis Institute for a very

*long time. She adds that the website states that the fee is for the judge's certification, and that the judge's kit (which includes the marijuana) is free. She states that the amount of marijuana that is included in the kits could justify a \$500 cost, but that they only charge \$350. She adds that they did their best to modify the advertising to just be to the industry and to comply with the regulations. She states that they are a mom-and-pop business and that a \$20,000 fine is crazy.*

*Harriet Milks states that she and Rob Schmidt, an AAG in her office, had spoken with the Wrays and had been very clear that there could be no consumption, period.*

*Mark Springer states that Ms. Wray had made some statements that he found to be very concerning – the fact that they could be selling the kits for \$500 at retail, but that they are only selling them for \$350; and the fact that they had planned to hold the event on Municipally-owned property, but then moved it to private property because they intended to have consumption occur. He adds that there is a very clear definition of consuming in public, and that it seems clear that they planned to circumvent that.*

*Kendra Wray states that it is unclear what constitutes a public versus private event.*

*Cory Wray identifies himself for the record.*

*Harriet Milks states that she spoke with Cory Wray for nearly an hour, including the fact that the Board had considered onsite consumption, and about the AG's opinion about public consumption. She states that there was no confusion in that conversation about the fact that at that time, there was no way to allow the event to happen with consumption.*

*Cory Wray states that they put on the website that everybody must comply with Alaska law, which includes no consumption at the event, and that people who attended were given a guide book with that language. He states that there are liquor-licensed establishments that hold concerts where smoking occurs, and nothing happens to them. He states that \$20,000 will bankrupt him and ruin their lives and kids' futures. He states that they did not run any TV commercials, or radio or newspaper ads, and that it was an invite-only event. He states that he was not given a warning.*

*Erika McConnell states that she knows of at least one member of the public who is not affiliated with the industry who attended the event because it was advertised on Facebook. She suggests that the Board might want to consider assessing a large fine and suspending a percentage of that fine, that would then come back to be assessed if they have future violations.*

*Brandon Emmett proposes that the Board levy the fine with \$15,000 suspended, pending any future illegal activity by the Wrays, and that the Board stipulate in there that all items that have been forwarded to them in the past about what they can and cannot do be included in those stipulations.*

*Loren Jones asks where the Wrays received the product that was judged.*

*Cory Wray states that the product either came from people who grew it at home, or from licensees who purchased it from themselves and took it out of Metrc.*

*Brandon Emmett asks if Mr. Wray understands the definition of public consumption, and whether he understands what was being proposed.*

*Cory Wray states that he understands that what's proposed is a \$5,000 fine with good behavior. He states that the law allows someone to give away 28 grams of weed, and that that's what they're doing.*

*Brandon Emmett states that the event that was held was a public event. He adds that if the Board accepts his proposal, then any future violations would result in the remainder of the fine being imposed.*

*Brandon Emmett moves that the Board uphold the (\$20,000) fine with \$15,000 suspended, and place conditions upon the suspension that any future event held by the Wrays must comply to the letter of Alaskan law.*

*Nick Miller seconds the motion.*

*Brandon Emmett makes it clear that he is referring to violations of AS 17.38.*

*Motion carries, 3-1 (Loren Jones votes No).*

**G. Cannabis Classic: Robinson Garcia**

**10:43am**

**TAB 8**

*Erika McConnell states that Robinson Garcia is the owner of the event space at 420 W 3<sup>rd</sup>, and that she had informed Mr. Garcia that if any public consumption occurred at his event, that she would be requesting that the Board impose a civil fine. She adds that she had a conversation with Mr. Garcia about drawing up a contract with the Wrays that clearly stated that public consumption of any marijuana could not occur at the event, and he stated that he understood. She states that she requested a copy of the contract, and that she did not receive a copy of the contract until June 8<sup>th</sup>.*

*Robinson Garcia states that he had spoken with Ms. McConnell on May 11<sup>th</sup>, and that he had informed her that there was a verbal contract at that time. He states that he has done exactly what Ms. McConnell has told him to do, except that he had not given her a copy of the contract earlier. He adds that he had informed the Wrays that he didn't want there to be any issues, as he had had issues with a former tenant of the space. He states that he doesn't see any justification in the fine, and that he has never participated in any sort of marijuana event. He states that other landlords do not get fined when their tenants do things wrong, and that he had told Ms. McConnell that he would not rent to (the Wrays) if she was uncomfortable with it.*

*Mark Springer states that the contract was violated, which is evidenced by photographs the Board has seen. He asks whether the Board imposed a fine, if Mr. Garcia would be able to make a claim against the insurance policy that was required by the contract.*

*Robinson Garcia states that he would just like to be left alone, and that he thinks that the best solution would be just to never rent to them again.*

*Mark Springer asks whether Ms. McConnell is okay with Mr. Garcia's proposal, now that she sees the contract and has heard his testimony.*

*Erika McConnell states that what was proposed and what has occurred at this event every year is against state law. She states that it's really up to the Board.*

*Brandon Emmett states that it seems like some greater care should have been taken to ensure that consumption didn't occur, but that if the Board does decide to impose a \$10,000 fine, that the industry is going to have a very hard time to find venues to hold future events. He adds that this seems to be a bit steep.*

*Nick Miller states that overall, he doesn't support fining Mr. Garcia overall. He agrees that Mr. Garcia should have taken some care to ensure that consumption was not occurring, but that he cannot support a fine for a landlord for renting his venue for things that happened that were out of his control and while he wasn't there.*

*Loren Jones states that he finds it interesting that the contract wasn't signed until the day before the event, but that it states that if an alcohol permit is required, that it be obtained fifteen days before the event. He adds that he doesn't think that there was a lot of adequate due diligence done here.*

*Mark Springer states that he would agree with that, but that he is also kind of hesitant to fine a landlord, especially a substantial amount. He asks Mr. Garcia what exactly the Wrays told him they had in mind when they came to him and stated that they wanted to rent his venue.*

*Robinson Garcia states that the Wrays told him that it was an award show, and that that's all he was aware of. He states that he's a landlord and a business owner, and he knows that everything that goes on in his building reflects on him. He adds that he tries to be very thorough in everything he does, and as an owner of multiple facilities and business, he has to assess which event will be a larger liability. He states that the Wrays assured him that there was going to be no consumption, and that this would be an awards show with some education.*

*Brandon Emmett moves that the Board vacate the fine against Mr. Garcia.*

*Nick Miller seconds the motion.*

*Motion carries, 3-1 (Loren Jones votes No).*

*Erika McConnell asks whether Mr. Garcia has taken down the Pot Luck Events sign.*

*Robinson Garcia states that he has not taken it down because he needs to get a certain type of tool.*

*Erika McConnell states that she had asked him to take that down a year ago.*

*Robinson Garcia states that he has had it covered up, and that he will address that here in the next couple of days.*

## ● LICENSING BRIEFING

### A. Program Coordinator's Report

11:03am

TAB 9

*Sarah Oates provides the Board with updates regarding staff and workloads, education and training plans, license renewal applications, and license application statistics. She requests that the Board consider approving minor changes to Forms MJ-05 and MJ-16, approving Form MJ-26: Quality Control Report, and delegating to the director the authority to place a condition on a*



*license that a licensee not use CO2 when a fire marshal indicates that it is not approving the use of CO2.*

*Brandon Emmett moves that the Board delegate to the director the ability to remove CO2 use from the operating plan when included as a condition by the Fire Marshal.*

*Nick Miller seconds the motion.*

*None opposed, motion carries.*

*Brandon Emmett moves to approve the changes to MJ-16 and MJ-05 as proposed by the Program Coordinator.*

*Nick Miller seconds the motion.*

*None opposed, motion carries.*

*Brandon Emmett states that in MJ-26, a deadline of seven days to return the report to the licensee would be applicable.*

*Loren Jones states that if the Board wants the form to be returned by a certain date, then there should be a field on the form and a signature by the licensee.*

*Brandon Emmett moves to approve MJ-26 with the addition of a date (that the form is returned to the licensee) and some quality questions as provided by staff.*

*Nick Miller seconds the motion.*

*None opposed, motion carries.*

## ● REGULATIONS

### A. Proposed Projects

#### 1. Testing Working Group Recommendations

11:26am

TAB 10

*Jed Smith, Local Government Specialist, identifies himself for the record and states that the majority of the information is included in the report.*

*Brandon Emmett states that the format that the working group has taken is that it is searching for consensus on all items, and when there is not consensus, then the group is bringing both options to the Board for consideration. He summarizes the recommendations of the group set forth in the memo and proposed draft regulations.*

*Loren Jones asks about how the four proposed categories would affect the tax structure.*

*Brandon Emmett states that the categories bud and flower and primary trim would fall under the Department of Revenue's definitions of flower for tax purposes, and that secondary trim and kief would fall under the trim definition for tax purposes.*

*Sarah Oates states that some of the changes here are to clean up the regulations to meet both the Board's intent and what is actually being done.*

*Harriet Milks states that adopting documents by reference has to be in regulation. She states that policy guidelines are generally disfavored, as they are not in regulation and part of the public process. She adds that if they are guidelines, then they cannot hold licensees to the guidelines as they do regulations.*

*Sarah Oates and Brandon Emmett discuss the two different proposed options presented to the Board regarding sample size requirements.*

● **LUNCH BREAK**

**11:54am**

● **REGULATIONS**

**A. Proposed Projects**

**1. Testing Working Group Recommendations**

**1:02pm**

**TAB 10**

*Loren Jones asks whether the language is ready to be put out for public comment, or whether it needs to be reviewed by the Department of Law first.*

*Harriet Milks states that it is up to the Board.*

*Brandon Emmett moves to propose that the regulation included in Tab 10 be opened as a regulations project and sent out for public comment, using the second option included in the memo (for sample requirements).*

*Nick Miller seconds the motion.*

*Loren Jones amends the motion to include that the public comment period be for 45 days.*

*Brandon Emmett seconds the amendment.*

*Motion to amend carries unanimously.*

*Motion to open a regulations project, send it out for public comment for 45 days, and use the second option carries unanimously.*

*Loren Jones moves to table Tabs 12-16 to the end of the agenda, time-permitting.*

*Brandon Emmett seconds the motion.*

*None opposed, motion carries.*

● **ACCUSATION HEARING**

**1:26pm**

**A. License #10237:**

**AlaskaSense, LLC**

Licensee:

AlaskaSense, LLC

License Type:

Standard Marijuana Cultivation Facility

Premises Address:

521 W Tudor Road, Unit 202

Anchorage, AK 99503

Local Government:

Municipality of Anchorage

*Mark Springer states that this hearing has been scheduled for June 26<sup>th</sup>.*

● **NEW MARIJUANA HANDLER COURSE PROVIDER APPLICATIONS**

- A. MHCP 024:** **Alaska Marijuana Handlers** **1:27pm** **TAB 17**  
Applicant: 360training.com, Inc. (Caleb Smith)

*Brandon Emmett recuses himself from voting and discussion.*

*Caleb Smith identifies himself for the record and answers Board questions about the proposed course.*

*Loren Jones moves that the Board approve MHCP 024 Alaska Marijuana Handlers for 360training.*

*Nick Miller seconds the motion.*

*Motion carries unanimously.*

- B. MHCP 026:** **Alaska Marijuana Handler Certification (1:37pm)** **TAB 18**  
Applicant: Green CulturED (Evan Erickson)

*Evan Erickson identifies himself for the record and answers Board questions about the proposed course.*

*Loren Jones moves to approve MHCP 026 Alaska Marijuana Handler Certification for Green CulturED.*

*Nick Miller seconds the motion.*

*Mark Springer voices concerns about the penalty sections of the course and the number of plants allowed in a personal grow, as well as the sections that seem to be giving medical advice.*

*Motion fails, 1-2 (Loren Jones votes Yes).*

- C. MHCP 027:** **Marijuana Permit Training 1.0** **1:46pm** **TAB 19**  
Applicant: MPT (Kevin Baker)

*Loren Jones moves that the Board approve MHCP 027 Marijuana Permit Training 1.0.*

*Nick Miller seconds the motion.*

*Kevin Baker identifies himself for the record and answers Board questions about the proposed course.*

*Motion fails unanimously.*

● **APPLICATIONS FROM PREVIOUS MEETINGS**

**A. Tabled**

- |                           |  |               |                      |
|---------------------------|--|---------------|----------------------|
| <b>1. License #10254:</b> | <b>AlaskaSense, LLC</b>                                      | <b>1:59pm</b> | <b><u>TAB 20</u></b> |
| Licensee:                 | AlaskaSense, LLC   |               |                      |
| License Type:             | Retail Marijuana Store                                       |               |                      |
| Premises Address:         | 217 E 4 <sup>th</sup> Avenue, Suite D<br>Anchorage, AK 99501 |               |                      |
| Local Government:         | Municipality of Anchorage                                    |               |                      |
| <b>For Consideration:</b> | <b>Tabled at May 2018 meeting</b>                            |               |                      |

*Brandon Emmett rejoins the meeting.*

*Erika McConnell reminds the Board that it tabled this application at the last meeting because it wanted to wait until after the accusation hearing.*

*The Board members agree to table this until the August meeting, so that they may consider this after the accusation hearing on June 26<sup>th</sup>.*

**B. Delegated**

- |                           |   |               |                      |
|---------------------------|---|---------------|----------------------|
| <b>1. License #11664:</b> | <b>Suilnua</b>  | <b>2:01pm</b> | <b><u>TAB 21</u></b> |
| Licensee:                 | Suilnua, LLC  |               |                      |
| License Type:             | Standard Marijuana Cultivation Facility   |               |                      |
| Premises Address:         | 5600 N Cunningham Road<br>Palmer, AK 99645  |               |                      |
| Local Government:         | Matanuska-Susitna Borough   |               |                      |
| <b>For Consideration:</b> | <b>LG protest; in “delegated” status for over one year<br/>(license approved on May 15, 2017) pending resolution<br/>of protest</b> |               |                      |

*Jana Weltzin, legal counsel, and Adam Boyd, licensee, identify themselves for the record and provide an update to the Board regarding the status with the local government.*

*Erika McConnell states that upholding the protest with an abeyance would mean that if the protest is lifted within the abeyance period, then the license would be considered approved with delegation.*

*Loren Jones moves that the Board rescind its prior approval with delegation, and uphold the protest with a 120-day abeyance, in accordance with 3 AAC 306.060.*

*Brandon Emmett seconds the motion.*

*Motion carries unanimously.*

- 2. License #13776: Alaska Skunkworks, LLC 2:05pm TAB 22**  
 Licensee: Alaska Skunkworks, LLC  
 License Type: Standard Marijuana Cultivation Facility  
 Premises Address: 37331 S Talkeetna Spur Road  
 Talkeetna, AK 99676  
 Local Government: Matanuska-Susitna Borough  
**For Consideration: LG protest (approved with delegation April 5, 2018)**

*Lance Wells, legal counsel, and Andrea Gunter, applicant, identify themselves for the record and provide an update to the Board regarding the status with the local government.*

*Loren Jones moves that the Board rescind its prior approval with delegation, and uphold the protest with a 120-day abeyance, in accordance with 3 AAC 306.060.*

*Brandon Emmett seconds the motion.*

*Motion carries unanimously.*

- 3. License #14200: Matanuska Cannabis Company, LLC 2:09pm TAB 23**  
 Licensee: Matanuska Cannabis Company, LLC  
 License Type: Retail Marijuana Store  
 Premises Address: 3550 S Old Glenn Highway  
 Palmer, AK 99645  
 Local Government: Matanuska-Susitna Borough  
**For Consideration: LG protest (approved with delegation April 5, 2018)**

*Lance Wells, legal counsel, and Chad Ragsdale, applicant, identify themselves for the record and inform the Board that the protest was lifted on June 12<sup>th</sup>.*

*Sarah Oates confirms that the staff received the lifted protest.*

*No action, delegation continues.*

**C. Licenses in "Pending Inspection" Status for Over Six Months TAB 24**

- 1. License #10057: Alaskan Cannabis Outfitters 2:12pm**  
 Licensee: Great White Bear, LLC  
 License Type: Retail Marijuana Store  
 Premises Address: 41945 Sterling Highway  
 Homer, AK 99603  
 Local Government: Kenai Peninsula Borough  
 Approved by MCB: April 5, 2017  
 License Issued: November 22, 2017

*William Bear, applicant, provides an update to the Board regarding the construction of the facility.*

- 2. License #11411:** **Denali Dispensaries, LLC** **2:16pm**  
Licensee: Denali Dispensaries, LLC  
License Type: Retail Marijuana Store  
Premises Address: 225 E 5<sup>th</sup> Avenue  
Anchorage, AK 99501  
Local Government: Municipality of Anchorage  
Approved By MCB: April 5, 2017  
License Issued: September 8, 2017

*Bradley Bartlett, applicant, provides an update to the Board regarding the facility.*

- 3. License #11920:** **AK Joint** **2:17pm**  
Licensee: Alaska Joint Ventures, LLC  
License Type: Limited Marijuana Cultivation Facility  
Premises Address: 7801 Schoon Street, Unit D  
Anchorage, AK 99518  
Local Government: Municipality of Anchorage  
Approved by MCB: July 12, 2017  
License Issued: November 8, 2017

*Colleen Howard, applicant, provides an update to the Board regarding the construction of the facility.*

- 4. License #12311:** **Juneau's Green Garden** **2:18pm**  
Licensee: ISG, Inc.  
License Type: Standard Marijuana Cultivation Facility  
Premises Address: 5011 Short Street, Suite 1  
Juneau, AK 99801  
Local Government: City and Borough of Juneau  
Approved By MCB: September 14, 2017  
License Issued: October 4, 2017

*Paul Burrows, applicant, and Jana Weltzin, legal counsel, identify themselves for the record. Jana Weltzin informs the Board that the ownership is changing, and that the transfer application was filed in April but has not been reviewed by staff yet, so the establishment cannot open until then.*

*Loren Jones states that the City and Borough of Juneau has reviewed a conditional use permit for the same location but under different ownership and a different name.*

- 5. License #12768:** **Secret Garden Cannabis** **2:21pm**  
Licensee: Axion Enterprises, LLC  
License Type: Retail Marijuana Store  
Premises Address: 726 E 15th Avenue, Suite 1  
Anchorage, AK 99501  
Local Government: Municipality of Anchorage  
Approved By MCB: July 12, 2017  
License Issued: October 4, 2017

*Jana Weltzin, legal counsel, and James Thornton, applicant, provide an update to the Board regarding the construction of the facility for this license and the cultivation facility (#12770).*

**6. License #12770:**                      **Secret Garden Cannabis**  
Licensee:                                      Axion Enterprises, LLC  
License Type:                                Standard Marijuana Cultivation Facility  
Premises Address:                        726 E 15th Avenue, Suite 3  
   Anchorage, AK 99501  
Local Government:                        Municipality of Anchorage  
Approved by MCB:                        July 12, 2017  
License Issued:                              October 4, 2017

**D. Licenses in “Delegated” Status for Approximately One Year**

**TAB 25**

**1. License #10180:**                      **AK Shadows**                                      **2:23pm**  
Licensee:                                      Jesse Y Holzschuh  
License Type:                                Standard Marijuana Cultivation Facility  
Premises Address:                        525 Anisha Drive  
   Fairbanks, AK 99709  
Local Government:                        Fairbanks North Star Borough  
Approved By MCB:                        July 7, 2016  
**Pending:**                                      **Fire Marshal approval**

*Applicant is not present to speak to the Board.*

*Erika McConnell states that this was on the agenda for the same reason two meetings ago, but the applicant was not present then to speak to the Board. She recommends that the Board have her put this on the next agenda, and if he does not show up at that meeting, then the Board would rescind the approval and deny the license.*

*The Board members nod and voice their agreement with the proposal.*

● **BOARD CONSIDERATION**

**A. License #10024:**                      **Art’s Alaskan Plantation**                                      **2:25pm**                                      **TAB 26**  
Licensee:                                      Arthur A Church  
License Type:                                Limited Marijuana Cultivation Facility  
Premises Address:                        9444 Blackie Loop  
   Willow, AK 99688-1044  
Local Government:                        Matanuska-Susitna Borough  
**For Consideration:**                        **Request for time extension under 3 AAC 306.920(b)**

*Brandon Emmett moves to approve a time extension of 90 days until July 28<sup>th</sup> under 3 AAC 306.920(b).*

*Nick Miller seconds the motion.*

*Motion carries unanimously.*

<b>B. License #11731:</b>	<b>AK Slow Burn Cannabis Outlet</b>	<b>2:27pm</b>	<b><u>TAB 27</u></b>
Licensee:	AK Slow Burn Cannabis Outlet, LLC		
License Type:	Retail Marijuana Store		
Premises Address:	1551 E. Tudor Road Anchorage, AK 99507		
Local Government:	Municipality of Anchorage		
<b>For Consideration:</b>	<b>Appealing Failed to Complete Notice</b>		

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

*Erika McConnell states that on October 12, 2017, she instructed her staff to send an email to over 200 applicants who were in “new” or “initiated” status who didn’t seem to be doing anything with their applications. She states that she was invoking 3 AAC 306.025(f), and a few applicants submitted all of their documents by January 10<sup>th</sup>; the remainder were moved to “failed to complete” status. She adds that there were several applicants who had worked on their applications, submitted some documents and forms after receiving that email, but not completing those within the 90 days. In March, Ms. Weltzin pointed out to her that 3 AAC 306.025(f) references subsection (e) which states that if an application for a license is incomplete, the director shall notify the applicant and shall either return the incomplete application in its entirety or shall request the applicant to provide additional identified items needed to complete the application. Because neither of those occurred, the original decision was rescinded for 6-7 of those, and those applicants were provided with a list of items needed and given a new 90-day deadline.*

*Jana Weltzin provides a history of the applicant’s work with the Anchorage Assembly on this application, specifically regarding Municipal buffer zones. She states that under 3 AAC 306.025(e), Erika would be required to return the actual online application itself to the applicant in order to meet the regulatory requirement, but that did not happen. She adds that in order to comply with the regulation, this application should be returned to its initiated status.*

*Loren Jones states that the Board is two years into this, and that basically what the Board is being asked to do (by the applicant) is to keep the applicant out of limbo with the Municipality.*

*Brandon Emmett moves to give AK Slow Burn 90 days to submit all elements and payment for the application.*

*Nick Miller seconds the motion.*

*Motion carries, 3-1 (Loren Jones votes No).*

<b>C. License #16015:</b>	<b>Bluffside Gardens</b>	<b>2:40pm</b>	<b><u>TAB 28</u></b>
Licensee:	Bluffside Gardens, LLC		
License Type:	Limited Marijuana Cultivation Facility		
Premises Address:	39700 S Parks Highway Talkeetna, AK 99676		
Local Government:	Matanuska-Susitna Borough		
<b>For Consideration:</b>	<b>Residency pending</b>		

*Brian Tunnell, applicant, identifies himself for the record.*



*Brandon Emmett moves to table the application until August.  
Loren Jones seconds the motion.  
None opposed, motion carries.*

● **NEW MARIJUANA TESTING FACILITY APPLICATIONS**

<b>A. License #15124:</b>	<b>Fairbanks Analytical Testing, LLC</b>	<b>2:41pm</b>	<b><u>TAB 29</u></b>
Licensee:	Fairbanks Analytical Testing, LLC		
Premises Address:	1521 Stacia Street, Suite A Fairbanks, AK 99701		
Local Government:	City of Fairbanks		

*Dylan Macomber and Ron Eads, applicants, Jeff Werner, Scientific Director, and Jessica Smith and Lance Wells, legal counsel and staff, identify themselves for the record and answer Board questions about the application and their qualifications.*

*Brandon Emmett moves to approve license 15124 Fairbanks Analytical Testing, LLC with delegation.  
Nick Miller seconds the motion.  
Brandon Emmett states that the delegation will include the requirement that the licensee provide copies of its standard operating procedures (SOPs).  
Mark Springer states that the delegation will include the requirement that the licensee provide a premises diagram that shows the layout of the testing equipment.*

*Dylan Macomber states that her lab tech has a Bachelor's degree in chemistry.  
The Board members voice concerns about the experience and qualifications of the scientific director, and about the results of the recent desk audit of the operating testing facilities.*

*Loren Jones moves to table the application, and that the Board requests more information regarding the scientific director's lab experience.  
Brandon Emmett seconds the motion and states that if Mr. Werner were to get some sort of recommendation or endorsement from a former professor or dean, it would be helpful.  
Sarah Oates asks whether the Board would also like for the applicant to provide copies of the SOPs and the requested floor plan that shows the location of the equipment.  
The Board members state that they would.  
Motion carries unanimously.*

● **BREAK** **3:11pm**

● **NEW MARIJUANA TESTING FACILITY APPLICATIONS**

<b>B. License #15590:</b>	<b>Peak Analytical, LLC</b>	<b>3:26pm</b>	<b><u>TAB 30</u></b>
Licensee:	Peak Analytical, LLC		
Premises Address:	2208 Tongass Avenue Ketchikan, AK 99901		
Local Government:	City of Ketchikan		

*Tim Jurczak, applicant, and Kara Jurczak, applicant and Scientific Director, identify themselves for the record and answer Board questions about the application and their qualifications.*

*Brandon Emmett moves to approve license 15590 with delegation.*

*Nick Miller seconds the motion.*

*Motion carries unanimously.*

● **NEW STANDARD MARIJUANA CULTIVATION FACILITY APPLICATIONS**

<b>A. License #13479:</b>	<b>North Star Fire</b>	<b>3:39pm</b>	<b><u>TAB 31</u></b>
Licensee:	North Star Fire, LLC		
Premises Address:	3780 Leasure Street, Suite 3 Fairbanks, AK 99701		
Local Government:	Fairbanks North Star Borough		

*Jana Weltzin, legal counsel, and Kirsten Hagen, applicant, identify themselves for the record and answer Board questions about the application.*

*Brandon Emmett moves to approve license 13479 with delegation.*

*Nick Miller seconds the motion.*

*Motion carries unanimously.*

<b>B. License #13785:</b>	<b>Alaskan Pharms, LLC</b>	<b>3:48pm</b>	<b><u>TAB 32</u></b>
Licensee:	Alaskan Pharms, LLC		
Premises Address:	Block 7 Lot 8 Naukati, AK 99950		
Local Government:	No Local Government		

*Jana Weltzin, legal counsel, and John Wright, applicant, identify themselves for the record and answer Board questions about the application.*

*Brandon Emmett moves to approve license 13785 with delegation.*

*Nick Miller seconds the motion.*

*The Board members discuss the received objections.*

*Motion carries unanimously.*

● **NEW LIMITED MARIJUANA CULTIVATION FACILITY APPLICATIONS**

<b>A. License #13310:</b>	<b>AK Cultivations</b>	<b>4:05pm</b>	<b><u>TAB 33</u></b>
Licensee:	Charles J Campbell & Justin J Bacher		
Premises Address:	2611 South Desiree Circle Wasilla, AK 99654		
Local Government:	Matanuska-Susitna Borough		

*Brandon Emmett moves to approve license 13310 AK Cultivations with delegation.*

*Nick Miller seconds the motion.*

*Justin Bacher and Charles Campbell, applicants, identify themselves for the record and answer Board questions about the application.*

*The Board members agree to add to the delegation that the licensees check in with DEC to make sure that their proposed pesticides are acceptable.*

*Motion carries unanimously.*

<b>B. License #13752:</b>	<b>Northern Dreams, LLC</b>	<b>4:14pm</b>	<b><u>TAB 34</u></b>
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 with delegation.  
Nick Miller seconds the motion.*

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

*Loren Jones states that the delegation will include the requirement that the applicant provide a new premises diagram that more clearly defines the properties and ownership of the properties.  
Mark Springer states that the delegation will include the requirement that the applicant provide a Google Earth aerial photo of the property.*

*Motion carries unanimously.*

<b>C. License #13910:</b>	<b>Alaskan Farmacy</b>	<b>4:20pm</b>	<b><u>TAB 35</u></b>
Licensee:	Charles T Elliott		
Premises Address:	34049 Klondike Avenue E Sterling, AK 99672		
Local Government:	Kenai Peninsula Borough		
<b>For Consideration:</b>	<b>Conditions pursuant to 3 AAC 306.060(b)</b>		

*Applicant is not present.*

*Brandon Emmett moves to table license 13910 until the August meeting.  
Nick Miller seconds the motion.  
None opposed, motion carries.*

<b>D. License #15190:</b>	<b>Coldsmoke Farms</b>	<b>4:21pm</b>	<b><u>TAB 36</u></b>
Licensee:	Michael J Welch		
Premises Address:	34669 Commerce Street Soldotna, AK 99669-9412		
Local Government:	Kenai Peninsula Borough		
<b>For Consideration:</b>	<b>Conditions pursuant to 3 AAC 306.060(b)</b>		

*Michael Welch, applicant, identifies himself for the record and answers Board questions about the application.*

*Brandon Emmett moves to approve license 15190 with delegation and Kenai Peninsula Borough conditions.*

*Nick Miller seconds the motion.*

*Motion carries unanimously.*

● **NEXT MARIJUANA CONTROL BOARD MEETING**

**4:26pm**

Agenda deadline for August 15-16 meeting: July 27, 2018

*Erika McConnell asks whether the Board members would be open to meeting in Fairbanks in August, rather than Denali, considering costs and accessibility of the public to the meeting.*

*The Board members agree that they should meet in Fairbanks, and that the meeting could extend to three days, if necessary.*

● **NEW MARIJUANA PRODUCTS**

**A. License #10082:**

**Einstein Labs**

**4:31pm**

**TAB 44**

Licensee:

Einstein Enterprises, Inc.

License Type:

Marijuana Product Manufacturing Facility

Premises Address:

2939 Porcupine Drive, Suite B

Anchorage, AK 99501-3118

Local Government:

Municipality of Anchorage

*Jana Weltzin, legal counsel, and Justin Roland, licensee, identify themselves for the record and answer Board questions about the proposed product.*

*Brandon Emmett moves to approve product Mellow Crisps for license 10082.*

*Nick Miller seconds the motion.*

*Motion carries unanimously.*

● **RECESS**

**4:26pm**

**Marijuana Control Board**  
**Meeting Minutes**  
**June 15, 2018**  
**Third Judicial District**  
**Atwood Building**  
**550 W. 7<sup>th</sup> Avenue, Rooms 102 & 104**  
**Anchorage, Alaska**  
**Call-in Number: 1-800-315-6338, code 69176#**

● **ADMINISTRATION**

A. **Call to Order** 9:02am

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

**Staff Members Present:**

Erika McConnell, Director  
Sarah Oates, Program Coordinator

**Legal Counsel Present:**

Harriet Milks, Assistant Attorney General

● **NEW MARIJUANA PRODUCT MANUFACTURING FACILITY APPLICATIONS**

<b>A. License #15594:</b>	<b>Cold Creek Extracts</b>	<b>9:03am</b>	<b><u>TAB 37</u></b>
Licensee:	Cold Creek Extracts, LLC		
Premises Address:	7801 Schoon Street, Unit L Anchorage, AK 99518		
Local Government:	Municipality of Anchorage		

*Erika McConnell informs the Board that this applicant has been using his equipment to manufacture marijuana products prior to approval from the Board. She is not alleging that he was selling any of these products. She adds that personal production of marijuana products is not straightforward in the statute, and it is hard to argue that using commercial equipment would be to manufacture for personal use.*

*Mark Springer states that he knows that people, prior to receiving their licenses, have plants on the premises, and that the Board has consistently asked product manufacturers whether the photos of their proposed products are ones that were manufactured by the applicant or not. He asks legal counsel whether the Board would have a leg to stand on to apply a fine for something that is legal.*

*Harriet Milks states that she does not have a quick definitive answer – what he has does is not specifically or clearly prohibited.*

*Erika McConnell states that she does not permit people to bring plants onto the premises before the Board has approved it.*

*Jason Brandeis, legal counsel, and Cade Inscho, applicant, identify themselves for the record, hand out printouts of statutes to the Board members, and state that there was never any intent to distribute or sell what was produced.*

*Jason Brandeis reads AS 17.38.020(1), which permits the personal use of marijuana accessories, AS 17.30.900(9) and (11) which define manufacture and marijuana accessories (respectively), and AS 11.71.900(13) which defines manufacture. He states that he agrees that there is ambiguity in the statute, and that there isn't any evidence of commercial activity or criminal intent. He adds that he thinks this is a good opportunity to get guidance from the Board, but does not agree that a \$5,000 fine is appropriate.*

*Loren Jones states that he understands that argument but does not want to accept it because of the fact that this individual is not a new licensee – he has held other licenses.*

*Jason Brandeis states that if the activity is legal under the statute, then experience of the applicant does not matter. He adds that Mr. Inscho believed that he was acting in accordance with what is permitted, as he was allowed to test the equipment for another license when he was in delegated status. He states that this is someone who has tried to act in compliance with the laws, and that he was basing his actions on acts that had been allowed prior.*

*Loren Jones points out that staff found out about this actions because they were posted on Facebook, which goes beyond asking someone if they've tested a batch in a residential kitchen.*

*Jason Brandeis states that the new equipment for this license has different operating processes than for the other licenses.*

*Erika McConnell states that enforcement has advised product manufacturers that they can test their equipment using things other than marijuana. She states that the Board should be very clear that personal grow and commercial facilities should be kept very separate.*

*Jason Brandeis states that when he was contacted by enforcement about this, he was very surprised because of guidance that he had received under a different license. The attorney for a license he was formerly a part of had received confirmation from enforcement that the activity was acceptable.*

*Brandon Emmett moves that the (\$5,000) fine be upheld with \$3,750 suspended, pending that for one year after the course of licensure that the applicant not receive any notices of violation for advertising or Metrc tracking.*

*Loren Jones seconds the motion.*

*Nick Miller states that he can't support the fine because it's still unclear to him which law was violated, and that unless the director can tell him specifically which statute or regulation was violated, then he's not positive what they're giving the fine for.*

*Erika McConnell reads AS 17.38.070(c) regarding allowable acts of a licensed marijuana product manufacturing facility.*

*Jason Brandeis states that Alaska has a common law system for a reason. He states that it's very difficult to capture the practical realities of an industry in regulation, which is why this country has judicial or Board interpretation of a potential ambiguous law. He states that the statutes and regulations do not put limitations upon a potential licensee. He states that if somebody had a personal warehouse and performed these acts, that they would be legal under the personal use statute. He states that this group has not had a chance to have a thorough legal analysis of this situation except for what is happening orally right now. He states that it is not fair to hold this applicant to the same sort of standard as other individuals who violated sections of law that were clear and significantly less ambiguous. He adds that this should, instead, be an situation where the Board would offer guidance to the industry.*

*Mark Springer states that the applicant is not a current licensee, the acts did not take place on a licensed premises, the amount that was produced appears to be within the legal amount allowed under personal use provisions, and that the manufacture of marijuana concentrates by an individual for personal use is legal. He adds that he is not sure that the Board is on solid enough legal grounds to impose a fine, and that if this gets appealed, that it will cost both sides money.*

*Brandon Emmett withdraws his motion.*

*Loren Jones states that if there is ambiguity, which he certainly feels there is, there are two ways to remedy it – through the lengthy legislative process, or by taking an action that one would assume would be appealed, and to receive a judicial ruling. He adds that the latter is harder to do and costly, but that not knowing what will result from the legislative process or a judicial review is not a reason to not act.*

*Brandon Emmett moves to approve license 15594 Cold Creek Extracts with delegation.  
Nick Miller seconds the motion.*

*Cade Inscho answers Board questions about the application and proposed products.*

*Brandon Emmett moves to approve all products listed in MJ-05 for Cold Creek Extracts.  
Nick Miller seconds the motion.  
Motion carries unanimously.*

*Motion to approve the license with delegation carries unanimously.*

*Erika McConnell requests that the Board now provide the staff with guidance versus personal versus commercial use.*

*Loren Jones states that his assumption has always been that if a person, a business, is abiding by the regulations and the law, and prior to that, they're not licensed. He states that if you want to be a licensee, you need to come into that license application process as clean as you can be, and stay that way.*

*Nick Miller states that a testing license that was approved yesterday was asked by the Board whether they had been testing marijuana yet, and they said that they had been with no repercussions. He states that if a facility is testing its equipment beforehand, then he's okay with that because he wants them to operate correctly.*

*Mark Springer asks legal counsel whether once somebody has initiated an application and paid the fee, would it be possible for the Board to put a clause in the application where an applicant for any license, by dint of applying, puts themselves under the jurisdiction of the Board. He asks if an applicant commits an illegal act during the application process, whether the Board would have jurisdiction.*

*Harriet Milks states that the Board has jurisdiction over all of the criminally-punishable provisions of AS 17.38. She recommends that the Board provide some guidance right now about what an applicant should and should not do with respect to marijuana during the application process.*

*Mark Springer asks whether the Board can include a certification in the application that says that the Board has jurisdiction.*

*Harriet Milks states that it would be very hard to argue that the Board has jurisdiction over acts that could be considered personal use.*

*Brandon Emmett moves to include Ms. Milks's recommendations to be part of the marijuana application process, whatever form that may best fit on.*

*Nick Miller seconds the motion.*

*Mark Springer states that the intent there would be for there to be a certification on the applications for cultivators and product manufacturers.*

*Sarah Oates reminds the Board that Arcticanna had been growing personal plants within her home (which was the proposed premises) with the intent to shift them over to her commercial facility.*

*Brandon Emmett states that he thinks this should be a requirement for all license types, and not just manufacturers or growers.*

*Harriet Milks states that consistency is definitely important.*

*Mark Springer states that he would like to pick this discussion up later in the day.*

*Brandon Emmett withdraws his motion and states that he would like to discuss this later.*



<b>B. License #15800:</b>	<b>Baked Alaska, LLC</b>	<b>9:58am</b>	<b><u>TAB 38</u></b>
Licensee:	Baked Alaska, LLC		
Premises Address:	2745 Hanson Road, Unit B Fairbanks, AK 99709		
Local Government:	City of Fairbanks		

*Audrey Ranstead, applicant, identifies herself for the record, states that Steve Hallsten is on the phone, and answers Board questions about the application.*

*Brandon Emmett moves to approve license 15800 with delegation.  
Nick Miller seconds the motion.*

*The Board members voice concerns about the “unoccupied space” area.*

*Steve Hallsten states that the licensed premises is already 2500sqft, and that he has a river board in that area right now. He states that their conditional use permit with the City of Fairbanks limits the size of the space to 2500sqft, and adding that unoccupied space would put them at 3500sqft.*

*Mark Springer states that the delegation will include that the licensee remove the anti-inflammatory statement from the Healing Body Balm, but that the remainder of the statement for the balm may remain.*

*Brandon Emmett states that the delegation will include the requirement that the Fruit Chews be drab in color, and not bright.*

*Brandon Emmett moves to approve all of the products proposed on the MJ-05 form for this licensee.*

*Nick Miller seconds the motion.  
Motion carries unanimously.*

*Loren Jones states that the delegation for the license will include that enforcement look at how the building is built and determine whether anything needs to be done for the unoccupied space.*

*Motion to approve the license with delegation carries unanimously.*

● **BREAK** **10:25am**

● **NEW LICENSE APPLICATIONS FOR RELATED APPLICANTS**

<b>A. License #13394:</b>	<b>High Flower On King</b>	<b>10:44am</b>	<b><u>TAB 39</u></b>
Licensee:	King Street Ventures, Inc.		
License Type:	Retail Marijuana Store		
Premises Address:	9525 King Street, Suite 1 Anchorage, AK 99515		
Local Government:	Municipality of Anchorage		

*Erika McConnell states that the applicant is a close friend of hers, and that the staff has been informed that any issues with these licenses should be brought to Ms. Oates or Mr. Hoelscher. She recuses herself from the meeting.*

*Brandon Emmett moves to approve license 13394 with delegation.  
Nick Miller seconds the motion.*

*Jana Weltzin, legal counsel, and Catherine Moncrieff, applicant, identify themselves for the record and answer Board questions regarding this and the following two applications.*

*Motion carries unanimously.*

<b>B. License #13395:</b>	<b>High Flower Creations</b>	<b>10:59am</b>	<b><u>TAB 40</u></b>
Licensee:	Alaskan Mountain Trails, LLC		
License Type:	Marijuana Product Manufacturing Facility		
Premises Address:	9525 King Street, Suite 3 Anchorage, AK 99515		
Local Government:	Municipality of Anchorage		

*Loren Jones moves that the Board approve license 13395 High Flower Creations with delegation.  
Brandon Emmett seconds the motion.*

*Brandon Emmett moves to approve all products listed in Form MJ-05 for this license.  
Nick Miller seconds the motion.  
Motion carries unanimously.*

*Motion to approve the license with delegation carries unanimously.*

<b>C. License #13396:</b>	<b>High Flower Farms</b>	<b>11:06am</b>	<b><u>TAB 41</u></b>
Licensee:	Alaskan Mountain Trails, LLC		
License Type:	Standard Marijuana Cultivation Facility		
Premises Address:	9525 King Street, Suite 2 Anchorage, AK 99515		
Local Government:	Municipality of Anchorage		

*Brandon Emmett moves to approve license 13396 with delegation.  
Nick Miller seconds the motion.  
Motion carries unanimously.*

*Erika McConnell rejoins the meeting.*

<b>D. License #13613:</b>	<b>Puffin AK</b>	<b>11:08am</b>	<b><u>TAB 42</u></b>
Licensee:	RDA Enterprise, LLC		
License Type:	Retail Marijuana Store		
Premises Address:	200 W 68 <sup>th</sup> Avenue, Unit A1 Anchorage, AK 99518		
Local Government:	Municipality of Anchorage		

*Brandon Emmett moves to approve license 13613 with delegation.*

Nick Miller seconds the motion.

Jana Weltzin, legal counsel, and Ana Hall, applicant, identify themselves for the record and answer Board questions about this and the next application.

Mark Springer states that the delegation will include the requirement that there be a door between the retail and cultivation facilities for employee use, and that the diagram clearly show the door.

Motion carries unanimously.

<b>E. License #13614:</b>	<b>Puffin AK</b>	<b>11:21am</b>	<b><u>TAB 43</u></b>
Licensee:	RDA Enterprise, LLC		
License Type:	Standard Marijuana Cultivation Facility		
Premises Address:	200 W 68 <sup>th</sup> Avenue, Unit A2 Anchorage, AK 99518		
Local Government:	Municipality of Anchorage		

Brandon Emmett moves to approve license 13614 with delegation.

Nick Miller seconds the motion.

Motion carries unanimously.

● **OWNERSHIP TRANSFER APPLICATIONS** **11:23am**

Brandon Emmett moves to go into executive session for licenses 10284 and 11638 to consider designation of proprietary information under 3 AAC 306.905.

Nick Miller seconds the motion.

Mark Springer states that the Erika McConnell, Harriet Milks, Sarah Oates, the licensee (and counsel), and the Board will be present.

Brandon Emmett moves to come out of executive session. **11:37am**

Nick Miller seconds the motion.

Motion carries unanimously.

<b>A. License #10284:</b>	<b>Broken Dirt, LLC</b>	<b>11:38am</b>	<b><u>TAB 45</u></b>
Licensee:	Catalyst Cannabis Company		
License Type:	Standard Marijuana Cultivation Facility		
Premises Address:	5001 Eagle Street, Suite B Anchorage, AK 99503		
Local Government:	Municipality of Anchorage		
Transferor:	Broken Dirt, LLD (controlling interest) DBA Catalyst Cannabis Company		

**Executive Session to consider designation of proprietary information under 3 AAC 306.905**

Brandon Emmett moves that the MJ-19: Creditors Affidavit for 10284 and any notices and responses from creditors will be considered proprietary information.

Nick Miller seconds the motion.

*Motion carries unanimously.*

*Loren Jones moves to approve (the ownership transfer of) license 10284 with delegation.*

*Brandon Emmett seconds the motion.*

*Motion carries unanimously.*

<b>B. License #11638:</b>	<b>Broken Dirt, LLC</b>	<b>11:40am</b>	<b><u>TAB 46</u></b>
Licensee:	Catalyst Cannabis Company		
License Type:	Retail Marijuana Store		
Premises Address:	9900 Old Seward Highway, #4 Anchorage, AK 99515		
Local Government:	Municipality of Anchorage		
Transferor:	Broken Dirt, LLD (controlling interest) DBA Catalyst Cannabis Company		

**Executive Session to consider designation of proprietary information under 3 AAC 306.905**

*Brandon Emmett moves that the MJ-19: Creditors Affidavit for 11638 and any notices and responses from creditors will be considered proprietary information.*

*Nick Miller seconds the motion.*

*Motion carries unanimously.*

*Brandon Emmett moves to approve the ownership transfer of license 11638 with delegation.*

*Nick Miller seconds the motion.*

*Motion carries unanimously.*

*Erika McConnell asks whether all MJ-19s and creditor notices and responses would be determined to be confidential unless specifically specified by the applicant.*

*Harriet Milks states that that would not mean that those documents are not subject to public disclosure, but that they would not go into the Board packets and up on the website.*

*The Board members all agree that all MJ-19s and creditor notices and responses would be considered confidential in that they would not be posted on the website or included in the Board packets, unless an objection is received from a creditor.*

● **LUNCH BREAK** **11:46am**

● **TESTING FACILITY DESK AUDIT** **1:00pm**

*Patryce McKinney, Chief of the Environmental Health Lab for the Department of Environmental Conservation, identifies herself for the record, provides an overview for the Board of the findings in the desk audit report of the marijuana testing facilities, and answers Board questions.*

● **OPERATING PLAN CHANGES**

- A. License #10268:** **Flying High Investments, LLC** **1:30pm** **TAB 47**  
Licensee: Flying High Investments, LLC  
License Type: Standard Marijuana Cultivation Facility  
Premises Address: 14.7 Mile McCarthy Road  
Chitina, AK 99566  
Local Government: No Local Government

*Brandon Emmett moves to approve the operating plan changes for license 10268 Flying High Investments, LLC.*

*Nick Miller seconds the motion.*

*James Fejes, licensee, identifies himself for the record and answers Board questions about the proposed changes.*

*Motion carries unanimously.*

- B. License #10299:** **R.C. Tinderbox, LLC** **1:32pm** **TAB 48**  
Licensee: R.C. Tinderbox, LLC  
License Type: Standard Marijuana Cultivation Facility  
Premises Address: 7801 King Street  
Anchorage, AK 99518  
Local Government: Municipality of Anchorage

*Nick Miller recuses himself from voting and discussion.*

*Brandon Emmett moves to approve the operating plan changes for license 10299.*

*Loren Jones seconds the motion.*

*Jana Weltzin, legal counsel, and Chris Euscher, licensee, identify themselves for the record and answer Board questions about the proposed changes.*

*Motion carries unanimously.*

*Nick Miller rejoins the meeting.*

- C. License #10589:** **Natures Releaf, LLC** **1:35pm** **TAB 49**  
Licensee: Natures Releaf, LLC  
License Type: Retail Marijuana Store  
Premises Address: 503 7<sup>th</sup> Avenue  
Fairbanks, AK 99701  
Local Government: City of Fairbanks

*Brandon Emmett moves to approve the operating plan changes for license 10589 Natures Releaf.  
Nick Miller seconds the motion.*

*Barbara Paschall, licensee, identifies herself for the record and answers Board questions about the proposed changes.*

*Motion carries unanimously.*

**D. License #10975:** **Satori** **1:38pm** **TAB 50**  
Licensee: Baker Industries, LLC  
License Type: Retail Marijuana Store  
Premises Address: 221 E 5<sup>th</sup> Avenue  
Anchorage, AK 99501  
Local Government: Municipality of Anchorage

*Brandon Emmett moves to approve the operating plan changes for license 10975.  
Nick Miller seconds the motion.*

*Jana Weltzin, legal counsel, and Andrew Baker, licensee, identify themselves for the record and answer Board questions about the proposed changes.*

*Motion carries unanimously.*

**E. License #11234:** **DKW Farms, LLC** **1:39pm** **TAB 51**  
Licensee: DKW Farms, LLC  
License Type: Standard Marijuana Cultivation Facility  
Premises Address: 4269 Richardson Highway  
Valdez, AK 99686  
Local Government: City of Valdez

*Brandon Emmett moves to approve the operating plan changes for license 11234 DKW Farms, LLC.*

*Nick Miller seconds the motion.*

*Licensee is not present.*

*Brandon Emmett states that his motion will be with the delegation included in the director's memo regarding DEC.*

*Motion carries unanimously.*

**F. License #11303:** **Hollyweed 907** **1:42pm** **TAB 52**  
Licensee: YNY Investment, LLC  
License Type: Retail Marijuana Store  
Premises Address: 2429 E 88<sup>th</sup> Avenue  
Anchorage, AK 99507  
Local Government: Municipality of Anchorage

*Brandon Emmett moves to approve the operating plan changes for license 11303 Hollyweed 907.  
Nick Miller seconds the motion.*

*Jana Weltzin, legal counsel, identifies herself for the record and answers Board questions about the proposed changes.*

*Motion carries unanimously.*

- G. License #11413:**                      **Denali Dispensaries, LLC**                      **1:43pm**                      **TAB 53**  
Licensee:                                      Denali Dispensaries, LLC  
License Type:                                Standard Marijuana Cultivation Facility  
Premises Address:                         4603 Pittman Road  
    Wasilla, AK 99623  
Local Government:                         Matanuska-Susitna Borough

*Brandon Emmett moves to approve the operating plan changes for license 11413 Denali Dispensaries with delegation as contained in the memorandum.  
Nick Miller seconds the motion.*

*Bradley Bartlett, licensee, identifies himself for the record and answers Board questions about the proposed changes.*

*Motion carries unanimously.*

- H. License #11605:**                      **Always Redeye, LLC**                      **1:46pm**                      **TAB 54**  
Licensee:                                      Always Redeye, LLC  
License Type:                                Standard Marijuana Cultivation Facility  
Premises Address:                         2005 Anka Street  
    Juneau, AK 99801  
Local Government:                         City and Borough of Juneau

*Brandon Emmett moves to approve the operating plan changes for license 11605 Always Redeye with delegation as included in the memorandum.  
Nick Miller seconds the motion.*

*Casey Wilkins, licensee, identifies himself for the record and answers Board questions about the proposed changes.*

*Motion carries unanimously.*

- I. License #12550:**                      **Frontier Farmers**                      **1:49pm**                      **TAB 55**  
Licensee:                                      JJH Holdings, LLC  
License Type:                                Limited Marijuana Cultivation Facility  
Premises Address:                         6284 N Carrie Street  
    Wasilla, AK 99654  
Local Government:                         Matanuska-Susitna Borough

*Brandon Emmett moves to approve the operating plan changes for license 12550 Frontier Farmers with delegation as included in the memorandum.  
Nick Miller seconds the motion.*

*Josh Hunter, licensee, and Jana Weltzin, legal counsel, identify themselves for the record and answer Board questions about the proposed changes.*

*Motion carries unanimously.*

**J. License #12904:** **Grass Frontier Farms** **1:55pm** **TAB 56**  
Licensee: KAD, LLC  
License Type: Standard Marijuana Cultivation Facility  
Premises Address: 7596 W Carmel Road  
Wasilla, AK 99623  
Local Government: Matanuska-Susitna Borough

*Brandon Emmett moves to approve the operating plan changes for license 12904.  
Nick Miller seconds the motion.*

*Anthony Mann, licensee, identifies himself for the record and answers Board questions about the proposed changes.*

*Motion carries unanimously.*

## ● REGULATIONS

### A. Proposed Projects

#### 2. Staff Recommendations **2:02pm** **TAB 11**

*The Board members request that staff bring language to the next meeting so that it may consider opening a regulations project regarding local government protests (topic 1 in the memo).*

*Brandon Emmett moves to open a regulations project on expiration of public notice and time limit for application completeness (topic 2 in the memo).*

*Nick Miller seconds the motion.*

*Motion carries unanimously.*

*Loren Jones moves to open a regulations project on the expiration language and dates (topic 3 in the memo).*

*Brandon Emmett seconds the motion.*

*Motion carries unanimously.*

*Brandon Emmett moves to open a regulations project amending 3 AAC 306.565(c) to allow for wholesaling to retail licenses so that retail stores may allow for deli-style sale of concentrates.*

*Nick Miller seconds the motion.*

*Motion carries unanimously.*

*Mark Springer requests that the director include some examples of universal THC symbols in her director's report for the Board to consider at next meeting.*

*Brandon Emmett moves to open a regulations project and put the draft language regarding residency out for public comment (topic 6 in the memo).*

*Loren Jones seconds the motion.*



*Motion carries unanimously.*

*Mark Springer recommends amending the proposed draft for topic 7 in the memo regarding out-of-state investment in testing facilities, to clarify that a testing facility license may also be renewed or transfer ownership under those circumstances.*

*Brandon Emmett moves to send (the draft regulation regarding out-of-state investment in testing facilities) out for public comment.*

*Nick Miller seconds the motion.*

*Motion carries, 3-1 (Loren Jones votes No).*

● **BREAK** **2:41pm**

● **REGULATIONS**

**A. Proposed Projects**

**3. Board Requests** **2:57pm**

*The Board members state that they do not have any additional regulations projects to propose.*

**B. Drafts for Board Review, Pending Public Comment Opportunity**

**1. Onsite Consumption** **2:58pm** **TAB 12**

Status: Revised draft for board consideration

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

*Brandon Emmett moves to table this project until August when they will have all five members.  
Loren Jones seconds that motion.*

*Loren Jones states that there may need to be some amendments made to the draft because of SB 63.*

*Brandon Emmett states that he agrees.*

*Motion carries unanimously.*

**C. Public Comments Received**

**1. Plant Count for New Cultivators** **3:00pm** **TAB 13**

Status: Comment period closed June 1, 2018

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

*Brandon Emmett moves to adopt the language as written.*

*Nick Miller seconds the motion.*

*The Board members discuss the public comments received.*

*Motion carries unanimously.*

**2. Advertising and Promotional Activities** **3:08pm** **TAB 14**

Status: Comment period closed June 1, 2018  
Potential Board Actions: Vote to adopt; OR  
Substantially amend and put out for public comment

*The Board members discuss the public comments received.*

*Loren Jones moves that the Board adopt regulations on advertising in 3 AAC 306.360 and 3 AAC 306.760.*

*Nick Miller seconds the motion.*

*Motion carries unanimously.*

**3. Waste Disposal** **3:47pm** **TAB 15**

Status: Comment period closed June 5, 2018  
Potential Board Actions: Vote to adopt; OR  
Substantially amend and put out for public comment

*No public comments received to consider.*

*Loren Jones moves that the Board adopt the changes in this regulation project to 3 AAC 306.660 and 3 AAC 306.740.*

*Brandon Emmett seconds the motion.*

*Motion carries unanimously.*

**4. Date of Issuance of Handler Permits; Extend Video Storage Retention Time; Definition of "Recreation or Youth Center"** **3:50pm** **TAB 16**

Status: Comment period closed June 1, 2018  
Potential Board Actions: Vote to adopt; OR  
Substantially amend and put out for public comment

*The Board members discuss the public comments received.*

*Brandon Emmett moves to adopt the regulations project for date of issue of handler permits.*

*Nick Miller seconds the motion.*

*Motion carries unanimously.*

*Loren Jones moves that the Board approve the extended video storage retention time as presented.*

*Mark Springer seconds the motion for discussion.*

*Loren Jones moves to amend the 120 days to 90 days for adoption.*

*Brandon Emmett seconds the motion.*

*Harriet Milks states that this is a substantive enough change that it would have to go back out for public comment.*

*Motion carries unanimously.*

*Motion to adopt the extended video storage retention time regulation as amended fails, 2-2 (Nick Miller and Brandon Emmett vote No).*

*Brandon Emmett moves to table this definition of recreation or youth center proposed regulation until the August meeting when the Board has its fifth member.  
Nick Miller seconds the motion.  
Motion carries unanimously.*

*Loren Jones moves that 3 AAC 306.720(e) as amended (to require 90 days of video storage retention time) be put out for public comment.  
Mark Springer seconds the motion for discussion.  
Motion carries, 3-1 (Brandon Emmett votes No).*

● **DISCUSSION REGARDING PERSONAL VERSUS COMMERCIAL USE** **4:05pm**

*Loren Jones states that his advice would be to keep personal and commercial uses of marijuana completely separate until an establishment is licensed.*

*Brandon Emmett states that he agrees with Mr. Jones's comments, except that the Board needs to consider proposed premises within a residence, and whether a proposed testing facility could test equipment prior to being licensed.*

*The Board members request that the director and her staff bring a draft resolution to the August meeting for consideration by the Board.*

● **MARIJUANA MAILBOX**

- A. All correspondence received in the [marijuana@alaska.gov](mailto:marijuana@alaska.gov) inbox **4:23pm** **TAB 57**  
from March 17 – May 25, 2018.

*Brandon Emmett states that the Board (and staff) need to make sure that all of the comments that are submitted before the deadline are included in the tabs the first time.*

● **BOARD COMMENTS** **4:27pm**

*Loren Jones states that at the end of the first day, he was very unhappy with the dealing of the NOV's because the Board spent hours talking about issues that they were not going to take action on at this meeting. He requests that as staff review the enforcement plan before it comes to the Board, that there be a section that covers NOV's – to include how and when enforcement should issue a NOV versus an advisory notice, and how the enforcement team would envision the Board dealing with the NOV's. He states that maybe the staff could put together a list that the Board could put out as an advisory as to what language provided on a label would be considered claiming therapeutic or health benefits.*

*Nick Miller states that he would love to see the enforcement plan at the next meeting, and he commends the licensing staff for their hard work.*

*Brandon Emmett thanks his fellow Board members and the staff for their hard work. He thanks the public and the testing working group.*

*Mark Springer compliments the staff for their hard work. He states that licensees should not be coming up and defending themselves to the Board for a NOV. He adds that the adoption of a resolution of the Cole Memo principals should be a good starting point for the enforcement plan, and states that the Board should not be micromanaging the staff. He thanks the public and those who testified.*

● **ADJOURN**

**4:38pm**

*Brandon Emmett moves to adjourn.*

Minutes prepared by:



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Sarah D. Oates  
Program Coordinator