

Alcohol & Marijuana Control Office

License Number: 10005

License Status: Active-Operating

License Type: Standard Marijuana Cultivation Facility

Doing Business As: ROSIE CREEK FARM

Business License Number: 1032030

Designated Licensee: Michael J Emers

Email Address: mike@rosiecreekfarm.com

Local Government: Fairbanks North Star Borough

Community Council:

Latitude, Longitude: 64.745000, -148.090000

Physical Address: 2659 Livingston Loop
Fairbanks, AK 99709
UNITED STATES

Licensee #1

Type: Entity

Alaska Entity Number: 10035620

Alaska Entity Name: RCFC, LLC

Phone Number: 907-479-3642

Email Address: mike@rosiecreekfarm.com

Mailing Address: P.O. Box 181
Ester, AK 99725
UNITED STATES

Entity Official #1

Type: Individual

Name: Joan E Hornig

Phone Number: 907-479-3642

Email Address: jehornig@rosiecreekfarm.com

Mailing Address: P.O. Box 181
Ester, AK 99725
UNITED STATES

Entity Official #2

Type: Individual

Name: Michael J Emers

Phone Number: 907-479-3642

Email Address: mike@rosiecreekfarm.com

Mailing Address: P.O. Box 181
Ester, AK 99725
UNITED STATES

Note: No affiliates entered for this license.



Alaska Marijuana Control Board

Form MJ-20: Renewal Application Certifications

What is this form?

This renewal application certifications form is required for all marijuana establishment license renewal applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306. A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each licensee (as defined in 3 AAC 306.020(b)(2)) before any license renewal application will be considered complete.

Section 1 – Establishment Information

Enter information for the licensed establishment, as identified on the license application.

Licensee:	RCFC, LLC	License Number:	10005		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	ROSIE CREEK FARM				
Premises Address:	2659 Livingston Loop				
City:	Fairbanks	State:	AK	ZIP:	99709

Section 2 – Individual Information

Enter information for the individual licensee who is completing this form.

Name:	Michael J Emers
Title:	Member

Section 3 – Changes to Licensed Marijuana Establishment

Read each line below, and then sign your initials in the box to the right of only the applicable statement:

Initials

I certify that **no changes have been made**, except for those that have been previously reported or requested on a form prescribed by the Board, to this licensed establishment's business name, ownership, licensed premises diagram, or operating plan, and (for marijuana product manufacturers) that I do not wish to request Board approval for production of any new proposed marijuana products.



I certify that **a change has been or will be made** to one or more of the items listed above for this establishment, and I understand that an additional form(s) and fee(s) must be submitted to AMCO before any renewal application for this license can be considered complete.



If you have selected the second certification, please list any and all of the types of changes that need to be reported/requested:

--

**Form MJ-20: Renewal Application Certifications****Section 4 – Certifications****Read each line below, and then sign your initials in the box to the right of any applicable statements:**

Initials

I certify that I have **not** been convicted of any criminal charge in the previous two calendar years.I certify that I have **not** committed any civil violation of AS 04, AS 17.38, or 3 AAC 306 in the previous two calendar years.I certify that a notice of violation has **not** been issued for this license.**Sign your initials to the following statement only if you are unable to certify one or more of the above statements:**

Initials

I have attached a written explanation for why I cannot certify one or more of the above statements, which includes the type of violation or offense, as required under 3 AAC 306.035(b).

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that no person other than a licensee listed on my marijuana establishment license renewal application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which the marijuana establishment license has been issued.

I certify that I meet the residency requirement under AS 43.23 for a permanent fund dividend in the 2018 calendar year.

I certify that this establishment complies with any applicable health, fire, safety, or tax statute, ordinance, regulation, or other law in the state.

I certify that I am operating in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.

I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Marijuana Control Board.

I certify that I understand that providing a false statement on this form, the online application, or any other form provided by or to AMCO is grounds for rejection or denial of this application or revocation of any license issued.

As an applicant for a marijuana establishment license renewal, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Marijuana Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff may result in additional fees or expiration of this license.

Signature of licensee

Michael J Emers

Printed name of licensee

CHRISTINA THIBODEAUX
Notary Public
State of Alaska
My Commission Expires Mar 31, 2021

Notary Public in and for the State of Alaska

My commission expires: March 31, 2021

Subscribed and sworn to before me this 1st day of June, 2018.



Alaska Marijuana Control Board

Form MJ-20: Renewal Application Certifications

What is this form?

This renewal application certifications form is required for all marijuana establishment license renewal applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306. A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each licensee (as defined in 3 AAC 306.020(b)(2)) before any license renewal application will be considered complete.

Section 1 – Establishment Information

Enter information for the licensed establishment, as identified on the license application.

Licensee:	RCFC, LLC	License Number:	10005		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	ROSIE CREEK FARM				
Premises Address:	2659 Livingston Loop				
City:	Fairbanks	State:	AK	ZIP:	99709

Section 2 – Individual Information

Enter information for the individual licensee who is completing this form.

Name:	Joan E Hornig
Title:	Member

Section 3 – Changes to Licensed Marijuana Establishment

Read each line below, and then sign your initials in the box to the right of only the applicable statement:

Initials

I certify that no changes have been made, except for those that have been previously reported or requested on a form prescribed by the Board, to this licensed establishment's business name, ownership, licensed premises diagram, or operating plan, and (for marijuana product manufacturers) that I do not wish to request Board approval for production of any new proposed marijuana products.



I certify that a change has been or will be made to one or more of the items listed above for this establishment, and I understand that an additional form(s) and fee(s) must be submitted to AMCO before any renewal application for this license can be considered complete.



If you have selected the second certification, please list any and all of the types of changes that need to be reported/requested:

--



Form MJ-20: Renewal Application Certifications

Section 4 – Certifications

Read each line below, and then sign your initials in the box to the right of any applicable statements:

Initials

I certify that I have **not** been convicted of any criminal charge in the previous two calendar years.

☒

I certify that I have **not** committed any civil violation of AS 04, AS 17.38, or 3 AAC 306 in the previous two calendar years.

☒

I certify that a notice of violation has **not** been issued for this license.

☐

Sign your initials to the following statement only if you are unable to certify one or more of the above statements:

Initials

I have attached a written explanation for why I cannot certify one or more of the above statements, which includes the type of violation or offense, as required under 3 AAC 306.035(b).

☒

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that no person other than a licensee listed on my marijuana establishment license renewal application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which the marijuana establishment license has been issued.

☒

I certify that I meet the residency requirement under AS 43.23 for a permanent fund dividend in the 2018 calendar year.

☒

I certify that this establishment complies with any applicable health, fire, safety, or tax statute, ordinance, regulation, or other law in the state.

☒

I certify that I am operating in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.

☒

I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Marijuana Control Board.

☒

I certify that I understand that providing a false statement on this form, the online application, or any other form provided by or to AMCO is grounds for rejection or denial of this application or revocation of any license issued.

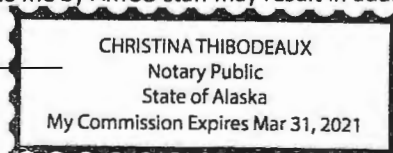
☒

As an applicant for a marijuana establishment license renewal, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Marijuana Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff may result in additional fees or expiration of this license.

Signature of licensee

Joan E Hornig

Printed name of licensee



Notary Public in and for the State of Alaska

My commission expires: March 31, 2021

Subscribed and sworn to before me this 1st day of June, 2018.

Notice of Violation

(3AAC 306.805)

This form, all information provided and responses are public documents per Alaska Public Records ACT AS 40.25

Date: 04-03-18

Licensee: RCFC, LLC

DBA: Rosie Creek Farm

License #/Type: 10005/Standard Marijuana Cultivation Facility

Address: 2659 Livingston Loop, Fairbanks, AK 99709

AMCO Case #: AB17-0000445

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

On 07/13/2017 I was with Alaska Department of Revenue Investigator Imes conducting a walk-through of Rosie Creek Farm, license # 10005, standard marijuana cultivation facility, when I discovered marijuana plants over 8-inches tall that were not tagged. I found ten plants between 9-11" tall planted in plastic pots on top of wooden pallets in the field which had not been tagged.

This is a violation of 3 AAC 306.435(a).

3 AAC 306.435: MARIJUANA INVENTORY TRACKING SYSTEM;

(a) A marijuana cultivation facility shall use a marijuana inventory tracking system in compliance with 3 AAC 306.730 to ensure all marijuana propagated, grown, or cultivated on the marijuana cultivation facility's premises is identified and tracked from the time the marijuana is propagated through transfer to another licensed marijuana establishment or destruction. The marijuana cultivation facility shall assign a tracking number to each plant over eight inches tall.

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A licensee may respond, either orally or in writing, to the Notice. 3 AAC 306.810(3)(A)(B)(C) failed, within a reasonable time after receiving a notice of violation from the director, to correct any defect that is the subject of the notice of violation of AS 17.38 or this chapter, a condition or restriction imposed by the board or other applicable law.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

*Please send your response to the address below and include your Marijuana Establishment License Number in your response.

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator: M. Chiesa

Received by:

SIGNATURE:



SIGNATURE:

Delivered VIA: Email

Date:

However, upon listening to the investigators' concerns when they visited the farm, I promptly removed the key, and subsequently made a copy.

Untagged plants – NOV Number 14

This is true and is entirely our fault. We had about 80 small plants in pots, 10 of the 80 plants were 9-11 inches and should have been tagged.



Notice of Violation

(3AAC 306.805)

This form, all information provided and responses are public documents per Alaska Public Records ACT AS 40.25

Date: 04-03-18

Licensee: RCFC, LLC

DBA: Rosie Creek Farm

License #/Type: 10005/Standard Marijuana Cultivation Facility

Address: 2659 Livingston Loop, Fairbanks, AK 99709

AMCO Case #: AB17-0000445

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

On 07/13/2017 I was with Alaska Department of Revenue Investigator Imes conducting a walk-through of Rosie Creek Farm, license # 10005, standard marijuana cultivation facility, when I saw the licensee did not have video surveillance coverage covering a large metal storage container where the licensee was storing marijuana. The container was not listed on the approved premise diagram, the container was unlocked and there were no cameras covering the interior of the container where the marijuana was being stored.

This is a violation of 3 AAC 306.430(d), 3 AAC 306.720(b) and 3 AAC 306.705(c):

3 AAC 306.430: RESTRICTED ACCESS AREA

(d) A marijuana cultivation facility shall have full video surveillance of the licensed premises as required under 3 AAC 306.720, including any area where marijuana is grown, processed, packaged, or stored, or where marijuana waste is destroyed.

3 AAC 306.720: VIDEO SURVEILLANCE

(b) At a marijuana establishment, a required video camera must be placed in a way that produces a clear view adequate to identify any individual inside the licensed premises, or within 20 feet of each entrance to the licensed premises. Both the interior and the exterior of each entrance to the facility must be recorded by a video camera.

3AAC 306.705: LICENSED PREMISE; ALTERATION

(c) A holder of a marijuana establishment license may not alter the functional floor plan or reduce or expand the area of the licensed premises without first obtaining the director's written approval.

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A licensee may respond, either orally or in writing, to the Notice. 3 AAC 306.810(3)(A)(B)(C) failed, within a reasonable time after receiving a notice of violation from the director, to correct any defect that is the subject of the notice of violation of AS 17.38 or this chapter, a condition or restriction imposed by the board or other applicable law.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

***Please send your response to the address below and include your Marijuana Establishment License Number in your response.**

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator: M. Chiesa

Received by:

SIGNATURE:



SIGNATURE:

Delivered VIA: Email

Date:

Article #

Received by AMCO 6.22.18

Surprisingly, I just received a telephone call from DOT's Department of Weights and Measures just now, letting us know they would be in town in the coming weeks to re-certify our scales. I used the call as an opportunity to question, Marjory (Gidget), Sanders (DOT's field officer in Anchorage) on this very topic. She thought that there had been a new determination made by AMCO that did specifically state that scales used to weight freshly harvested plants must be certified. She thought that these scales had to be accurate to within an ounce, however she ultimately was unsure and directed me back to Donald Brewer, who I just got off the phone with. Mr. Brewer was unaware that there had been any change of policy from AMCO since we had last spoken in August of 2016. He did say he had certified a few similar spring type hanging scales used by marijuana cultivators this year and that they were accurate to within 10 grams, but had not been told that this was mandatory for all cultivators. He reiterated that his department only regulates scales used for commercial transactions and that there are many other industries who are required to use certified scales for such transactions but not for initial weights (i.e. commercial fishing industry). Mr. Brewer said he was available to further discuss with issue directly with you if you wish.

I firmly believe that I approached this issue with due diligence and proceeded in a way that was in accordance with the directions given by METRC, AMCO and the DOT. We purchased top-of-the-line spring scales to use for harvest and attempted to weigh plants accurately, which I believe we have done. If there are other areas in which we have not performed to satisfaction, I apologize, but I do not believe this to be one."

Camera-contractors – NOV Number 6

This happened on August 22, 2017. We heard no concerns about it until this April 3, 2018 NOV. We did have camera coverage in the exact place where the contractors were working but not in the walkway where they would enter and exit from the trimming area. Upon discussion with the Enforcement officers, they helped us determined the best placement for the new cameras and we followed their direction immediately, installed the camera, and remedied the situation.

As for the repositioning of the cameras, we had redundancy on coverage and moved some cameras to provide better overall coverage of the facility.

Camera-Connex - NOV Number 7

This event occurred on 7/13/17. We heard no concerns about it till this April 3, 2018 NOV. At that time, and contrary to what is in the NOV, we did not have marijuana stored in the connex on this date since harvesting of marijuana did not start until July 21st 2017. We installed a camera in that connex in late July and began storing marijuana there in late August 2017. The NOV is accurate that we had the connex on the premises prior to having it approved on our licensed premises.

Camera-Gates – NOV Number 8



Notice of Violation

(3AAC 306.805)

This form, all information provided and responses are public documents per Alaska Public Records ACT AS 40.25

Date: 04-03-18

Licensee: RCFC, LLC

DBA: Rosie Creek Farm

License #/Type: 10005/Standard Marijuana Cultivation Facility

Address: 2659 Livingston Loop, Fairbanks, AK 99709

AMCO Case #: AB17-0000445

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

On 07/13/2017 I was with Alaska Department of Revenue Investigator Imes conducting a walk-through of Rosie Creek Farm, license # 10005, standard marijuana cultivation facility, when I saw the licensee did not have video surveillance coverage to covering each entrance and exit for the licensed premises. Two of the three gates accessing through the perimeter fence of the licensed premises did not have adequate video surveillance coverage.

This is a violation of 3 AAC 306.430(d) and 3 AAC 306.720(b):

3 AAC 306.430: RESTRICTED ACCESS AREA

(d) A marijuana cultivation facility shall have full video surveillance of the licensed premises as required under 3 AAC 306.720, including any area where marijuana is grown, processed, packaged, or stored, or where marijuana waste is destroyed.

3 AAC 306.720: VIDEO SURVEILLANCE

(b) At a marijuana establishment, a required video camera must be placed in a way that produces a clear view adequate to identify any individual inside the licensed premises, or within 20 feet of each entrance to the licensed premises. Both the interior and the exterior of each entrance to the facility must be recorded by a video camera.

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A licensee may respond, either orally or in writing, to the Notice. 3 AAC 306.810(3)(A)(B)(C) failed, within a reasonable time after receiving a notice of violation from the director, to correct any defect that is the subject of the notice of violation of AS 17.38 or this chapter, a condition or restriction imposed by the board or other applicable law.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

*Please send your response to the address below and include your Marijuana Establishment License Number in your response.

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator: M. Chiesa

Received by:

SIGNATURE:



SIGNATURE:

Delivered VIA: Email

Date:

Surprisingly, I just received a telephone call from DOT's Department of Weights and Measures just now, letting us know they would be in town in the coming weeks to re-certify our scales. I used the call as an opportunity to question, Marjory (Gidget), Sanders (DOT's field officer in Anchorage) on this very topic. She thought that there had been a new determination made by AMCO that did specifically state that scales used to weight freshly harvested plants must be certified. She thought that these scales had to be accurate to within an ounce, however she ultimately was unsure and directed me back to Donald Brewer, who I just got off the phone with. Mr. Brewer was unaware that there had been any change of policy from AMCO since we had last spoken in August of 2016. He did say he had certified a few similar spring type hanging scales used by marijuana cultivators this year and that they were accurate to within 10 grams, but had not been told that this was mandatory for all cultivators. He reiterated that his department only regulates scales used for commercial transactions and that there are many other industries who are required to use certified scales for such transactions but not for initial weights (i.e. commercial fishing industry). Mr. Brewer said he was available to further discuss with issue directly with you if you wish.

I firmly believe that I approached this issue with due diligence and proceeded in a way that was in accordance with the directions given by METRC, AMCO and the DOT. We purchased top-of-the-line spring scales to use for harvest and attempted to weigh plants accurately, which I believe we have done. If there are other areas in which we have not performed to satisfaction, I apologize, but I do not believe this to be one."

Camera-contractors – NOV Number 6

This happened on August 22, 2017. We heard no concerns about it until this April 3, 2018 NOV. We did have camera coverage in the exact place where the contractors were working but not in the walkway where they would enter and exit from the trimming area. Upon discussion with the Enforcement officers, they helped us determined the best placement for the new cameras and we followed their direction immediately, installed the camera, and remedied the situation.

As for the repositioning of the cameras, we had redundancy on coverage and moved some cameras to provide better overall coverage of the facility.

Camera-Connex - NOV Number 7

This event occurred on 7/13/17. We heard no concerns about it till this April 3, 2018 NOV. At that time, and contrary to what is in the NOV, we did not have marijuana stored in the connex on this date since harvesting of marijuana did not start until July 21st 2017. We installed a camera in that connex in late July and began storing marijuana there in late August 2017. The NOV is accurate that we had the connex on the premises prior to having it approved on our licensed premises.

Camera-Gates – NOV Number 8



This NOV notes that Enforcement noticed this issue on July 13, 2017. We heard no concerns about it until this April 3, 2018 NOV. Although we did have cameras pointed at all of the gates from within the facility, we did not have them positioned outside two of the three gates and facing outwards. The camera placement on the gates has been the same since our initial inspection in July of 2016. Since this was not identified as a violation at our initial inspection, we assumed that we were compliant. We wish that Enforcement had notified us at our initial inspection (2016) that they were not satisfied with the camera placement. We remedied this situation immediately after the July 13, 2017 inspection on one of the gates and on the far gate (where the distance is too great to run wire, we chained that gate shut so that it is no longer an entrance).

Camera HT-1 – NOV number 9

According to the NOV, Enforcement noticed this event on July 13, 2017. We heard no concerns about it until this April 3, 2018 NOV. High Tunnel 1 did collapse (due to snow) in December of 2016 and the cameras were offline as a result. Since there was no marijuana in it and the farm isn't in use during the winter, we did not inform Enforcement. We realize now that we should have. We did assemble the wreckage in the early summer of 2017 and rebuilt it. At that time, we also installed new cameras that were inspected by AMCO in August of 2017.

Premises Change Sept 2017 – NOV Number 10

Please see attached correspondence from my counsel explaining which structures were in use and when that was presented at the April 2018 MCB.

Premises Change – Propagation House – NOV Number 11

Please refer to the same exhibit referenced in NOV Premises change NOV number 10

Please see attached correspondence from my counsel explaining which structures were in use and when that was presented at the April 2018 MCB.

Restricted Access ID – NOV Number 12

It is true that the contractors did not have visitor or employee badges. However, their state issued marijuana cards were in a copy on file in the office - we should have either had them wear visitor badges and this is our mistake.

Unsecured Recording Equipment – NOV number 13

We kept the key for the recording equipment in the recording box for fear of losing it. Since the office is locked after hours and people are going in and out all day, we felt sure of its safety.



Notice of Violation

(3AAC 306.805)

This form, all information provided and responses are public documents per Alaska Public Records ACT AS 40.25

Date: 04/03/18

Licensee: RCFC, LLC

DBA: Rosie Creek Farm

License #/Type: 10005/Standard Marijuana Cultivation Facility

Address: 2659 Livingston Loop, Fairbanks, AK 99709

AMCO Case #: AB17-0000445

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

On 07/13/2017 I was with Alaska Department of Revenue Investigator Imes conducting a walk-through of Rosie Creek Farm, license # 10005, standard marijuana cultivation facility, when we went into the Rosie Creek Farm office and found the video surveillance recording equipment in a lockable metal storage box that had the key to the lock inside of the lock thus leaving the lockable box and the recording device unsecured. The door leading into the office was also unlocked. The licensee stated he did not want to lose the key which is why he kept in the lock.

This is a violation of 3 AAC 306.720(d)

3 AAC 306.435: VIDEO SURVEILLANCE;

(d) Surveillance recording equipment and video surveillance records must be housed in a locked and secure area or in a lock box, cabinet, closet or other secure area that is accessible only to a marijuana establishment licensee or authorized employee, and to law enforcement personnel including a peace officer or an agent of the board. A marijuana establishment may use an offsite monitoring service and offsite storage of video surveillance records if security requirements at the offsite facility are at least as strict as onsite security requirements as described in this section.

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A licensee may respond, either orally or in writing, to the Notice. 3 AAC 306.810(3)(A)(B)(C) failed, within a reasonable time after receiving a notice of violation from the director, to correct any defect that is the subject of the notice of violation of AS 17.38 or this chapter, a condition or restriction imposed by the board or other applicable law.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

*Please send your response to the address below and include your Marijuana Establishment License Number in your response.

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator: M. Chiesa

Received by:

SIGNATURE:



SIGNATURE:

Delivered VIA: Email

Date:

Article #

Received by AMCO 6.22.18

This NOV notes that Enforcement noticed this issue on July 13, 2017. We heard no concerns about it until this April 3, 2018 NOV. Although we did have cameras pointed at all of the gates from within the facility, we did not have them positioned outside two of the three gates and facing outwards. The camera placement on the gates has been the same since our initial inspection in July of 2016. Since this was not identified as a violation at our initial inspection, we assumed that we were compliant. We wish that Enforcement had notified us at our initial inspection (2016) that they were not satisfied with the camera placement. We remedied this situation immediately after the July 13, 2017 inspection on one of the gates and on the far gate (where the distance is too great to run wire, we chained that gate shut so that it is no longer an entrance).

Camera HT-1 – NOV number 9

According to the NOV, Enforcement noticed this event on July 13, 2017. We heard no concerns about it until this April 3, 2018 NOV. High Tunnel 1 did collapse (due to snow) in December of 2016 and the cameras were offline as a result. Since there was no marijuana in it and the farm isn't in use during the winter, we did not inform Enforcement. We realize now that we should have. We did assemble the wreckage in the early summer of 2017 and rebuilt it. At that time, we also installed new cameras that were inspected by AMCO in August of 2017.

Premises Change Sept 2017 – NOV Number 10

Please see attached correspondence from my counsel explaining which structures were in use and when that was presented at the April 2018 MCB.

Premises Change – Propagation House – NOV Number 11

Please refer to the same exhibit referenced in NOV Premises change NOV number 10

Please see attached correspondence from my counsel explaining which structures were in use and when that was presented at the April 2018 MCB.

Restricted Access ID – NOV Number 12

It is true that the contractors did not have visitor or employee badges. However, their state issued marijuana cards were in a copy on file in the office - we should have either had them wear visitor badges and this is our mistake.



Unsecured Recording Equipment – NOV number 13

We kept the key for the recording equipment in the recording box for fear of losing it. Since the office is locked after hours and people are going in and out all day, we felt sure of its safety.

However, upon listening to the investigators' concerns when they visited the farm, I promptly removed the key, and subsequently made a copy.

Untagged plants – NOV Number 14

This is true and is entirely our fault. We had about 80 small plants in pots, 10 of the 80 plants were 9-11 inches and should have been tagged.



Notice of Violation

(3AAC 306.805)

This form, all information provided and responses are public documents per Alaska Public Records ACT AS 40.25

Date: 04/03/2018

Licensee: RCFC, LLC

DBA: Rosie Creek Farm

License #/Type: 10005/Standard Marijuana Cultivation Facility

Address: 2659 Livingston Loop, Fairbanks, AK 99709

AMCO Case #: AB17-0000445

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

On 07/13/2017 I was with Alaska Department of Revenue Investigator Imes conducting a walk-through of Rosie Creek Farm, license # 10005, standard marijuana cultivation facility, when I discovered a high tunnel on the licensee's licensed premises was no longer standing and the surveillance cameras that had been covering the high tunnel and surrounding area where marijuana or marijuana product is moved on the licensed premises were no longer operational. leaving the area no longer covered by video surveillance cameras. The licensee's agent stated high tunnel 1 came down sometime in the winter. The licensee never contacted AMCO to advise of the building collapsing and the video surveillance cameras being off-line.

This is a violation of 3 AAC 306.430(d) and 3 AAC 306.720(b) :

3 AAC 306.430: RESTRICTED ACCESS AREA

(d) A marijuana cultivation facility shall have full video surveillance of the licensed premises as required under 3 AAC 306.720, including any area where marijuana is grown, processed, packaged, or stored, or where marijuana waste is destroyed.

3 AAC 306.720: VIDEO SURVEILLANCE

(b) At a marijuana establishment, a required video camera must be placed in a way that produces a clear view adequate to identify any individual inside the licensed premises, or within 20 feet of each entrance to the licensed premises. Both the interior and the exterior of each entrance to the facility must be recorded by a video camera.

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A licensee may respond, either orally or in writing, to the Notice. 3 AAC 306.810(3)(A)(B)(C) failed, within a reasonable time after receiving a notice of violation from the director, to correct any defect that is the subject of the notice of violation of AS 17.38 or this chapter, a condition or restriction imposed by the board or other applicable law.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

*Please send your response to the address below and include your Marijuana Establishment License Number in your response.

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator: M. Chiesa

Received by:

SIGNATURE:



SIGNATURE:

Delivered VIA: Email

Date:

Article #

Received by AMCO 6.22.18

This NOV notes that Enforcement noticed this issue on July 13, 2017. We heard no concerns about it until this April 3, 2018 NOV. Although we did have cameras pointed at all of the gates from within the facility, we did not have them positioned outside two of the three gates and facing outwards. The camera placement on the gates has been the same since our initial inspection in July of 2016. Since this was not identified as a violation at our initial inspection, we assumed that we were compliant. We wish that Enforcement had notified us at our initial inspection (2016) that they were not satisfied with the camera placement. We remedied this situation immediately after the July 13, 2017 inspection on one of the gates and on the far gate (where the distance is too great to run wire, we chained that gate shut so that it is no longer an entrance).

Camera HT-1 – NOV number 9

According to the NOV, Enforcement noticed this event on July 13, 2017. We heard no concerns about it until this April 3, 2018 NOV. High Tunnel 1 did collapse (due to snow) in December of 2016 and the cameras were offline as a result. Since there was no marijuana in it and the farm isn't in use during the winter, we did not inform Enforcement. We realize now that we should have. We did assemble the wreckage in the early summer of 2017 and rebuilt it. At that time, we also installed new cameras that were inspected by AMCO in August of 2017.

Premises Change Sept 2017 – NOV Number 10

Please see attached correspondence from my counsel explaining which structures were in use and when that was presented at the April 2018 MCB.

Premises Change – Propagation House – NOV Number 11

Please refer to the same exhibit referenced in NOV Premises change NOV number 10

Please see attached correspondence from my counsel explaining which structures were in use and when that was presented at the April 2018 MCB.

Restricted Access ID – NOV Number 12

It is true that the contractors did not have visitor or employee badges. However, their state issued marijuana cards were in a copy on file in the office - we should have either had them wear visitor badges and this is our mistake.

Unsecured Recording Equipment – NOV number 13

We kept the key for the recording equipment in the recording box for fear of losing it. Since the office is locked after hours and people are going in and out all day, we felt sure of its safety.



Notice of Violation

(3AAC 306.805)

This form, all information provided and responses are public documents per Alaska Public Records ACT AS 40.25

Date: 04-03-18

Licensee: RCFC, LLC

DBA: Rosie Creek Farm

License #/Type: #10005 Standard Cultivation

Address: 2659 Livingston Loop, Fairbanks, AK

AMCO Case #: AB17-0000445

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

On 07/13/17 Mr. Emers was requested to provide business records: transfer invoices in and out, invoices from contractors and/or any investors, records of expenses going in and out, and payroll records. What was provided included very minimal amount of hard copy invoices from contractors and none from investors, electronic transfer invoices out, two years of payroll spreadsheets, and a excel spreadsheet for master expenses.

After review of the documents, I requested the following business records on 8/22/17: Invoices in and out with payment receipts, canceled checks, or credit card receipts; completed transport manifests; proof of workers compensation insurance; current employee list; and security monitoring contracts with invoices for monthly services. Mr. Emers was given time to produce the documents.

On 8/28/17 more invoices from 2016, copies of employees and trimming contractor handler permits, electronic harvest batch spreadsheets, security contracts, and completed manifests. Mr. Emers admitted not all invoices were available to match to the master expenses spreadsheet because he had to still get documents from credit card statements, checkbook, electronic receipts, and some receipts were lost. He was advised the documents needed to be readily available as they are documents used for tax related purposes.

On 09/21/17 I requested promissory notes from undisclosed investors discovered during the investigation and written harvest log notebook copies. Mr. Emers provided the documents on 10/3/17. Several promissory notes were missing based on copies of canceled investment checks we had received from the Department of Homeland Security.

Mr. Emers admitted on 7/13/17 and 8/28/17 he compiled the expenses spreadsheets periodically by going through his bank and credit card statements, emails, and boxes of documents. He did not have business records organized in a manner to easily find, and had them mixed in with documents from his other LLC, Rosie Creek Farms, LLC, a vegetable farm business resulting in his inability to provide all invoices from purchases/contractors immediately on 7/13/17, 8/22/17, and 8/28/17.

This is a violation of 3 AAC 306.755 (a)(1)(7)(b)(c): Business Records and 3 AAC 306.725 (b) Inspection of licensed premises.

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A licensee may respond, either orally or in writing, to the Notice. 3 AAC 306.810(3)(A)(B)(C) failed, within a reasonable time after receiving a notice of violation from the director, to correct any defect that is the subject of the notice of violation of AS 17.38 or this chapter, a condition or restriction imposed by the board or other applicable law.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

***Please send your response to the address below and include your Marijuana Establishment License Number in your response.**

**Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov**

Issuing Investigator: A. Stonecipher

Received by:

SIGNATURE:



SIGNATURE:

Delivered VIA: Email

Date:

Article #

Received by AMCO 6.22.18

6) Flowering stage too soon: see above – since we have no real veg stage, we skip in Metrc straight to “flowering”.

7) Exceptional amount of plants destroyed for “industry standard”: I don’t understand what the “industry standard” is or how it can be applied against our operation. Our operation is not the typical indoor grow. (see attached pictures attached as Exhibit 2c-e). When we start thousands of plants from seed, half of them will be males. Although most of the males show flowers before they reach a taggable height, a large number still do not show flowers before they are planted in the field and must be subsequently destroyed after tagging. The Males that we keep for breeding purposes are in a separate portion of the facility where they cannot pollenate our main crop.

Also mold can be a very large problem in outdoor-grown plants. If we see a moldy plant, we must remove it immediately upon detection. In the summer of 2017 we had about 15,000 plants growing. Most of those plants produce about 1/5 of what indoor plants will produce and we must grow more plants to get a viable harvest. We are not able to artificially control the environment so we will always have higher numbers of plants that will die, become males, or become moldy because we grow outdoors, unprotected from the elements.

8) Harvest weights high: Since we grow outdoors in an agricultural setting, we have only one large harvest per year. Also since there is a short harvest window between the time of plant maturity and cool/wet weather that would damage the crop, we are forced into large daily harvests within a few weeks.

Business Records – NOV number 3

Although we had all the business records required by AMCO, it is true that business records were not immediately available or in a standard format upon Investigator Stonecipher’s request. However, as I read 3 AAC 306.755, I believe I do not have to instantly produce those documents the moment they are requested – I believe 3 AAC 306.755 allows me to have three business days after the request is made to provide the business records. I was surprised to see that the last sentence of the NOV states that I was in the wrong because of my inability to “immediately” produce documents. We continue to update and streamline our filing system and business records. I no longer use cumbersome spreadsheets to compile financial data, but instead use Quickbooks and now that data is caught up, I enter receipts as they come in – I didn’t use Quickbooks before because I know that Quickbooks has shut down the software when it finds out it’s used for cannabis business. Hopefully this will not happen and hopefully it will make our records more accessible to AMCO.

Conflicting Manifests – NOV number 4

This event occurred on August 21, 2017. The manifests conflict because I did not indicate on the manifest that Ms. Hellings would stop at Fred Meyer gas. This is my error. I now know to add gas stops on a manifest.



Notice of Violation

(3AAC 306.805)

This form, all information provided and responses are public documents per Alaska Public Records ACT AS 40.25

Date: 04-03-18

Licensee: RCFC, LLC

DBA: Rosie Creek Farm

License #/Type: 10005/Standard Marijuana Cultivation Facility

Address: 2659 Livingston Loop, Fairbanks, AK 99709

AMCO Case #: AB17-0000445

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

On 08/22/2017 Investigator Amanda Stonecipher and I went to Rosie Creek Farm, license # 10005, standard marijuana cultivation facility, to inspect a large amount of waste the licensee reported to AMCO he intended to destroy. While on the premises the licensee showed us a large amount of moldy marijuana waste he was storing in a refrigerated cold storage unit along with vegetables from his farm. The cold storage unit was not indicated as a location to store marijuana or marijuana waste on his licensed premises diagram.

Additionally, we found two new structures on the licensed premises that were not there when I was at the premises on 07/13/2017. These structures included a climate controlled metal storage container that had been installed and a 2-room pre-fabricated office building. Both structures were not on the licensee's approved licensed premises diagram. Both structures were listed on an application for a licensed premises diagram change that had not been approved by the Marijuana Control Board. I saw marijuana in both new structures. The licensee was using the pre-fabricated building for processing marijuana and the climate controlled storage container for storing marijuana. Further inspection of the licensed premises revealed the licensee was storing several mature male plants in the Pepper greenhouse, including one large male plant planted in the greenhouse amongst his pepper plants. The pepper greenhouse was not designated as place marijuana would be grown according to both the approved and pending licensed premises diagrams.

This is a violation of 3 AAC 306.705(c) and 3 AAC 306.735 (b)(10)(11) Health and Safety Standards:

3AAC 306.705: LICENSED PREMISE; ALTERATION

(c) A holder of a marijuana establishment license may not alter the functional floor plan or reduce or expand the area of the licensed premises without first obtaining the director's written approval.

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A licensee may respond, either orally or in writing, to the Notice. 3 AAC 306.810(3)(A)(B)(C) failed, within a reasonable time after receiving a notice of violation from the director, to correct any defect that is the subject of the notice of violation of AS 17.38 or this chapter, a condition or restriction imposed by the board or other applicable law.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

*Please send your response to the address below and include your Marijuana Establishment License Number in your response.

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator: M. Chiesa

Received by:

SIGNATURE:



SIGNATURE:

Delivered VIA: Email

Date:

Article #

Received by AMCO 6.22.18

This NOV notes that Enforcement noticed this issue on July 13, 2017. We heard no concerns about it until this April 3, 2018 NOV. Although we did have cameras pointed at all of the gates from within the facility, we did not have them positioned outside two of the three gates and facing outwards. The camera placement on the gates has been the same since our initial inspection in July of 2016. Since this was not identified as a violation at our initial inspection, we assumed that we were compliant. We wish that Enforcement had notified us at our initial inspection (2016) that they were not satisfied with the camera placement. We remedied this situation immediately after the July 13, 2017 inspection on one of the gates and on the far gate (where the distance is too great to run wire, we chained that gate shut so that it is no longer an entrance).

Camera HT-1 – NOV number 9

According to the NOV, Enforcement noticed this event on July 13, 2017. We heard no concerns about it until this April 3, 2018 NOV. High Tunnel 1 did collapse (due to snow) in December of 2016 and the cameras were offline as a result. Since there was no marijuana in it and the farm isn't in use during the winter, we did not inform Enforcement. We realize now that we should have. We did assemble the wreckage in the early summer of 2017 and rebuilt it. At that time, we also installed new cameras that were inspected by AMCO in August of 2017.

Premises Change Sept 2017 – NOV Number 10

Please see attached correspondence from my counsel explaining which structures were in use and when that was presented at the April 2018 MCB.

Premises Change – Propagation House – NOV Number 11

Please refer to the same exhibit referenced in NOV Premises change NOV number 10

Please see attached correspondence from my counsel explaining which structures were in use and when that was presented at the April 2018 MCB.

Restricted Access ID – NOV Number 12

It is true that the contractors did not have visitor or employee badges. However, their state issued marijuana cards were in a copy on file in the office - we should have either had them wear visitor badges and this is our mistake.

Unsecured Recording Equipment – NOV number 13

We kept the key for the recording equipment in the recording box for fear of losing it. Since the office is locked after hours and people are going in and out all day, we felt sure of its safety.



Response to NOVs number 10 and 11



Received by AMCO 6.22.18



Jana D. Weltzin
Licensed in Alaska &
Arizona 3003
Minnesota Blvd.,
Suite 201
Anchorage, Alaska 99501
Phone 630-913-1113
Main Office 907-231-3750
JDW, LLC
jana@jdwccounsel.com

April 3, 2018

Director McConnell
Chief James Hoelscher
MCB Board

*Sent Via Electronic Mail
And Hand Delivered*

Re: Rosie Creek Farm Standard Cultivation, License No. 10005

This letter is in response to Director McConnell's board memo for my client, Mike Emers' MJ-15 operating plan change that is on the current meeting agenda. I believe it is vital that all facts be presented to all parties so that a fully informed decision may be made – a non-approval of the MJ15 & MJ14 or similarly a tabling of the matter would be devastating for this outdoor operation.

Some of the structures that are being added to the cultivation licensed premises via the submitted MJ-14/15 were previously existing structures that were used for vegetable farming and some structures are brand new to the property. Regardless, all of the structures requested to be used by the licensee in this MJ14 were previously disclosed and requested to be approved (as various uses, some non-marijuana related) in July of 2017 - the MCB tabled the request in the July 2017 meeting.

-High tunnel 5 was disclosed to the board on the July 2017 MJ14 premises change request, although it was attempting to change designation from a licensed premises to be designated as used for growing cherry tomatoes, however this was not approved. The current request is to allow use of the high tunnel for marijuana, even though it was already approved as a licensed area in his original MJ02 premises submission in 2016 at the time of licensing – **to date Mike has not used this for marijuana.**

-Small greenhouse – this was originally approved on the original 2016 diagram – Mike tried to change it to unrestricted access for vegetable farming in July 2017, but the MCB did not approve that request, so it remained a restricted access area and licensed for marijuana.

-Propagation Greenhouse – Shown on the MJ14 reviewed by the MCB in the July 2017 meeting



1 | Page

Received by AMCO 6.22.18

as propagation greenhouse – there are cameras in this greenhouse and Enforcement agents Michael Cheisa and Amanda Stonecipher reviewed and approved (and also made suggestions which Mike followed relating to the camera placements on three different occasions).

-Heated greenhouse - shown on MJ14 filed in July 2017, but it was labeled tomato greenhouse, **however, Mike has not used this greenhouse for marijuana activity yet, he is waiting for April 2018 MCB approval. The approval of the heated greenhouse is really important because it would allow Mike to start his plants earlier than last year, which would substantially increase the efficiency and success rate for his crop. If the use of the heated greenhouse isn't allowed, it would be devastating to his business.**

-Trimming shed – shown on MJ14 filed in July 2017, but it was labeled vegetable packaging & processing shed. **Mike has used this for marijuana trimming, which Enforcement agents Michael Cheisa and Amanda Stonecipher knew about because they had viewed and approved the camera locations.**

-marijuana storage unit 1 - disclosed and requested to be approved on MJ14 in July 2017 – similar to the trimming shed, Michael and Amanda helped Mike with the camera placement of these units.

-marijuana storage unit 2 - disclosed and requested to be approved on MJ14 in July 2017 - similar to the trimming shed, Michael and Amanda helped Mike with the camera placement of these units.

-marijuana storage unit 3 - disclosed and requested to be approved on MJ14 in July 2017 - similar to the trimming shed, Michael and Amanda helped Mike with the camera placement of these units.

-propagation greenhouse – disclosed and requested to be approved on MJ14 in July 2017 - similar to the trimming shed, Michael and Amanda helped Mike with the camera placement of these units.

-ATCO Unit – was on the diagram submitted in July 2017 MCB request and was designated as the pending license for Product Manufacturing – but Enforcement Officers Michael Cheisa and Amanda Stonecipher went and looked at the ATCO unit in August and gave direction on camera placement. Trimming has taken place in this unit.

Reminder to the MCB and AMCO Staff – The entire outline of Rosie Creek Farms REMAINS a licensed restricted access area – the entire premises is enclosed by a security fence (8 foot fence that encloses 7.5 acres), and all of the inside space, structures, remain licensed due to the fact the MCB did not approve the July 2017 submission that would have changed some of the licensed area to a non-licensed area for vegetable growing – the MCB tabled this request, so the entire fenced area is still a licensed restricted access area.

Please see attached Original diagram approved by MCB in 2016; July 2017 submission of MJ14 request, resulting in tabling of that MJ14 request; and current MJ14 premises diagram change request.

Three storage connexes, the propagation greenhouse, and the new ATCO unit were delivered to the property in August of 2017. Life at this farm existed before marijuana and Mike and his family have been farming fruits and vegetables at this property for decades for more than twenty years. The trimming and packaging shed is an existing structure that was already part of the cultivation licensed premises. The licensed premises diagram change and operating plan changes before you



now were submitted to AMCO staff on February 5, 2018.

In August and September of 2017, my client was working closely with the Fairbanks AMCO Investigators to streamline the cultivation facility's waste procedures and to ensure regulatory compliance. This operation is not like the majority of cultivators because it is an outdoor cultivation with only one season a year, therefore the waste of one season is larger and enforcement and the licensee have been working together to make sure its properly handled.

On August 28, 2017, both Investigator Stonecipher and Investigator Cheisa visited the cultivation premises to inspect and discuss marijuana waste. During this visit, both investigators and the licensee, Mike Emers, discussed the new structures that were currently in use by the cultivation facility; the new ATCO trimming and packing building, the three storage connexes and the trimming shed. The investigators observed the cameras Mike had already installed and informed Mike that he would need to install additional cameras in the new structures and walkways to comply with restricted access area regulations. Mike complied with Enforcement's direction. Neither investigator directed Mike to cease using the new structures until the change forms were approved by the board, they just said to make sure to get them filed as soon as possible. Again, in early September, approximately the week of the 11th, Investigator Cheisa visited the facility to inspect marijuana waste to be disposed of and again they had a discussion about the new structures and the required camera coverage. My client was not directed to stop using the new structures during this visit. Lastly, on the 21st of September, my client had a meeting with Investigator Stonecipher regarding proper waste protocol paperwork and business records. During this meeting, Investigator Stonecipher informed my client that since he was using the new structures, he really needed to submit the appropriate change forms. Again, my client was not directed to stop using the new structures.

Why did Mike not submit an MJ14 in Sept., when Amanda Stonecipher told him to? Given that the July 2017 MCB action had tabled the MJ14 premises diagram change to November 2017, Mike decided to wait until the MCB had completed its review of the July 2017 MJ14 request (which he ultimately withdrew due to MCB concerns and came up with the current request as an alternative to address the July MCB concerns, which is the MJ14 in front of you now). Mike believed that submitting additional MJ-14's and MJ-15's in the month separating the time between Amanda's direction and the November MCB meeting would further complicate matters. So, he waited (fully believing that he was still operating in compliance per his interactions with AMCO investigators).

Based on these encounters with AMCO investigators, my client believed that he was in compliance and could utilize the new structures as he had installed the cameras as directed. The investigators made no indication to Mike that he was in violation of the regulations and in danger of receiving NOV's or any other enforcement action. Had he been informed to cease operations in the new structures, he would have done so immediately.

Not once has my client been directed by any agent of the MCB, including AMCO enforcement staff to cease operations in the new structures until board approval is issued, despite being observed using the structures. The first time my office or my client has heard of any issue regarding the new structures was just last Friday, March 30, 2018 when the board meeting documents were posted

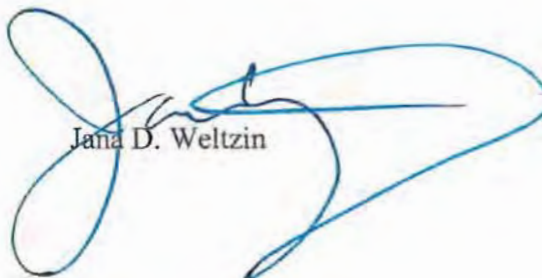


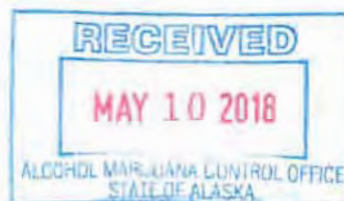
to AMCO's website with Director McConnell's board memo stating that she is writing an accusation for the board to consider. Why was there zero effort made to communicate with the licensee? Why are we jumping straight to an accusation when there was no advisory notice or notice of violation regarding this issue, not to mention any communication at all to the licensee that he was operating out of compliance even though the investigators helped Mike install the cameras in the new structures?

Respectfully, we do not feel that the action requested by the Director is warranted. The enforcement staff in Fairbanks have been excellent working with Mike - they come to the farm on a semi regular basis, Mike is completely open with them and eager to learn from them, which they help him understand how to remain compliant given the fact that these regulations were not drafted with outdoor cultivation in mind, and both AMCO FBX Enforcement and Mike have mutually helped each other learn together and together work towards remaining compliant and more efficient as a farm. During the summer – the enforcement team in Fairbanks have often been to the farm and have observed all of these structures and their uses. Moreover, my client is honest to a fault – he has even self-reported himself to AMCO Enforcement when he noticed that a trimming team had accidentally disconnected cameras last year. Self reporting is a form of self-governance and it is created when a licensee feels an obligation to report because he or she has respect and pride for upholding the regulations, but also due to trust built between the regulator and the licensee. Trust that there is a working and open relationship with a common goal in mind. Mike has no reason to hide or lie – and he has always reacted positively and with an open ear, free of defense or deflection, to any suggestion and direction he has received from AMCO staff and enforcement. There has never been any NOV's issued to Mike on the use of structures – nor has any of his previous NOV's ever resulted in a fine or penalty. Enforcement agents Amanda and Michael are seen as important tools to Mike, as all licensees should be able to have access to enforcement agents that are willing and eager to help them understand the regulations as they play out in the real world. Mike relies heavily on their guidance and direction and remains committed to compliancy, even though the regulations are not crafted in a manner that serves outdoor operations and cause challenges that regular indoor cultivations simply do not have to overcome.

We respectfully request this Board consider approving the MJ14 and MJ15.

Sincerely,


Jana D. Weltzin



Original Premises Diagram Approved in 2016



Received by AMCO 6.22.18

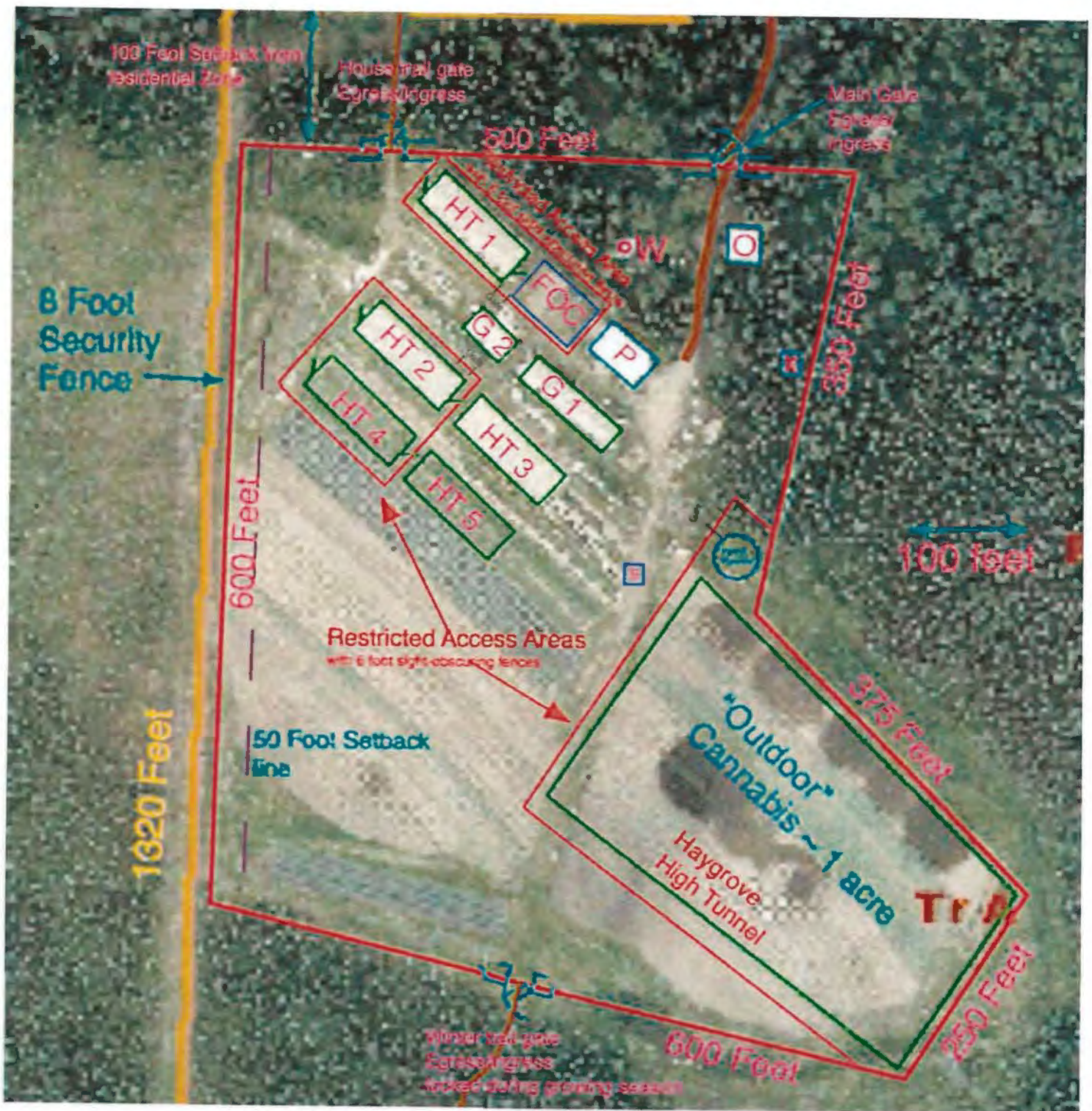
License 10005 - Rosie Creek Farm

MJ-02 Premises diagram map key

Map Designation	Description	Construction	Dimensions	Area	Height
Haygrove High Tunnel http://www.haygrove.com	Multi-bay high tunnel	Steel frame and greenhouse plastic	300' x 96'	28,800 ft ²	12'
HT-1	High Tunnel	Steel frame and greenhouse plastic	96' x 30'	2880 ft ²	12'
HT-2	High Tunnel	Steel frame and greenhouse plastic	96' x 30'	2880 ft ²	12'
HT-3	High Tunnel	Steel frame and greenhouse plastic	96' x 30'	2880 ft ²	12'
HT-4	High Tunnel	Steel frame and greenhouse plastic	96' x 30'	2880 ft ²	12'
HT-5	High Tunnel	Steel frame and greenhouse plastic	96' x 30'	2880 ft ²	12'
G1	Heated Greenhouse	Wood frame and greenhouse plastic	96' x 20'	1920ft ²	15'
G2	Heated Greenhouse	Wood frame and greenhouse plastic	40' x 20'	800 ft ²	10'
P	Vegetable processing shed and cold storage. On concrete pad.	Timber frame mostly open air	40' x 20'	800 ft ²	15'
O	Farm Office	Frame	24' x 16'	384 ft ²	12'
FOC	Proposed Farm Operations Center (full basement)	Frame and block foundation	60' x 30'	3600 ft ²	12'
S	Proposed Security Shack	Frame	12' x 12'	144 ft ²	8'
W	Well				
X	Outhouse	Alaska outhouse construction		32 ft ²	8'



Received by AMCO 6.22.18



Received by AMCO 6.22.18



Received by AMCO 6.22.18

MJ-14 Premises Diagram Submitted July, 2017



Received by AMCO 6.22.18

Proposed Changes to operating plan and licensed premises diagram



Received by AMCO 6.22.18



Comm. Planning Dept

Alcohol and Marijuana Control Office
350 W 7th Avenue, Suite 1500
Anchorage, AK 99501
marijuana.license@alaska.gov
<https://www.commerce.alaska.gov/web/amco>
Phone: 907.269.0350

MAY 07 2018

Alaska Marijuana Control Board

RECEIVED

Form MJ-14: Licensed Premises Diagram Change

What is this form?

This licensed premises diagram change form is required for all marijuana establishment licensees seeking to alter the functional floor plan or reduce or expand the area of the establishment's existing licensed premises, under 3 AAC 306.100 and 3 AAC 306.705. The required \$250 change fee may be made by credit card online (VISA, MasterCard, or Discover), or by check or money order.

Your diagram must show all entrances and boundaries of the premises, restricted access areas, and storage areas, and dimensions. If your proposed premises is located within a building or building complex that contains multiple businesses and/or tenants, please provide an additional page that clearly shows the location of your proposed premises within the building or building complex, along with the addresses and/or suite numbers of the other businesses and/or tenants within the building or building complex. Limited marijuana cultivation licensees must clearly delineate the proposed area(s) for cultivation.

The second page of this form is not required. Blueprints, CAD drawings, or other clearly drawn and marked diagrams may be submitted in lieu of the second page of this form, as long as it meets the requirements listed on this form. The first and third pages must still be completed, attached to, and submitted with any supplemental diagrams. An AMCO employee may require you to complete the second page of this form if additional documentation for your premises diagram is needed.

This form must be signed by the licensee and by the local government having jurisdiction over the location of the premises before it is submitted to AMCO staff for review.

This form must be completed and submitted to AMCO's main office prior to altering the existing floor plan. The licensed premises may not be altered unless and until the AMCO Director has given written approval on this form.

Please note that licensees seeking to change licensed premises diagrams for multiple licenses must submit a separate completed copy of this form for each license.

Yes No

I have attached blueprints, CAD drawings, or other supporting documents in addition to, or in lieu of, the second page of this form

☒ ☐

Section 1 – Establishment Information

Enter information for the licensed establishment.

Licensee:	RCFC, LLC	License Number:	10005
License Type:	Standard Marijuana Cultivation Facility		
Doing Business As:	Rosie Creek Farm		
Premises Address:	2659 Livingston Loop		
City:	Fairbanks	State:	AK
		ZIP:	99709



Received by AMCO 6.22.18



Alcohol and Marijuana Control Office
550 W 7th Avenue, Suite 1000
Anchorage, AK 99501
marijuana.licensing@alaska.gov
<https://www.commerce.alaska.gov/web/amco>
Phone: 907.269.0350

Alaska Marijuana Control Board

Form MJ-14: Licensed Premises Diagram Change

Section 2 – Detailed Premises Diagram

Clearly indicate the boundaries of the premises and the proposed licensed area within that property. Clearly indicate the interior layout of any enclosed areas on the proposed premises. Clearly identify all entrances, walls, partitions, counters, windows, areas of ingress and egress, restricted access areas, and storage areas. Include dimensions in your drawing. Use additional copies of this form or attached additional documents as needed.





Alcohol and Marijuana Control Office
550 W 7th Avenue, Suite 1600
Anchorage, AK 99501
marijuana.licensing@alaska.gov
<https://www.commerce.alaska.gov/web/amco>
Phone: 907.269.0350

Alaska Marijuana Control Board

Form MJ-14: Licensed Premises Diagram Change

Section 3 – Declarations and Approvals

Read the line below, and then sign your initials in the box to the right of the statement:

Initials

If a local building permit is required, I have attached a copy of it to this form.

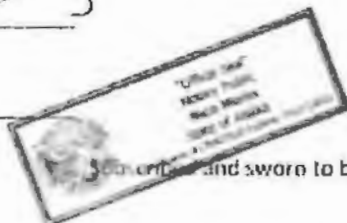
☐

As a marijuana establishment licensee, I declare under penalty of unsworn falsification that I have examined this form, including all attachments, and to the best of my knowledge and belief find the provided information to be true, correct, and complete.

Signature of licensee

Michael J Emers

Printed name of licensee



Notary Public in and for the State of Alaska.

My commission expires:

9-27-21

Subscribed and sworn to before me this 9 day of May, 2017.

Local Government Review (to be completed by an appropriate local government official):

Yes

No

The proposed changes shown on this form conform to all local restrictions and laws.

☒☐

A local building permit is required for the proposed changes.

☐☒

Signature of local government official

D. Christine Nelson

Printed name of local government official

Date

5-8-17

Title

Community Planning Director

AMCO Review:

Approved

Disapproved

☐☐

Signature of AMCO Enforcement Supervisor

Signature of Director:

Printed name of AMCO Enforcement Supervisor

Printed name of Director

Date

AMCO Comments:



License 10005 - Rosie Creek Farm

MJ-14 Diagram Narrative

We are proposing a premises diagram change to reflect both changes in our operating plan in an accompanying MJ-15 and changes to the restricted access areas (RAA) and licensed premises areas for our standard cultivating facility, and to accommodate a new proposed product manufacturing license application.

The outer eight foot "security fence" is staying the same. We are adding fences within the outer fence that will enclose outdoor cultivation areas. These are the RAA fences. These inner fences will be the required six-foot tall and provide a visual and physical barrier.

We are also adding two more structures and one greenhouse to our licensed premises. We are adding two "marijuana storage" units that are secure 8' x 20' storage containers (connexes). These two containers are of steel construction and will have the required commercial grade locks and be designated as RAA's.

The one new greenhouse ("Propagation Greenhouse") is a 20' x 48' structure of steel bows covered by 2 layers of greenhouse film. This will serve for seed production and will be within a RAA fence.

Instead of the entire area fenced in by the 8 foot security fence being designated as the cultivation facility's licensed premises, we are proposing that only those areas indicated on our proposed new diagram outlined in red be the licensed premises. All other areas within the security fence (that aren't designated as the product manufacturing facility) will be unlicensed areas.



MJ-14 Premises diagram map key

Description	Construction	Restricted Access Area?	Licensed Premises?	Use	Dimensions	Area
Security Fence	Steel posts @20' and 12 ga. wire mesh	no	no	Outer security Fence		
Restricted access area fences	Wire mesh fences, w steel posts	yes	yes	Inner fences for restricted access areas within farm compound		
High Tunnel 1	Steel frame and greenhouse plastic	yes	yes	Cannabis growing and trimming	96' x 30'	2880 ft ²
High Tunnel 2	Steel frame and greenhouse plastic	yes	yes	Cannabis growing and trimming	96' x 30'	2880 ft ²
High Tunnel 3	Steel frame and greenhouse plastic	yes	yes	Cannabis growing and trimming	96' x 30'	2880 ft ²
High Tunnel 4	Steel frame and greenhouse plastic	yes	yes	Cannabis growing and trimming	96' x 30'	2880 ft ²
High Tunnel 5	Steel frame and greenhouse plastic	no	no	Cherry Tomatoes	96' x 30'	2880 ft ²
Tomato Greenhouse	Wood frame and greenhouse plastic	no	no	Tomatoes	96' x 20'	1920 ft ²
Pepper Greenhouse	Wood frame and greenhouse plastic	no	no	Vegetables	40' x 20'	800 ft ²
Vegetable processing shed and cold storage.	Timber frame mostly open air. On concrete pad.	no	no	Vegetable processing, packing	40' x 20'	800 ft ²
Propagation Greenhouse	Steel frame and greenhouse plastic	yes	yes	Cannabis growing and seed increases	20' x 48'	960 ft ²
Product Manufacturing Facility	Modular building (ATCO units)	yes	Yes for proposed new product	Employee bathroom,	20' x 24' (double unit)	480 ft ²



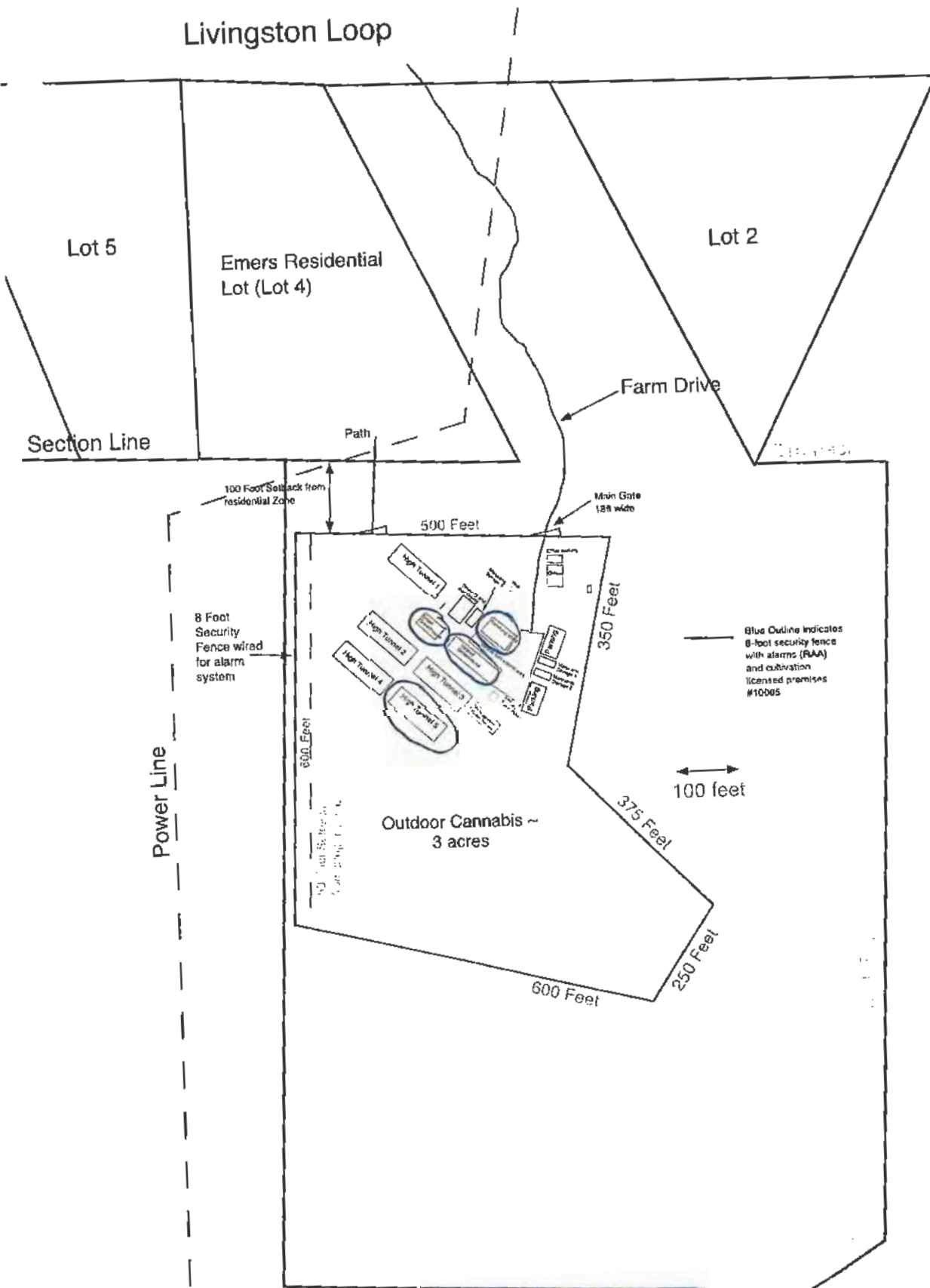
			manufacturing facility	trimming, product manufacturing		
Ice, Water Hash Production area	Open Air moveable tent	yes	Yes for proposed new product manufacturing facility	Ice water hash production	10' x 10'	
Processed Product Storage	Steel storage container, insulated and heated	yes	Yes for proposed new product manufacturing facility	product storage (concentrates)	8' x 20'	160 ft ²
Farm Office	Frame	yes	yes	office	24' x 16'	384 ft ²
Marijuana Storage 1	Steel storage container	yes	yes	Product storage	8' x 20'	160 ft ²
Marijuana Storage 2	Steel storage container	yes	yes	Product storage	8' x 20'	160 ft ²
Processed Product Storage	Steel storage container, insulated and heated	yes	Is the same one as above?	product storage (concentrates)	8' x 20'	160 ft ²
Security Shack	Frame	yes	yes		8' x 12'	96 ft ²
Well		no	no			
Outhouse	Alaska outhouse construction	no	no			32 ft ²



Current MJ-14 Premises Diagram



Received by AMCO 6.22.18



Received by AMCO 2.05.18

Received by AMCO 6.22.18

Notice of Violation

(3AAC 306.805)

This form, all information provided and responses are public documents per Alaska Public Records ACT AS 40.25

Date: 04-03-18

Licensee: RCFC, LLC

DBA: Rosie Creek Farm

License #/Type: 10005/Standard Marijuana Cultivation Facility

Address: 2659 Livingston Loop, Fairbanks, AK 99709

AMCO Case #: AB17-0000445

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

On 08/22/2017 Investigator Amanda Stonecipher and I went to Rosie Creek Farm, license # 10005, standard marijuana cultivation facility, to inspect a large amount of waste the licensee reported to AMCO he intended to destroy. While on the premises I saw a team of contracted workers trimming harvested marijuana on a table located outside between high tunnels 3/5 and 2/4. Upon checking the licensee's security camera position the contractor crew was working in an area that was not being covered by video surveillance. The area the crew was working out was supposed to have video surveillance camera coverage however the licensee had repositioned several cameras and did not notify AMCO.

This is a violation of 3 AAC 306.430(d) and 3 AAC 306.720(b):

3 AAC 306.430: RESTRICTED ACCESS AREA

(d) A marijuana cultivation facility shall have full video surveillance of the licensed premises as required under 3 AAC 306.720, including any area where marijuana is grown, processed, packaged, or stored, or where marijuana waste is destroyed.

3 AAC 306.720: VIDEO SURVEILLANCE

(b) At a marijuana establishment, a required video camera must be placed in a way that produces a clear view adequate to identify any individual inside the licensed premises, or within 20 feet of each entrance to the licensed premises. Both the interior and the exterior of each entrance to the facility must be recorded by a video camera.

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A licensee may respond, either orally or in writing, to the Notice. 3 AAC 306.810(3)(A)(B)(C) failed, within a reasonable time after receiving a notice of violation from the director, to correct any defect that is the subject of the notice of violation of AS 17.38 or this chapter, a condition or restriction imposed by the board or other applicable law.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

*Please send your response to the address below and include your Marijuana Establishment License Number in your response.

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator: M. Chiesa

Received by:

SIGNATURE:



SIGNATURE:

Delivered VIA: Email

Date:

Article #

Received by AMCO 6.22.18

Surprisingly, I just received a telephone call from DOT's Department of Weights and Measures just now, letting us know they would be in town in the coming weeks to re-certify our scales. I used the call as an opportunity to question, Marjory (Gidget), Sanders (DOT's field officer in Anchorage) on this very topic. She thought that there had been a new determination made by AMCO that did specifically state that scales used to weight freshly harvested plants must be certified. She thought that these scales had to be accurate to within an ounce, however she ultimately was unsure and directed me back to Donald Brewer, who I just got off the phone with. Mr. Brewer was unaware that there had been any change of policy from AMCO since we had last spoken in August of 2016. He did say he had certified a few similar spring type hanging scales used by marijuana cultivators this year and that they were accurate to within 10 grams, but had not been told that this was mandatory for all cultivators. He reiterated that his department only regulates scales used for commercial transactions and that there are many other industries who are required to use certified scales for such transactions but not for initial weights (i.e. commercial fishing industry). Mr. Brewer said he was available to further discuss with issue directly with you if you wish.

I firmly believe that I approached this issue with due diligence and proceeded in a way that was in accordance with the directions given by METRC, AMCO and the DOT. We purchased top-of-the-line spring scales to use for harvest and attempted to weigh plants accurately, which I believe we have done. If there are other areas in which we have not performed to satisfaction, I apologize, but I do not believe this to be one."

Camera-contractors – NOV Number 6

This happened on August 22, 2017. We heard no concerns about it until this April 3, 2018 NOV. We did have camera coverage in the exact place where the contractors were working but not in the walkway where they would enter and exit from the trimming area. Upon discussion with the Enforcement officers, they helped us determined the best placement for the new cameras and we followed their direction immediately, installed the camera, and remedied the situation.

As for the repositioning of the cameras, we had redundancy on coverage and moved some cameras to provide better overall coverage of the facility.

Camera-Connex - NOV Number 7

This event occurred on 7/13/17. We heard no concerns about it till this April 3, 2018 NOV. At that time, and contrary to what is in the NOV, we did not have marijuana stored in the connex on this date since harvesting of marijuana did not start until July 21st 2017. We installed a camera in that connex in late July and began storing marijuana there in late August 2017. The NOV is accurate that we had the connex on the premises prior to having it approved on our licensed premises.

Camera-Gates – NOV Number 8



Notice of Violation

(3AAC 306.805)

This form, all information provided and responses are public documents per Alaska Public Records ACT AS 40.25

Date: 04-03-18

Licensee: RCFC, LLC

DBA: Rosie Creek Farm

License #/Type: #10005 Standard Cultivation

Address: 2659 Livingston Loop, Fairbanks, AK

AMCO Case #: AB17-0000445

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

On August 22, 2017 licensee Michael Emers was asked to produce signed copies of all manifests to 12-6-17. Out of 27 complete manifests submitted by Mr. Emers, 19 of them had discrepancies. Manifest #'s with discrepancies are: 5501, 10801, 11301, 14102, 14701, 19501, 23801, 23802, 27703, 30002, 31001, 33202, 35902, 40302, 55601, 67702, 54601, 92318, and 94403. Two other manifests were found in METRC with errors, 103611 and 124101. Discrepancies primarily were missing route information, times, and signatures. Three of the manifests with the most serious discrepancies are listed below. All other manifests and their discrepancies are detailed further in an attached memo.

1. Manifest #30002 dated 2/28/17 to Goodsinse, LLC. The manifest is only missing the transporting party's signature. However, at the bottom left hand corner of the paper, the print date indicates 8/26/2017 9:15:12 am; as timestamped by METRC as the print time. In the bottom right corner, the METRC Form date is indicated as 05/2017. This documents the manifest provided was printed AFTER Mr. Emers was requested to provide completed manifests on 8/22/17. It was also printed approximately 6 months AFTER the transport occurred. On 11/30/17, Daniel Peters with Goodsinse LLC confirmed Mr. Emers brought over approximately 4-5 manifests to sign from previous transports. Mr. Peters confirmed manifest #30002 was signed at a much later date than the transport, but could not recall the exact date. He was unable to confirm which others were Mr. Emers requested he sign.

2. Manifest # 103611 dated 9/13/17 to Weed Dudes. In the route to be traveled, it is indicated the transporter went to Frozen Budz Retail and was there until 4am the next morning. The licensees at Frozen Budz stated the transporter simply picked up product from their facility and departed immediately. None of Rosie Creek Farm's product was ever stored at their facility; nor did the transporter stay overnight at their facility. It is unknown where the product was from the time the transporter picked up product at Frozen Budz until 4 am the next morning.

3. Manifest #124101 dated 11/4/17 to Weed Dudes. In the route to be traveled, it is indicated the transporter picked up the product from Rosie Creek Farm and drove to the Westmark Hotel in Fairbanks where she stayed until 4 am the next day.

This is a violation of: 3 AAC 306.435 Marijuana Inventory Tracking System, 3 AAC 306.730 Marijuana Inventory Tracking System, 3 AAC 306.750(c)(d)(f) Transportation, and Business Records 3 AAC 306.755 (a)(9).

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A licensee may respond, either orally or in writing, to the Notice. 3 AAC 306.810(3)(A)(B)(C) failed, within a reasonable time after receiving a notice of violation from the director, to correct any defect that is the subject of the notice of violation of AS 17.38 or this chapter, a condition or restriction imposed by the board or other applicable law.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

*Please send your response to the address below and include your Marijuana Establishment License Number in your response.

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator: A. Stonecipher

Received by:

SIGNATURE:



SIGNATURE:

Delivered VIA: Email

Date:

Article #

Received by AMCO 6.22.18

Responses to NOV's served on Mike Emers on April 3, 2018 -- for issues dating back to Winter of 2016-2017

These NOV's were delivered in one large group a day before the April 3, 2018 MCB meeting. The NOV's do not have different case numbers, therefore I am responding by giving them their own identifying number to help AMCO staff and the MCB keep track of which response goes with which NOV:

Manifests – NOV No. 1:

I will address each of the manifests below:

5501, 10801, 11301, 14102, 14701, 19501, 23801, 23802, 27703, 31001, 33202, 35902, 40302, 55601:

Route description truncated. In a continual effort to improve my understanding of the regulations, I have had multiple meetings with Investigator Stonecipher. During my meeting on 9/21/2017 with Investigator Stonecipher, she pointed out a problem with my manifests. She thought I was not completely filling out the route in the manifest. Although looking at the printed hardcopy of the manifests in question, it would appear that I did not fill out the entire route intended for travel. However, I actually did fill out the complete route.

Background: I first noticed this problem on Manifest 19501 Jan., 2017, soon after I had received NOV correspondence from Investigator Bankowski about a problem with another manifest. It was then that I inspected all of my previous manifests carefully and noticed the following: When I entered an entire route into Metrc, I could see the complete route as it was originally typed. However, when those manifests were printed, it had cut off (truncated) the route description after four lines. I noticed that the whole route didn't print, so I checked back in Metrc to view what I had typed and the entire route description was there electronically. Since I could see it in Metrc, I assumed that Enforcement could as well. I alerted Metrc to this issue in a phone call on January 30, 2017. Viewing the memo from Metrc that Investigator Stonecipher has produced (Exhibit 1a), there is a suggestion from Metrc on how this problem could be fixed – that is: by printing out a blank manifest and continuing the route description on the blank copy. Although this is Metrc's suggestion, I do not recall Metrc communicating this with me. The memo suggests that this is an internal Metrc memo and was not communicated to me. If I were instructed to do this, then I would have.

Although I did contact Metrc about the problem when it first occurred, I should have followed up with them in the subsequent times that it had happened. This would have provided a record of my efforts to fix a continuing problem. However, as I stated above, since I could always view what I had originally typed electronically, I thought that the vital information was retained and the paper manifest was just a formality. During my Sept. 21, 2017 meeting with Investigator Stonecipher, she pointed out Enforcement doesn't have time to look at every manifest online and if I were to be stopped along the route by another agency, it would appear as it was printed – with an incomplete route. When Investigator Stonecipher pointed out this error in my manifests, I immediately contacted Metrc again about the truncated route descriptions. Metrc trouble ticket



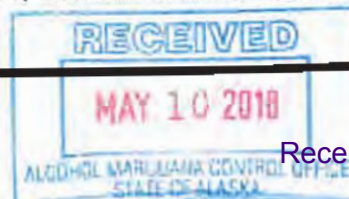
#129948 refers to my conversation with Metrc about this and that I should have used commas between route changes instead of a return key. Metrc customer service suggested that I was being too detailed with my route descriptions and the buffer in Metrc for these entries truncated the description.

On Sept. 22, 2017, the day after meeting with Investigator Stonecipher, I talked to Metrc again about the manifest truncation issue. They told me that the "planned route text" was too long. I explained that the route didn't always get cut off, so I didn't think it really was the length issue, and I asked Metrc if they could give AMCO a letter stating that I wasn't trying to cut the route short on purpose, but that it was caused by the Metrc computer system. I was told no. (see attached Exhibit 1b). Please also review the entry on Sep. 22, 2017, when a Metrc employee sent me a note that indicated that development was looking into it and again they said "the issue should resolve if you use a comma instead of the return key". (See p. 3 of Exhibit 1c.)

I was surprised to see supplementary documents Investigator Stonecipher provided that outlined her communication with Metrc. (Exhibit 1d). In reading through Investigator Stonecipher's correspondence with Metrc about this problem, Metrc suggests that this was not a Metrc problem, but instead my error, which is opposite from what was relayed to me during my conversation with Metrc. If you look at Exhibit 1b, my communication with Metrc, "they need to stop hitting return after each direction." I don't understand how Metrc can confirm to me, the licensee, that there is an issue with using the return key and that could make route descriptions get cut off, and then on the other hand, tell AMCO it was my error. I cannot state emphatically enough how the statements from Metrc to AMCO contradict what actually happened. In further discussions during my Metrc visit with Mr. Kelly Jenkins on 10/19/17, he told me that this truncation of route description was an early artifact of Metrc Manifests for Alaska that they had cleared up the problem by spring of 2017. I informed AMCO about this conversation in an email on 10/20/17. (Exhibit 1e).

Looking at these manifests electronically in Metrc, one will see the entire route descriptions have always been there. Since Metrc does not allow changes once a manifest is "received" by another facility, they are showing what I actually typed at the time. I entered the full route description into the Metrc System, please see the attached March 24, 2017 Transport Manifest 40302, attached as Exhibit 1f. This Exhibit includes two pages – one, printed 4.30.2018, was recently downloaded for this response and as you can see it has the Metrc Form rev. 2018-01 (newer form) and it shows the whole route that I put in. The second page, you will note at the bottom, is on a form rev. 1/2017 and represents the manifest that was printed out on the date the package(s) were delivered. I have not made any changes in Metrc to what was entered at the time. However, it is the *format* in which the forms were changed over the past year by Metrc that shows the differences of how manifests printed out in 2017 versus how they are printed out now. Another similar example (Exhibit 1g) is the trip manifest 27703 for Feb. 23 2017. The recently (5/7/2018) downloaded version shows the whole route, and the printed out version from 2017 shows the route being truncated.

Summary: Although, I entered the route descriptions correctly and followed proper manifest preparation procedure, there was a problem in Metrc's printing of the manifests in question. In the future, if a problem persists, I will continually alert both AMCO and Metrc.



Manifest 30002: Up until my annual inspection in July 13, 2017 I was operating on this assumption for transporting marijuana:

306.470 d(3): generating a transport manifest from the marijuana cultivation facility's marijuana inventory tracking system; the transport manifest must remain with the marijuana at all times while being transported, and a copy must be given to the licensed marijuana establishment that receives the shipment.

I did not read in this regulation for packaging and transporting marijuana that I needed to keep a copy of the manifest with myself, only that I must leave one with the end recipient. It also does not state in regulations that manifests need to be signed.

Also for keeping transportation records required under 306.755 a(9) it states:

transportation records for marijuana and marijuana products as required under 3 AAC 306.750 (f) .

I assumed the Metrc record was adequate and complete for this because it does not state that I needed to keep the paper records for this, all manifests are kept electronically on the metrc system and are accessible at any time via metrc.

However noting that Investigator Stonecipher requested that I keep the paper copies for my records, I did indeed go to Dan Peters of Goodsinse to have copies of the paper records I was missing. Following my meeting with Investigator Stonecipher in September 2017, we changed our policies. I now take two copies of both the manifest and invoice. After both parties sign them, both the recipient and myself are left with their own copy.

Manifest #103611 to Weed Dudes. Is incorrect. Chasady Didrickson from Weed Dudes (Michelle Cleavers assistant) confirms that she had the packages locked in the Frozen Budz lockup for the night along with other packages she was transporting. She retrieved the packages the next morning and proceeded to FAI en-route to Sitka. It was her understanding she needed to do this to ensure security of the packages. I should have written in the manifest that the product would be stored on a licensed premises (Frozen Budz) overnight.

Manifest #124101 to Weed Dudes. This is correct, Ms. Cleaver from Weed Dudes did keep the packages in her possession through her stay at the Westmark and depart to FAI the next morning (at 4AM). This is how Ms. Cleaver currently does transports after learning that she does not need to keep the product locked at a facility when she is traveling overnight as she did earlier in manifest 103611.

Metrc NOV NO. 2

As a preliminary matter – this NOV makes many accusations but lacks detail. It is only three sentences long and does not provide specifics for me to reply to. I understand that our outdoor operation differs from the majority indoor grows in the state but since we both grow outdoors and use auto-flowering strains of marijuana

(https://en.wikipedia.org/wiki/Autoflowering_cannabis) which behave differently from standard strains, we are bound to have differences with the majority of growers in the state.



Exhibit 1a



Received by AMCO 6.22.18

10/5/2017

<https://metrc.freshdesk.com/helpdesk/tickets/81287/print>

by **Todd Golden** on **Mon, Jan 30 at 6:04 PM** as **Private note**

He can't view it. Have him print out a blank manifest and write in the rest of the directions on the 2nd manifest.

Todd Golden

Associate Director Program Development, METRC

(M) 720 651 1389

todd.golden@franwell.com

by **Tina Pilkinton** on **Mon, Jan 30 at 6:23 PM** as **Private note**

1. If he needs more room to document his planned route then he will need to print a blank manifest and write the rest of the directions on the second manifest.

2. His immature batches can have no more than 50 clones per batch. If his internet is slow then he can assign tags to a small amount of clones at a time from that batch so his system does not time out. We do not have a report for him to upload a spreadsheet for his clones. The only uploads available are the change growth phases, change rooms, destroyed plants and package adjustments.

3. The only training we have at this time is available under www.metrc.com (<http://www.metrc.com/>) and select Alaska under customers. We are not offering onsite visits at this time. They will add them to the list for when they will offer onsite visits.

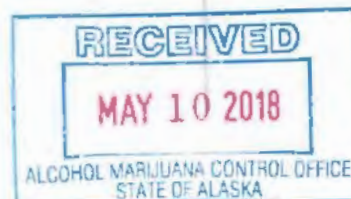
by **Jeanyfer Maier** on **Thu, Feb 2 at 2:01 PM** as **Private note**

Left message with Sam with ticket number

by **Jeanyfer Maier** on **Sat, Feb 4 at 6:00 PM** as **Private note**

left multiple voicemails

<https://metrc.freshdesk.com/helpdesk/tickets/81287/print>



2/2

Received by AMCO 6.22.18

Exhibit 1b



Received by AMCO 6.22.18

by **Tricia Mills** on **Fri, Sep 22 at 2:50 PM** as **Private note**

No, we do not provide letters such as this to the industry. We will ask development about it however they need to stop hitting return after each direction and put a comma instead.

Spoke to Jesse in Development and the information showing is all of the information that was typed in the directions. The information is not truncating per Jesse.



Exhibit 1c



Received by AMCO 6.22.18

by **Jaala Pruitt** on **Fri, Sep 22 at 2:58 PM** as **Outbound email**

Mike,

<https://metrc.freshdesk.com/helpdesk/tickets/129948/print>

2/3

10/5/2017

<https://metrc.freshdesk.com/helpdesk/tickets/129948/print>

I looked into this for you, and we do not provide letters such as this to the industry. We are going to ask development about the issue, but in the meantime, it should resolve if you use commas instead of the return key.

Thank you, and have a wonderful weekend!

Jaala Pruitt

METRC Support Desk

877-566-6506



Exhibit 1d



Received by AMCO 6.22.18

Stonecipher, Amanda M (CED)

From: Kelly Jenkins <kelly.jenkins@franwell.com>
Sent: Monday, October 23, 2017 9:53 AM
To: Stonecipher, Amanda M (CED)
Cc: Tricia Mills
Subject: Re: Site visit from Metrc

If it was truncated, it appears that it was done when he printed it, not when he registered the transfer in Metrc or when he viewed it as a PDF to print. So to be accurate, I can not say that it was not truncated at all, only that it was not truncated by the software. Simply put, they may have used "Fit to page" or another change to ensure the manifest was only one page long.

We can always go back in and look at specific manifests if you would like us to pull them. I could also create a screenshot of the manifest as it was registered, as it is viewed in the PDF and as it is printed. Would that be helpful?

From: Stonecipher, Amanda M (CED) <amanda.stonecipher@alaska.gov>
Sent: Monday, October 23, 2017 11:38:25 AM
To: Kelly Jenkins
Subject: RE: Site visit from Metrc

Hi Kelly,

So just confirming I understand correctly – Mr. Emers did not put the complete route in and the system did not "truncate" the route as he is claiming correct?

Thanks!

Amanda

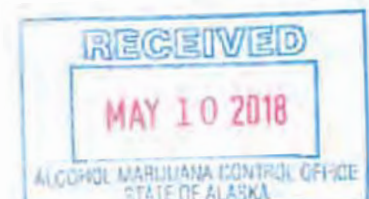
From: Kelly Jenkins [mailto:kelly.jenkins@franwell.com]
Sent: Monday, October 23, 2017 9:32 AM
To: Stonecipher, Amanda M (CED) <amanda.stonecipher@alaska.gov>; Tricia Mills <tricia.mills@franwell.com>
Subject: Re: Site visit from Metrc

Hello Amanda,

When meeting with Mike last week he did bring up the issue of the manifests. When discussing, I told him that it was probably being done from the printer but that we had also been working on expanding the transfer manifest route earlier this year. I did not specify a time frame that we were working on that and did not say that was the cause, but I did mention it.

After originally discussing the issue with Tricia, she kicked it up to our Lead Developer to investigate. Jesse and our Dev team pulled the original manifests and analyzed the code to ensure this was not the cause of the system and confirmed that it was not.

From: Stonecipher, Amanda M (CED) <amanda.stonecipher@alaska.gov>
Sent: Monday, October 23, 2017 10:47:54 AM
To: Kelly Jenkins; Tricia Mills
Subject: FW: Site visit from Metrc



Tricia and Kelly,

I need to confirm this "truncating" of the manifests. This is conflicting information from what I've been told. We are ready to write him a notice of violation for the issue, and I want to be 100% certain this is the licensee's error and not the system's error.

Thanks!

Amanda Stonecipher

Special Investigator I
Enforcement Unit

Alcohol & Marijuana Control Office

1648 S. Cushman St., Ste 203
Fairbanks, AK 99701

Office (907) 451-2748
Cell (907) 987-6656

amanda.stonecipher@alaska.gov



—Original Message—

From: Mike Emers [<mailto:mike@rosiecreekfarm.com>]

Sent: Friday, October 20, 2017 11:06 AM

To: Stonecipher, Amanda M (CED) <amanda.stonecipher@alaska.gov>; Chiesa, Michael R (CED) <michael.chiesa@alaska.gov>; CED AMCO Enforcement (CED sponsored) <amco.enforcement@alaska.gov>

Cc: Matt Springer <matt@rosiecreekfarm.com>; Jana Weltzin <jana@jdwounsel.com>; Valerie Mastolier <valerie@jdwounsel.com>; kelly.jenkins@franwell.com

Subject: Site visit from Metrc

Dear Amanda and Mike,

I had a site visit from Kelly Jenkins of Metrc yesterday (10/19/2017), who spent 2 hours with us going over questions and issues we had with our tracking system.

The main issue was that we were over-reporting waste - namely waste from moisture loss due to drying. What we had done was the following: after weighing all our harvest batches after the season we recorded remaining weights and compared those with what was listed in Metrc. We then reported the difference as waste due to moisture loss from drying on October 18th. Kelly told us that this was unnecessary since Metrc records this on its own after we "finish" a harvest batch. Although it was a relief to understand this we still have the problem that we over-reported waste that we did not need to. Kelly will meet with Director McConnell and inform him of the situation and come up with a solution to fix it. I will forward you the email of the report he sent to us.

Another issue we discussed was the "truncating" of route descriptions in manifests. All of the truncated route descriptions that you brought to my attention in our September meeting were shortened at 4 lines. He explained to me that from January through April of this year, Metrc was trying to come up with a fix to the lengthy route descriptions in Alaska and ended up shortening the print-outs. After some sleuthing, we found my entire route descriptions typed into the manifests that were never seen in the print-outs. I should have caught this at that time and informed both you and Metrc of the problem.

We also discussed issues concerning clarifications on data entry and interface, testing, creating packages, and general managing of our account.

I will forward you his report and keep you in the loop on any pertinent information he might have concerning the above issues.

Thanks,

Mike Emers
Rosie Creek Farm



Exhibit 1e



Received by AMCO 6.22.18

Me <mike@rosiecreekfarm.com>★

Site visit from Metrc

Reply Reply All Forward Archive Junk Delete More
10/20/17, 11:05 AM

Stonecipher, Amanda M (CED) <amanda.stonecipher@alaska.gov>★, Chiesa, Michael R (CED) <michael.chiesa@alaska.gov>★, CED AMCO Enforcement (CED sponsored) <amco.enforcement@alaska.gov>★

Matt Springer★, Jana Weltzin <jana@jdwccounsel.com>★, Valerie Mastolier <valerie@jdwccounsel.com>★, kelly.jenkins@franwell.com★

Dear Amanda and Mike,

I had a site visit from Kelly Jenkins of Metrc yesterday (10/19/2017), who spent 2 hours with us going over questions and issues we had with our tracking system.

The main issue was that we were over-reporting waste – namely waste from moisture loss due to drying. What we had done was the following: after weighing all our harvest batches after the season we recorded remaining weights and compared those with what was listed in Metrc. We then reported the difference as waste due to moisture loss from drying on October 18th. Kelly told us that this was unnecessary since Metrc records this on it's own after we "finish" a harvest batch. Although it was a relief to understand this we still have the problem that we over-reported waste that we did not need to. Kelly will meet with Director McConnell and inform him of the situation and come up with a solution to fix it. I will forward you the email of the report he sent to us.

Another issue we discussed was the "truncating" of route descriptions in manifests. All of the truncated route descriptions that you brought to my attention in our September meeting were shortened at 4 lines. He explained to me that from January through April of this year, Metrc was trying to come up with a fix to the lengthy route descriptions in Alaska and ended up shortening the print-outs. After some sleuthing, we found my entire route descriptions typed into the manifests that were never seen in the print-outs. I should have caught this at that time and informed both you and Metrc of the problem.

We also discussed issues concerning clarifications on data entry and interface, testing, creating packages, and general managing of our account.

I will forward you his report and keep you in the loop on any pertinent information he might have concerning the above issues.

Thanks,
Mike Emers
Rosie Creek Farm

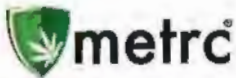


Received by AMCO 6.22.18

Exhibit 1f



Received by AMCO 6.22.18



ALCOHOL & MARIJUANA CONTROL OFFICE
MARIJUANA TRANSPORTATION MANIFEST

All sales transactions are to be completed prior to transportation of any MARIJUANA. The receiving entity may reject product delivered, but amount delivered must be limited to amount agreed upon in prior sales transaction.

Manifest #:	0000040302	Date Created:	3/24/2017 1:10 PM
Originating Entity:	ROSIE CREEK FARM	For Agency Use Only	
Originating License Number:	4a-10005		
Address of Originating Entity:	2659 Livingston Loop Fairbanks, AK		
Phone No. of Originating Entity:	9074793642		
Contact Phone No. for Inquiries:	9074793642		
Destination # 1:	GOODSINSE LLC	Destination Phone No.:	9073477689
Destination License Number:	4a-10279	Date and Approximate Time of Departure:	3/24/2017 2:00 PM
Address of Destination:	2604 Davis rd. Fairbanks, AK	Date and Approximate Time of Arrival:	3/24/2017 2:30 PM
		Date/Time Received:	3/24/2017 2:43 PM
Route to be Traveled: Farm to Kallenberg Road to Cripple Creek To Parks Highway to University Road to Davis Road to Goodsense		Notes: details for extenuating circumstances (e.g., road closure, flat tire, etc.)	
Name of Person Transporting:	Michael Emers	Handler Permit No. of Driver:	10522
State Driver's License No.:	ADL 6574513	Signature of Person Transporting:	
Make, Model, License Plate No.:	Toyota Matrix EGC 534		
Package Label	Harvest Name	Item Name	Weight/Quantity
1A40203000000CA000000112 Status: Accepted	Cheese HT 4 25 Aug	Cheese HT Harvest 2016 Trim (Leaf/Trim)	Shp: 195.0000 g Rcv: 195.0000 g
1A40203000000CA000000113 Status: Accepted	Onyx Field 21 Sep	Onyx Field Harvest 2016 Trim (Leaf/Trim)	Shp: 86.0000 g Rcv: 86.0000 g
1A40203000000CA000000114 Status: Accepted	Amnesia HT 4 26 Aug	Amnesia HT Harvest 2016 Trim (Leaf/Trim)	Shp: 224.0000 g Rcv: 224.0000 g
PRODUCT REJECTION (if only a portion of shipment is rejected, circle that portion above)			
Name of Person Receiving or Rejecting Product:			
I confirm that the contents of this shipment match weight records entered above, and I agree to take custody of those portions of this shipment <i>not</i> circled above. Those portions circled were returned to the individual delivering this shipment.			
Signature:		Date:	
Signature of individual taking receipt of rejected portion of this shipment:			





METRC®

MARIJUANA/CANNABIS TRANSPORTATION MANIFEST

All sales transactions are to be completed prior to transportation of any Marijuana/Cannabis. The receiving entity may reject product delivered, but amount delivered must be limited to amount agreed upon in prior sales transaction. If the person transporting Marijuana/Cannabis has not yet received his or her Occupational License Number, please put "Pending" in the appropriate field.

Manifest #:	0000040302	Date Completed:	3/24/2017 1:10 PM
License # of Originating Entity:	4a-10005	For Agency Use Only	
Name of Originating Entity:	ROSIE CREEK FARM		
Address of Originating Entity:	2659 Livingston Loop Fairbanks, AK		
Phone No. of Originating Entity:	9074793642		
Contact Phone No. for Inquiries:	9074793642		
DESTINATION:	GOODSINSE LLC	Destination Phone No.:	9073477689
Stop Number on Route:	1	Destination License Number:	4a-10279
Address of Destination:	2604 Davis rd. Fairbanks, AK	Date and Approximate Time of Departure:	3/24/2017 2:00 PM
		Date and Approximate Time of Arrival:	3/24/2017 2:30 PM
Route to be Traveled: Farm to Kallenberg Road to Cripple Creek To Parks Highway to University Road		Notes: details for extenuating circumstances (e.g., road closure, flat tire, etc.)	
Item Description	Item Label	Weight/Quantity	
Cheese HT Harvest 2016 Trim	1A40203000000CA000000112	195.0000 g	
Onyx Field Harvest 2016 Trim	1A40203000000CA000000113	86.0000 g	
Amnesia HT Harvest 2016 Trim	1A40203000000CA000000114	224.0000 g	
PRODUCT REJECTION (if only a portion of shipment is rejected, circle that portion above)			
Name of Person Receiving or Rejecting Product:	Daniel Peters GoodSense LLC		
I confirm that the contents of this shipment match weight records entered above, and I agree to take custody of those portions of this shipment not circled above. Those portions circled were returned to the individual delivering this shipment.			
Signature:	Daniel Peters GoodSense LLC	Date:	3-24-17
Signature of individual taking receipt of rejected portion of this shipment:			
Name of Person Transporting:	Michael Emers	License No. of Person Transporting:	10522
Signature of Person Transporting:			
Make, Model, License Plate No.:	Toyota Matrix EGC 534		



Exhibit 1g



Received by AMCO 6.22.18



METRC®

MARIJUANA/CANNABIS TRANSPORTATION MANIFEST

All sales transactions are to be completed prior to transportation of any Marijuana/Cannabis. The receiving entity may reject product delivered, but amount delivered must be limited to amount agreed upon in prior sales transaction. If the person transporting Marijuana/Cannabis has not yet received his or her Occupational License Number, please put "Pending" in the appropriate field.

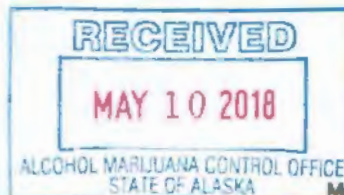
Manifest #:	0000027703	Date Completed:	2/23/2017 10:31 AM
License # of Originating Entity:	4a-10005	For Agency Use Only	
Name of Originating Entity:	ROSIE CREEK FARM		
Address of Originating Entity:	2659 Livingston Loop Fairbanks, AK		
Phone No. of Originating Entity:	9074793642		
Contact Phone No. for inquiries:	9074793642		
DESTINATION:	DANKORAGE, LLC	Destination Phone No.:	5127796019
Stop Number on Route:	1	Destination License Number:	3a-10306
Address of Destination:	2812 Spenard Road Anchorage, AK	Date and Approximate Time of Departure:	2/24/2017 7:00 AM
		Date and Approximate Time of Arrival:	2/24/2017 10:45 AM
Route to be Traveled:	Notes: details for extenuating circumstances (e.g., road closure, flat tire, etc.)		
Farm to Kallenberg Road to Cripple Creek Road to Parks Highway to Airport Road West			
Item Description	Item Label	Weight/Quantity	
Onyx Field Harvest 2016 Bud	1A40203000000CA000000081	1000.0000 g	
Onyx Field Harvest 2016 Bud	1A40203000000CA000000082	1000.0000 g	
PRODUCT REJECTION (if only a portion of shipment is rejected, circle that portion above)			
Name of Person Receiving or Rejecting Product:			
I confirm that the contents of this shipment match weight records entered above, and I agree to take custody of those portions of this shipment not circled above. Those portions circled were returned to the individual delivering this shipment.			
Signature:	Date:		2-24-17
Signature of individual taking receipt of rejected portion of this shipment:			
Name of Person Transporting:	Michael Emers	License No. of Person Transporting:	10522
Signature of Person Transporting:			
Make, Model, License Plate No.:	Toyota Matrix EGC 534		



MARIJUANA/CANNABIS TRANSPORTATION MANIFEST

All sales transactions are to be completed prior to transportation of any Marijuana/Cannabis. The receiving entity may reject product delivered, but amount delivered must be limited to amount agreed upon in prior sales transaction. If the person transporting Marijuana/Cannabis has not yet received his or her Occupational License Number, please put "Pending" in the appropriate field.

Manifest #:	0000027703	Date Completed:	2/23/2017 10:31 AM
License # of Originating Entity:	4a-10005	For Agency Use Only	
Name of Originating Entity:	ROSIE CREEK FARM		
Address of Originating Entity:	2659 Livingston Loop Fairbanks, AK		
Phone No. of Originating Entity:	9074793642		
Contact Phone No. for Inquiries:	9074793642		
DESTINATION:	CANNTST, LLC	Destination Phone No.:	9073461333
Stop Number on Route:	2	Destination License Number:	6a-10009
Address of Destination:	620 E Whitney Road Suite B Anchorage, AK	Date and Approximate Time of Departure:	2/24/2017 11:13 AM
		Date and Approximate Time of Arrival:	2/24/2017 11:45 AM
Route to be Traveled:	Notes: details for extenuating circumstances (e.g., road closure, flat tire, etc.)		
Proceed to CannTest in Dodge Ram 1500, license plate GSC510 via Benson to A Street to 4th Ave			
Item Description	Item Label	Weight/Quantity	
DFG Field Harvest 2016 Trim	1A40203000000CA000000083	4.0000 g	
Onyx HT Harvest 2016 Bud	1A40203000000CA000000067	4.0000 g	
Onyx HT Harvest 2016 Trim	1A40203000000CA000000068	4.0000 g	
Indy HT Harvest 2016 Bud	1A40203000000CA000000069	4.0000 g	
Indy HT Harvest 2016 Bud	1A40203000000CA000000070	4.0000 g	
WW HT harvest 2016 Bud	1A40203000000CA000000071	4.0000 g	
Onyx HT Harvest 2016 Bud	1A40203000000CA000000072	4.0000 g	
Onyx HT Harvest 2016 Trim	1A40203000000CA000000073	4.0000 g	
Onyx Field Harvest 2016 Bud	1A40203000000CA000000075	4.0000 g	
Onyx Field Harvest 2016 Trim	1A40203000000CA000000076	4.0000 g	
DFG Field Harvest 2016 Trim	1A40203000000CA000000077	4.0000 g	
Indy HT Harvest 2016 Bud	1A40203000000CA000000078	4.0000 g	
Onyx Field Harvest 2016 Bud	1A40203000000CA000000079	4.0000 g	
Onyx Field Harvest 2016 Bud	1A40203000000CA000000080	4.0000 g	
PRODUCT REJECTION (if only a portion of shipment is rejected, circle that portion above)			
Name of Person Receiving or Rejecting Product:	<i>Jonathan Ruel</i>		
I confirm that the contents of this shipment match weight records entered above, and I agree to take custody of those portions of this shipment not circled above. Those portions circled were returned to the individual delivering this shipment.			
Signature:	<i>[Signature]</i>		Date: 2-24-17
Signature of individual taking receipt of rejected portion of this shipment:			
Name of Person Transporting:	Michael Emers	License No. of Person Transporting:	10522
Signature of Person Transporting:			
Make, Model, License Plate No.: Toyota Matrix EGC 534			





ALCOHOL & MARIJUANA CONTROL OFFICE
MARIJUANA TRANSPORTATION MANIFEST

All sales transactions are to be completed prior to transportation of any MARIJUANA. The receiving entity may reject product delivered, but amount delivered must be limited to amount agreed upon in prior sales transaction.

Manifest #:	0000027703	Date Created:	2/23/2017 10:31 AM
Originating Entity:	ROSIE CREEK FARM	For Agency Use Only	
Originating License Number:	4a-10005		
Address of Originating Entity:	2659 Livingston Loop Fairbanks, AK		
Phone No. of Originating Entity:	9074793642		
Contact Phone No. for Inquiries:	9074793642		
Destination # 1:	DANKORAGE, LLC	Destination Phone No.:	5127796019
Destination License Number:	3a-10306	Date and Approximate Time of Departure:	2/24/2017 7:00 AM
Address of Destination:	2812 Spenard Road Anchorage, AK	Date and Approximate Time of Arrival:	2/24/2017 10:45 AM
		Date/Time Received:	2/24/2017 2:32 PM
Route to be Traveled: Farm to Kallenberg Road to Cripple Creek Road to Parks Highway to Airport Road West to FAI board Alaska Airlines flight 2802 (Bombardier Q400) @ 8:50 AM Arrive ACH @ 10:05 AM Picked up in Dodge Ram 1500, license plate GSC510 Proceed to Dankorage via Airport Road to Minnesota to Spenard Road to Dankorage		Notes: details for extenuating circumstances (e.g., road closure, flat tire, etc.)	
Name of Person Transporting:	Michael Emers	Handler Permit No. of Driver:	10522
State Driver's License No.:	ADL 6574513	Signature of Person Transporting:	
Make, Model, License Plate No.:	Toyota Matrix EGC 534		
Package Label	Harvest Name	Item Name	Weight/Quantity
1A40203000000CA000000081 Status: Accepted	Onyx Field 7 Sep	Onyx Field Harvest 2016 Bud (Bud/Flower)	Shp: 1000.0000 g Rcv: 1000.0000 g
1A40203000000CA000000082 Status: Accepted	Onyx Field 7 Sep	Onyx Field Harvest 2016 Bud (Bud/Flower)	Shp: 1000.0000 g Rcv: 1000.0000 g
PRODUCT REJECTION (if only a portion of shipment is rejected, circle that portion above)			
Name of Person Receiving or Rejecting Product:			
I confirm that the contents of this shipment match weight records entered above, and I agree to take custody of those portions of this shipment not circled above. Those portions circled were returned to the individual delivering this shipment.			
Signature:		Date:	
Signature of individual taking receipt of rejected portion of this shipment:			





ALCOHOL & MARIJUANA CONTROL OFFICE

MARIJUANA TRANSPORTATION MANIFEST

All sales transactions are to be completed prior to transportation of any MARIJUANA. The receiving entity may reject product delivered, but amount delivered must be limited to amount agreed upon in prior sales transaction.

Manifest #:	0000027703	Date Created:	2/23/2017 10:31 AM
Originating Entity:	ROSIE CREEK FARM	For Agency Use Only	
Originating License Number:	4a-10005		
Address of Originating Entity:	2659 Livingston Loop Fairbanks, AK		
Phone No. of Originating Entity:	9074793642		
Contact Phone No. for Inquiries:	9074793642		
Destination # 2:	CANNTST, LLC	Destination Phone No.:	9073461333
Destination License Number:	6a-10009	Date and Approximate Time of Departure:	2/24/2017 11:13 AM
Address of Destination:	620 E Whitney Road Suite B Anchorage, AK	Date and Approximate Time of Arrival:	2/24/2017 11:45 AM
		Date/Time Received:	2/24/2017 12:00 PM
Route to be Traveled: Proceed to CannTest in Dodge Ram 1500, license plate GSC510 via Benson to A Street to 4th Ave to Whitney Road		Notes: details for extenuating circumstances (e.g., road closure, flat tire, etc.)	
Name of Person Transporting:	Michael Emers	Handler Permit No. of Driver:	10522
State Driver's License No.:	ADL 6574513	Signature of Person Transporting:	
Make, Model, License Plate No.:	Toyota Matrix EGC 534		
Package Label	Harvest Name	Item Name	Weight/Quantity
1A40203000000CA000000083 Status: Accepted	DFG Field 12 Sep	DFG Field Harvest 2016 Trim (Leaf/Trim)	Shp: 4.0000 g Rcv: 4.0000 g
1A40203000000CA000000067 Status: Accepted	Onyx HT 2 24 Aug	Onyx HT Harvest 2016 Bud (Bud/Flower)	Shp: 4.0000 g Rcv: 4.0000 g
1A40203000000CA000000068 Status: Accepted	Onyx HT 2 24 Aug	Onyx HT Harvest 2016 Trim (Leaf/Trim)	Shp: 4.0000 g Rcv: 4.0000 g
1A40203000000CA000000069 Status: Accepted	Indy HT 4 25 Aug	Indy HT Harvest 2016 Bud (Bud/Flower)	Shp: 4.0000 g Rcv: 4.0000 g
1A40203000000CA000000070 Status: Accepted	Indy HT 4 25 Aug	Indy HT Harvest 2016 Bud (Bud/Flower)	Shp: 4.0000 g Rcv: 4.0000 g
1A40203000000CA000000071 Status: Accepted	White Widow HT 4 25 Aug	WW HT harvest 2016 Bud (Bud/Flower)	Shp: 4.0000 g Rcv: 4.0000 g
1A40203000000CA000000072 Status: Accepted	Onyx HT 4 1 Sep	Onyx HT Harvest 2016 Bud (Bud/Flower)	Shp: 4.0000 g Rcv: 4.0000 g
1A40203000000CA000000073 Status: Accepted	Onyx HT 4 1 Sep	Onyx HT Harvest 2016 Trim (Leaf/Trim)	Shp: 4.0000 g Rcv: 4.0000 g
1A40203000000CA000000075 Status: Accepted	Onyx Field 19 Sep	Onyx Field Harvest 2016 Bud (Bud/Flower)	Shp: 4.0000 g Rcv: 4.0000 g
1A40203000000CA000000076 Status: Accepted	Onyx Field 19 Sep	Onyx Field Harvest 2016 Trim (Leaf/Trim)	Shp: 4.0000 g Rcv: 4.0000 g
1A40203000000CA000000077 Status: Accepted	DFG Field 20 Sep	DFG Field Harvest 2016 Trim (Leaf/Trim)	Shp: 4.0000 g Rcv: 4.0000 g
1A40203000000CA000000078 Status: Accepted	Indy HT 4 16 Sep	Indy HT Harvest 2016 Bud (Bud/Flower)	Shp: 4.0000 g Rcv: 4.0000 g
1A40203000000CA000000079 Status: Accepted	Onyx Field 8 Sep	Onyx Field Harvest 2016 Bud (Bud/Flower)	Shp: 4.0000 g Rcv: 4.0000 g
1A40203000000CA000000080 Status: Accepted	Onyx HT 2 29 Sep	Onyx Field Harvest 2016 Bud (Bud/Flower)	Shp: 4.0000 g Rcv: 4.0000 g





ALCOHOL & MARIJUANA CONTROL OFFICE
MARIJUANA TRANSPORTATION MANIFEST

All sales transactions are to be completed prior to transportation of any MARIJUANA. The receiving entity may reject product delivered, but amount delivered must be limited to amount agreed upon in prior sales transaction.

Manifest #:	0000027703	Date Created:	2/23/2017 10:31 AM
PRODUCT REJECTION (if only a portion of shipment is rejected, circle that portion above)			
Name of Person Receiving or Rejecting Product:			
I confirm that the contents of this shipment match weight records entered above, and I agree to take custody of those portions of this shipment <i>not</i> circled above. Those portions circled were returned to the individual delivering this shipment.			
Signature:		Date:	
Signature of individual taking receipt of rejected portion of this shipment:			



Notice of Violation

(3AAC 306.805)

This form, all information provided and responses are public documents per Alaska Public Records ACT AS 40.25

Date: 04/03/18

Licensee: RCFC, LLC

DBA: Rosie Creek farm

License #/Type: 10005/Standard Marijuana Cultivation Facility

Address: 2659 Livingston Loop, Fairbanks, AK 99709

AMCO Case #: AB17-0000445

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

08/22/2017 and 09/08/2017 I went to Rosie Creek Farm, license # 10005, standard marijuana cultivation facility, to inspect a large amount of waste the licensee reported to AMCO he intended to destroy. On both visits while on the premises I saw a team of contracted workers trimming harvested marijuana. None of the workers had employee identification or visitor passes visibly displayed while the crews were working in the restricted access area.

This is a violation of 3 AAC 306.710(c):

3 AAC 306.710: RESTRICTED ACCESS AREA

(c) In a restricted access area, a licensee, employee, or agent of the marijuana establishment shall wear a current identification badge bearing the person's photograph. A person under 21 years of age may not enter a restricted access area. Any visitor to the restricted access area must

- (1) show identification as required in 3 AAC 306.350 to prove that person is 21 years of age or older;
- (2) obtain a visitor identification badge before entering the restricted access area; and
- (3) be escorted at all times by a licensee, employee, or agent of the marijuana establishment

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A licensee may respond, either orally or in writing, to the Notice. 3 AAC 306.810(3)(A)(B)(C) failed, within a reasonable time after receiving a notice of violation from the director, to correct any defect that is the subject of the notice of violation of AS 17.38 or this chapter, a condition or restriction imposed by the board or other applicable law.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

*Please send your response to the address below and include your Marijuana Establishment License Number in your response.

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator: M. Chiesa

Received by:

SIGNATURE:



SIGNATURE:

Delivered VIA: Email

Date:

Article #

Received by AMCO 6.22.18

This NOV notes that Enforcement noticed this issue on July 13, 2017. We heard no concerns about it until this April 3, 2018 NOV. Although we did have cameras pointed at all of the gates from within the facility, we did not have them positioned outside two of the three gates and facing outwards. The camera placement on the gates has been the same since our initial inspection in July of 2016. Since this was not identified as a violation at our initial inspection, we assumed that we were compliant. We wish that Enforcement had notified us at our initial inspection (2016) that they were not satisfied with the camera placement. We remedied this situation immediately after the July 13, 2017 inspection on one of the gates and on the far gate (where the distance is too great to run wire, we chained that gate shut so that it is no longer an entrance).

Camera HT-1 – NOV number 9

According to the NOV, Enforcement noticed this event on July 13, 2017. We heard no concerns about it until this April 3, 2018 NOV. High Tunnel 1 did collapse (due to snow) in December of 2016 and the cameras were offline as a result. Since there was no marijuana in it and the farm isn't in use during the winter, we did not inform Enforcement. We realize now that we should have. We did assemble the wreckage in the early summer of 2017 and rebuilt it. At that time, we also installed new cameras that were inspected by AMCO in August of 2017.

Premises Change Sept 2017 – NOV Number 10

Please see attached correspondence from my counsel explaining which structures were in use and when that was presented at the April 2018 MCB.

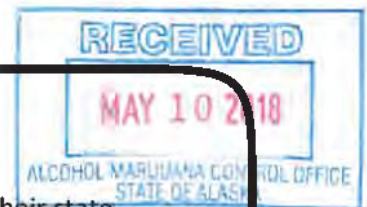
Premises Change – Propagation House – NOV Number 11

Please refer to the same exhibit referenced in NOV Premises change NOV number 10

Please see attached correspondence from my counsel explaining which structures were in use and when that was presented at the April 2018 MCB.

Restricted Access ID – NOV Number 12

It is true that the contractors did not have visitor or employee badges. However, their state issued marijuana cards were in a copy on file in the office - we should have either had them wear visitor badges and this is our mistake.



Unsecured Recording Equipment – NOV number 13

We kept the key for the recording equipment in the recording box for fear of losing it. Since the office is locked after hours and people are going in and out all day, we felt sure of its safety.

Notice of Violation

(3AAC 306.805)

This form, all information provided and responses are public documents per Alaska Public Records ACT AS 40.25

Date: 04-03-18

Licensee: RCFC, LLC

DBA: Rosie Creek Farm

License #/Type: 10005/Standard Marijuana Cultivation Facility

Address: 2659 Livingston Loop, Fairbanks, AK 99709

AMCO Case #: AB17-0000445

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

On 09-08-17 I went to Rosie Creek Farm, license # 10005, standard marijuana cultivation facility, to inspect a large amount of waste the licensee reported to AMCO he intended to destroy. While on the premise, I saw a new structure, another greenhouse building, I did not recall seeing on the licensed premises when I was last there on 08-22-17. I walked through and saw dozens of tagged marijuana plants had been planted in the new structure. Licensee, Emers, told me the structure was referred to as the "Propagation Greenhouse." Emers had created a room for the Propagation Greenhouse in Metrc on 09-07-17.

The approved premise diagram for the licensee does not have the propagation greenhouse on it.

This is a violation of 3 AAC 306.705(c):

3AAC 306.705: LICENSED PREMISE; ALTERATION

(c) A holder of a marijuana establishment license may not alter the functional floor plan or reduce or expand the area of the licensed premises without first obtaining the director's written approval.

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A licensee may respond, either orally or in writing, to the Notice. 3 AAC 306.810(3)(A)(B)(C) failed, within a reasonable time after receiving a notice of violation from the director, to correct any defect that is the subject of the notice of violation of AS 17.38 or this chapter, a condition or restriction imposed by the board or other applicable law.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

*Please send your response to the address below and include your Marijuana Establishment License Number in your response.

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator: M. Chiesa

Received by:

SIGNATURE:



SIGNATURE:

Delivered VIA: Email

Date:

Article #

Received by AMCO 6.22.18

This NOV notes that Enforcement noticed this issue on July 13, 2017. We heard no concerns about it until this April 3, 2018 NOV. Although we did have cameras pointed at all of the gates from within the facility, we did not have them positioned outside two of the three gates and facing outwards. The camera placement on the gates has been the same since our initial inspection in July of 2016. Since this was not identified as a violation at our initial inspection, we assumed that we were compliant. We wish that Enforcement had notified us at our initial inspection (2016) that they were not satisfied with the camera placement. We remedied this situation immediately after the July 13, 2017 inspection on one of the gates and on the far gate (where the distance is too great to run wire, we chained that gate shut so that it is no longer an entrance).

Camera HT-1 – NOV number 9

According to the NOV, Enforcement noticed this event on July 13, 2017. We heard no concerns about it until this April 3, 2018 NOV. High Tunnel 1 did collapse (due to snow) in December of 2016 and the cameras were offline as a result. Since there was no marijuana in it and the farm isn't in use during the winter, we did not inform Enforcement. We realize now that we should have. We did assemble the wreckage in the early summer of 2017 and rebuilt it. At that time, we also installed new cameras that were inspected by AMCO in August of 2017.

Premises Change Sept 2017 – NOV Number 10

Please see attached correspondence from my counsel explaining which structures were in use and when that was presented at the April 2018 MCB.

Premises Change – Propagation House – NOV Number 11

Please refer to the same exhibit referenced in NOV Premises change NOV number 10

Please see attached correspondence from my counsel explaining which structures were in use and when that was presented at the April 2018 MCB.

Restricted Access ID – NOV Number 12

It is true that the contractors did not have visitor or employee badges. However, their state issued marijuana cards were in a copy on file in the office - we should have either had them wear visitor badges and this is our mistake.

Unsecured Recording Equipment – NOV number 13

We kept the key for the recording equipment in the recording box for fear of losing it. Since the office is locked after hours and people are going in and out all day, we felt sure of its safety.



Response to NOVs number 10 and 11



Received by AMCO 6.22.18



Jana D. Weltzin
Licensed in Alaska &
Arizona 3003
Minnesota Blvd.,
Suite 201
Anchorage, Alaska 99501
Phone 630-913-1113
Main Office 907-231-3750
JDW, LLC
jana@jdwccounsel.com

April 3, 2018

Director McConnell
Chief James Hoelscher
MCB Board

*Sent Via Electronic Mail
And Hand Delivered*

Re: Rosie Creek Farm Standard Cultivation, License No. 10005

This letter is in response to Director McConnell's board memo for my client, Mike Emers' MJ-15 operating plan change that is on the current meeting agenda. I believe it is vital that all facts be presented to all parties so that a fully informed decision may be made – a non-approval of the MJ15 & MJ14 or similarly a tabling of the matter would be devastating for this outdoor operation.

Some of the structures that are being added to the cultivation licensed premises via the submitted MJ-14/15 were previously existing structures that were used for vegetable farming and some structures are brand new to the property. Regardless, all of the structures requested to be used by the licensee in this MJ14 were previously disclosed and requested to be approved (as various uses, some non-marijuana related) in July of 2017 - the MCB tabled the request in the July 2017 meeting.

-High tunnel 5 was disclosed to the board on the July 2017 MJ14 premises change request, although it was attempting to change designation from a licensed premises to be designated as used for growing cherry tomatoes, however this was not approved. The current request is to allow use of the high tunnel for marijuana, even though it was already approved as a licensed area in his original MJ02 premises submission in 2016 at the time of licensing – **to date Mike has not used this for marijuana.**

-Small greenhouse – this was originally approved on the original 2016 diagram – Mike tried to change it to unrestricted access for vegetable farming in July 2017, but the MCB did not approve that request, so it remained a restricted access area and licensed for marijuana.

-Propagation Greenhouse – Shown on the MJ14 reviewed by the MCB in the July 2017 meeting



1 | Page

Received by AMCO 6.22.18

as propagation greenhouse – there are cameras in this greenhouse and Enforcement agents Michael Cheisa and Amanda Stonecipher reviewed and approved (and also made suggestions which Mike followed relating to the camera placements on three different occasions).

-Heated greenhouse - shown on MJ14 filed in July 2017, but it was labeled tomato greenhouse, **however, Mike has not used this greenhouse for marijuana activity yet, he is waiting for April 2018 MCB approval. The approval of the heated greenhouse is really important because it would allow Mike to start his plants earlier than last year, which would substantially increase the efficiency and success rate for his crop. If the use of the heated greenhouse isn't allowed, it would be devastating to his business.**

-Trimming shed – shown on MJ14 filed in July 2017, but it was labeled vegetable packaging & processing shed. **Mike has used this for marijuana trimming, which Enforcement agents Michael Cheisa and Amanda Stonecipher knew about because they had viewed and approved the camera locations.**

-marijuana storage unit 1 - disclosed and requested to be approved on MJ14 in July 2017 – similar to the trimming shed, Michael and Amanda helped Mike with the camera placement of these units.

-marijuana storage unit 2 - disclosed and requested to be approved on MJ14 in July 2017 - similar to the trimming shed, Michael and Amanda helped Mike with the camera placement of these units.

-marijuana storage unit 3 - disclosed and requested to be approved on MJ14 in July 2017 - similar to the trimming shed, Michael and Amanda helped Mike with the camera placement of these units.

-propagation greenhouse – disclosed and requested to be approved on MJ14 in July 2017 - similar to the trimming shed, Michael and Amanda helped Mike with the camera placement of these units.

-ATCO Unit – was on the diagram submitted in July 2017 MCB request and was designated as the pending license for Product Manufacturing – but Enforcement Officers Michael Cheisa and Amanda Stonecipher went and looked at the ATCO unit in August and gave direction on camera placement. Trimming has taken place in this unit.

Reminder to the MCB and AMCO Staff – The entire outline of Rosie Creek Farms REMAINS a licensed restricted access area – the entire premises is enclosed by a security fence (8 foot fence that encloses 7.5 acres), and all of the inside space, structures, remain licensed due to the fact the MCB did not approve the July 2017 submission that would have changed some of the licensed area to a non-licensed area for vegetable growing – the MCB tabled this request, so the entire fenced area is still a licensed restricted access area.

Please see attached Original diagram approved by MCB in 2016; July 2017 submission of MJ14 request, resulting in tabling of that MJ14 request; and current MJ14 premises diagram change request.

Three storage connexes, the propagation greenhouse, and the new ATCO unit were delivered to the property in August of 2017. Life at this farm existed before marijuana and Mike and his family have been farming fruits and vegetables at this property for decades for more than twenty years. The trimming and packaging shed is an existing structure that was already part of the cultivation licensed premises. The licensed premises diagram change and operating plan changes before you



now were submitted to AMCO staff on February 5, 2018.

In August and September of 2017, my client was working closely with the Fairbanks AMCO Investigators to streamline the cultivation facility's waste procedures and to ensure regulatory compliance. This operation is not like the majority of cultivators because it is an outdoor cultivation with only one season a year, therefore the waste of one season is larger and enforcement and the licensee have been working together to make sure its properly handled.

On August 28, 2017, both Investigator Stonecipher and Investigator Cheisa visited the cultivation premises to inspect and discuss marijuana waste. During this visit, both investigators and the licensee, Mike Emers, discussed the new structures that were currently in use by the cultivation facility; the new ATCO trimming and packing building, the three storage connexes and the trimming shed. The investigators observed the cameras Mike had already installed and informed Mike that he would need to install additional cameras in the new structures and walkways to comply with restricted access area regulations. Mike complied with Enforcement's direction. Neither investigator directed Mike to cease using the new structures until the change forms were approved by the board, they just said to make sure to get them filed as soon as possible. Again, in early September, approximately the week of the 11th, Investigator Cheisa visited the facility to inspect marijuana waste to be disposed of and again they had a discussion about the new structures and the required camera coverage. My client was not directed to stop using the new structures during this visit. Lastly, on the 21st of September, my client had a meeting with Investigator Stonecipher regarding proper waste protocol paperwork and business records. During this meeting, Investigator Stonecipher informed my client that since he was using the new structures, he really needed to submit the appropriate change forms. Again, my client was not directed to stop using the new structures.

Why did Mike not submit an MJ14 in Sept., when Amanda Stonecipher told him to? Given that the July 2017 MCB action had tabled the MJ14 premises diagram change to November 2017, Mike decided to wait until the MCB had completed its review of the July 2017 MJ14 request (which he ultimately withdrew due to MCB concerns and came up with the current request as an alternative to address the July MCB concerns, which is the MJ14 in front of you now). Mike believed that submitting additional MJ-14's and MJ-15's in the month separating the time between Amanda's direction and the November MCB meeting would further complicate matters. So, he waited (fully believing that he was still operating in compliance per his interactions with AMCO investigators).

Based on these encounters with AMCO investigators, my client believed that he was in compliance and could utilize the new structures as he had installed the cameras as directed. The investigators made no indication to Mike that he was in violation of the regulations and in danger of receiving NOV's or any other enforcement action. Had he been informed to cease operations in the new structures, he would have done so immediately.

Not once has my client been directed by any agent of the MCB, including AMCO enforcement staff to cease operations in the new structures until board approval is issued, despite being observed using the structures. The first time my office or my client has heard of any issue regarding the new structures was just last Friday, March 30, 2018 when the board meeting documents were posted

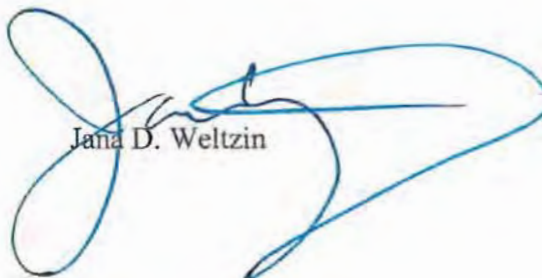


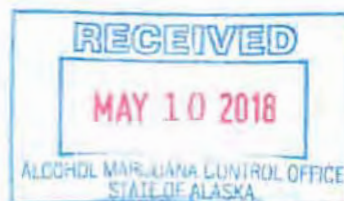
to AMCO's website with Director McConnell's board memo stating that she is writing an accusation for the board to consider. Why was there zero effort made to communicate with the licensee? Why are we jumping straight to an accusation when there was no advisory notice or notice of violation regarding this issue, not to mention any communication at all to the licensee that he was operating out of compliance even though the investigators helped Mike install the cameras in the new structures?

Respectfully, we do not feel that the action requested by the Director is warranted. The enforcement staff in Fairbanks have been excellent working with Mike - they come to the farm on a semi regular basis, Mike is completely open with them and eager to learn from them, which they help him understand how to remain compliant given the fact that these regulations were not drafted with outdoor cultivation in mind, and both AMCO FBX Enforcement and Mike have mutually helped each other learn together and together work towards remaining compliant and more efficient as a farm. During the summer - the enforcement team in Fairbanks have often been to the farm and have observed all of these structures and their uses. Moreover, my client is honest to a fault - he has even self-reported himself to AMCO Enforcement when he noticed that a trimming team had accidentally disconnected cameras last year. Self reporting is a form of self-governance and it is created when a licensee feels an obligation to report because he or she has respect and pride for upholding the regulations, but also due to trust built between the regulator and the licensee. Trust that there is a working and open relationship with a common goal in mind. Mike has no reason to hide or lie - and he has always reacted positively and with an open ear, free of defense or deflection, to any suggestion and direction he has received from AMCO staff and enforcement. There has never been any NOV's issued to Mike on the use of structures - nor has any of his previous NOV's ever resulted in a fine or penalty. Enforcement agents Amanda and Michael are seen as important tools to Mike, as all licensees should be able to have access to enforcement agents that are willing and eager to help them understand the regulations as they play out in the real world. Mike relies heavily on their guidance and direction and remains committed to compliancy, even though the regulations are not crafted in a manner that serves outdoor operations and cause challenges that regular indoor cultivations simply do not have to overcome.

We respectfully request this Board consider approving the MJ14 and MJ15.

Sincerely,


Jana D. Weltzin



Original Premises Diagram Approved in 2016



Received by AMCO 6.22.18

License 10005 - Rosie Creek Farm

MJ-02 Premises diagram map key

Map Designation	Description	Construction	Dimensions	Area	Height
Haygrove High Tunnel http://www.haygrove.com	Multi-bay high tunnel	Steel frame and greenhouse plastic	300' x 96'	28,800 ft ²	12'
HT-1	High Tunnel	Steel frame and greenhouse plastic	96' x 30'	2880 ft ²	12'
HT-2	High Tunnel	Steel frame and greenhouse plastic	96' x 30'	2880 ft ²	12'
HT-3	High Tunnel	Steel frame and greenhouse plastic	96' x 30'	2880 ft ²	12'
HT-4	High Tunnel	Steel frame and greenhouse plastic	96' x 30'	2880 ft ²	12'
HT-5	High Tunnel	Steel frame and greenhouse plastic	96' x 30'	2880 ft ²	12'
G1	Heated Greenhouse	Wood frame and greenhouse plastic	96' x 20'	1920ft ²	15'
G2	Heated Greenhouse	Wood frame and greenhouse plastic	40' x 20'	800 ft ²	10'
P	Vegetable processing shed and cold storage. On concrete pad.	Timber frame mostly open air	40' x 20'	800 ft ²	15'
O	Farm Office	Frame	24' x 16'	384 ft ²	12'
FOC	Proposed Farm Operations Center (full basement)	Frame and block foundation	60' x 30'	3600 ft ²	12'
S	Proposed Security Shack	Frame	12' x 12'	144 ft ²	8'
W	Well				
X	Outhouse	Alaska outhouse construction		32 ft ²	8'



Received by AMCO 6.22.18



Received by AMCO 6.22.18



Received by AMCO 6.22.18

MJ-14 Premises Diagram Submitted July, 2017



Received by AMCO 6.22.18

Proposed Changes to operating plan and licensed premises diagram



Received by AMCO 6.22.18



Comm. Planning Dept

Alcohol and Marijuana Control Office
350 W 7th Avenue, Suite 1500
Anchorage, AK 99501
marijuana.license@alaska.gov
<https://www.commerce.alaska.gov/web/amco>
Phone: 907.269.0350

MAY 07 2018

Alaska Marijuana Control Board

RECEIVED

Form MJ-14: Licensed Premises Diagram Change**What is this form?**

This licensed premises diagram change form is required for all marijuana establishment licensees seeking to alter the functional floor plan or reduce or expand the area of the establishment's existing licensed premises, under 3 AAC 306.100 and 3 AAC 306.705. The required \$250 change fee may be made by credit card online (VISA, MasterCard, or Discover), or by check or money order.

Your diagram must show all entrances and boundaries of the premises, restricted access areas, and storage areas, and dimensions. If your proposed premises is located within a building or building complex that contains multiple businesses and/or tenants, please provide an additional page that clearly shows the location of your proposed premises within the building or building complex, along with the addresses and/or suite numbers of the other businesses and/or tenants within the building or building complex. Limited marijuana cultivation licensees must clearly delineate the proposed area(s) for cultivation.

The second page of this form is not required. Blueprints, CAD drawings, or other clearly drawn and marked diagrams may be submitted in lieu of the second page of this form, as long as it meets the requirements listed on this form. The first and third pages must still be completed, attached to, and submitted with any supplemental diagrams. An AMCO employee may require you to complete the second page of this form if additional documentation for your premises diagram is needed.

This form must be signed by the licensee and by the local government having jurisdiction over the location of the premises before it is submitted to AMCO staff for review.

This form must be completed and submitted to AMCO's main office prior to altering the existing floor plan. The licensed premises may not be altered unless and until the AMCO Director has given written approval on this form.

Please note that licensees seeking to change licensed premises diagrams for multiple licenses must submit a separate completed copy of this form for each license.

Yes No

I have attached blueprints, CAD drawings, or other supporting documents in addition to, or in lieu of, the second page of this form

☒ ☐**Section 1 – Establishment Information**

Enter information for the licensed establishment.

Licensee:	RCFC, LLC	License Number:	10005
License Type:	Standard Marijuana Cultivation Facility		
Doing Business As:	Rosie Creek Farm		
Premises Address:	2659 Livingston Loop		
City:	Fairbanks	State:	AK
		ZIP:	99709



Received by AMCO 6.22.18



Alcohol and Marijuana Control Office
550 W 7th Avenue, Suite 1000
Anchorage, AK 99501
marijuana.licensing@alaska.gov
<https://www.commerce.alaska.gov/web/amco>
Phone: 907.269.0350

Alaska Marijuana Control Board

Form MJ-14: Licensed Premises Diagram Change

Section 2 – Detailed Premises Diagram

Clearly indicate the boundaries of the premises and the proposed licensed area within that property. Clearly indicate the interior layout of any enclosed areas on the proposed premises. Clearly identify all entrances, walls, partitions, counters, windows, areas of ingress and egress, restricted access areas, and storage areas. Include dimensions in your drawing. Use additional copies of this form or attached additional documents as needed.





Alcohol and Marijuana Control Office
550 W 7th Avenue, Suite 1600
Anchorage, AK 99501
marijuana.licensing@alaska.gov
<https://www.commerce.alaska.gov/web/amco>
Phone: 907.269.0350

Alaska Marijuana Control Board

Form MJ-14: Licensed Premises Diagram Change

Section 3 – Declarations and Approvals

Read the line below, and then sign your initials in the box to the right of the statement:

Initials

If a local building permit is required, I have attached a copy of it to this form.

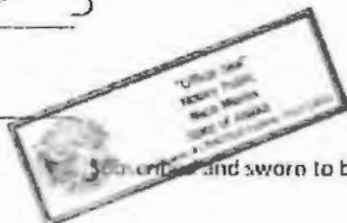
☐

As a marijuana establishment licensee, I declare under penalty of unsworn falsification that I have examined this form, including all attachments, and to the best of my knowledge and belief find the provided information to be true, correct, and complete.

Signature of licensee

Michael J Emers

Printed name of licensee



Notary Public in and for the State of Alaska.

My commission expires:

9-22-21

Subscribed and sworn to before me this 9 day of May, 2017.

Local Government Review (to be completed by an appropriate local government official):

Yes

No

The proposed changes shown on this form conform to all local restrictions and laws.

☒☐

A local building permit is required for the proposed changes.

☐☒

Signature of local government official

D. Christine Nelson

Printed name of local government official

Date

5-8-17

Title

Community Planning Director

AMCO Review:

Approved

Disapproved

☐☐

Signature of AMCO Enforcement Supervisor

Signature of Director:

Printed name of AMCO Enforcement Supervisor

Printed name of Director

Date

AMCO Comments:



License 10005 - Rosie Creek Farm

MJ-14 Diagram Narrative

We are proposing a premises diagram change to reflect both changes in our operating plan in an accompanying MJ-15 and changes to the restricted access areas (RAA) and licensed premises areas for our standard cultivating facility, and to accommodate a new proposed product manufacturing license application.

The outer eight foot "security fence" is staying the same. We are adding fences within the outer fence that will enclose outdoor cultivation areas. These are the RAA fences. These inner fences will be the required six-foot tall and provide a visual and physical barrier.

We are also adding two more structures and one greenhouse to our licensed premises. We are adding two "marijuana storage" units that are secure 8' x 20' storage containers (connexes). These two containers are of steel construction and will have the required commercial grade locks and be designated as RAA's.

The one new greenhouse ("Propagation Greenhouse") is a 20' x 48' structure of steel bows covered by 2 layers of greenhouse film. This will serve for seed production and will be within a RAA fence.

Instead of the entire area fenced in by the 8 foot security fence being designated as the cultivation facility's licensed premises, we are proposing that only those areas indicated on our proposed new diagram outlined in red be the licensed premises. All other areas within the security fence (that aren't designated as the product manufacturing facility) will be unlicensed areas.



MJ-14 Premises diagram map key

Description	Construction	Restricted Access Area?	Licensed Premises?	Use	Dimensions	Area
Security Fence	Steel posts @20' and 12 ga. wire mesh	no	no	Outer security Fence		
Restricted access area fences	Wire mesh fences, w steel posts	yes	yes	Inner fences for restricted access areas within farm compound		
High Tunnel 1	Steel frame and greenhouse plastic	yes	yes	Cannabis growing and trimming	96' x 30'	2880 ft ²
High Tunnel 2	Steel frame and greenhouse plastic	yes	yes	Cannabis growing and trimming	96' x 30'	2880 ft ²
High Tunnel 3	Steel frame and greenhouse plastic	yes	yes	Cannabis growing and trimming	96' x 30'	2880 ft ²
High Tunnel 4	Steel frame and greenhouse plastic	yes	yes	Cannabis growing and trimming	96' x 30'	2880 ft ²
High Tunnel 5	Steel frame and greenhouse plastic	no	no	Cherry Tomatoes	96' x 30'	2880 ft ²
Tomato Greenhouse	Wood frame and greenhouse plastic	no	no	Tomatoes	96' x 20'	1920 ft ²
Pepper Greenhouse	Wood frame and greenhouse plastic	no	no	Vegetables	40' x 20'	800 ft ²
Vegetable processing shed and cold storage.	Timber frame mostly open air. On concrete pad.	no	no	Vegetable processing, packing	40' x 20'	800 ft ²
Propagation Greenhouse	Steel frame and greenhouse plastic	yes	yes	Cannabis growing and seed increases	20' x 48'	960 ft ²
Product Manufacturing Facility	Modular building (ATCO units)	yes	Yes for proposed new product	Employee bathroom,	20' x 24' (double unit)	480 ft ²



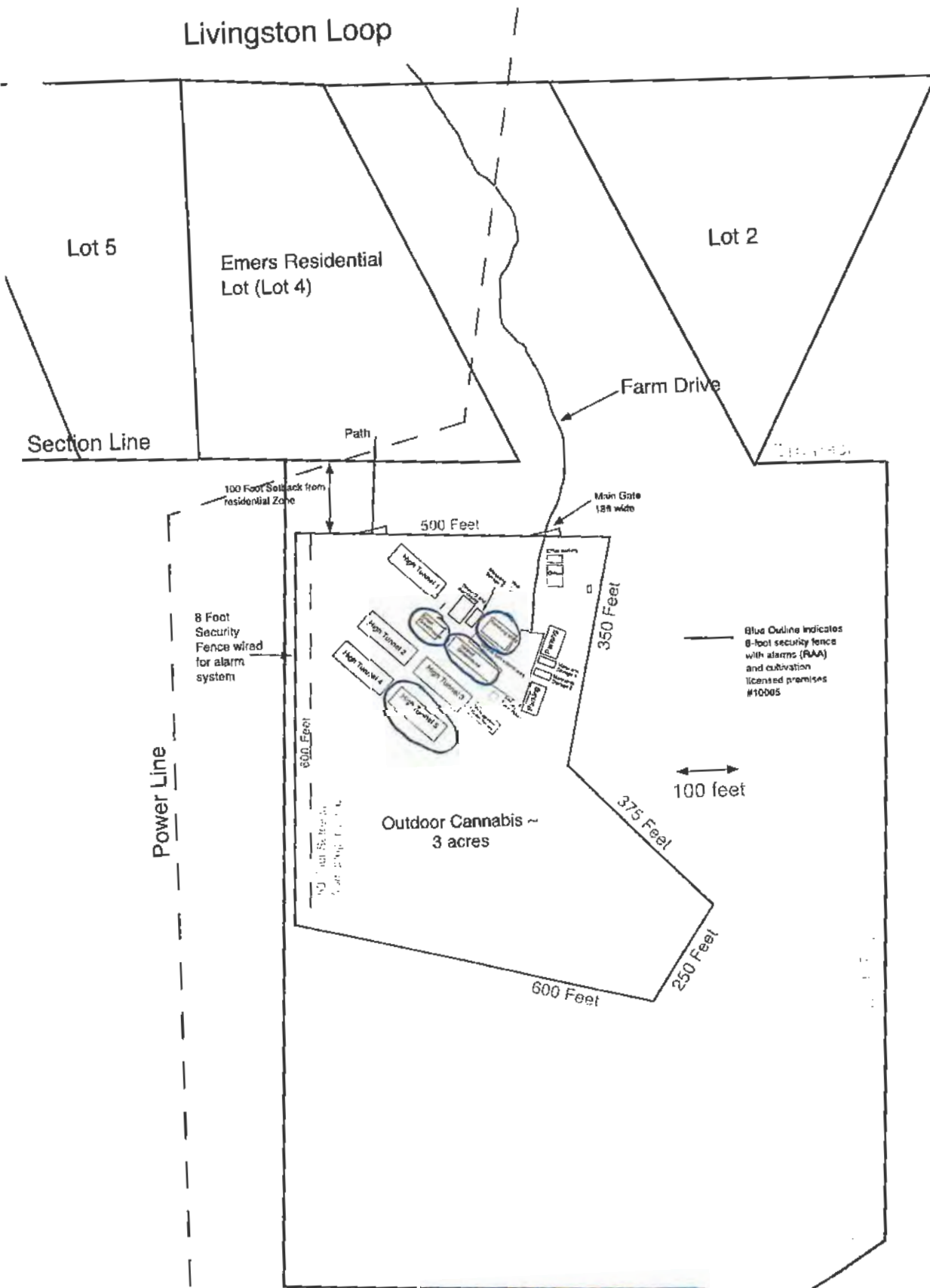
			manufacturing facility	trimming, product manufacturing		
Ice, Water Hash Production area	Open Air moveable tent	yes	Yes for proposed new product manufacturing facility	Ice water hash production	10' x 10'	
Processed Product Storage	Steel storage container, insulated and heated	yes	Yes for proposed new product manufacturing facility	product storage (concentrates)	8' x 20'	160 ft ²
Farm Office	Frame	yes	yes	office	24' x 16'	384 ft ²
Marijuana Storage 1	Steel storage container	yes	yes	Product storage	8' x 20'	160 ft ²
Marijuana Storage 2	Steel storage container	yes	yes	Product storage	8' x 20'	160 ft ²
Processed Product Storage	Steel storage container, insulated and heated	yes	Is the same one as above?	product storage (concentrates)	8' x 20'	160 ft ²
Security Shack	Frame	yes	yes		8' x 12'	96 ft ²
Well		no	no			
Outhouse	Alaska outhouse construction	no	no			32 ft ²



Current MJ-14 Premises Diagram



Received by AMCO 6.22.18



Received by AMCO 2.05.18

Received by AMCO 6.22.18

Notice of Violation

(3AAC 306.805)

This form, all information provided and responses are public documents per Alaska Public Records ACT AS 40.25

Date: 04-03-18

Licensee: RCFC, LLC

DBA: Rosie Creek Farm

License #/Type: Standard Marijuana Cultivation

Address: 2659 Livingston Loop, Fairbanks, AK 99709

AMCO Case #: AB17-000445

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

On September 21, 2017, during a meeting with licensee Mike Emers, Mr. Emers admitted a scale being used in the field for weighing plants and plant waste is not certified as required. In addition, after review of hand-written records of harvest and waste weights provided to us by Mr. Emers, it was determined the weights of plants and plant waste have been rounded either up or down, omitting any decimal points of weight. This has lead to improper reporting of weights for plants and plant waste within the METRC system and to AMCO.

This is a violation of the following regulations: 3 AAC 306.435 Marijuana Inventory Tracking System, 3 AAC 306.445 Standards for Cultivation and Preparation, 3 AAC 306.730 Marijuana Inventory Tracking System, 3 AAC 306.745 Standardized Scales, and 3 AAC 306.755(a)(8) Business Records.

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A licensee may respond, either orally or in writing, to the Notice. 3 AAC 306.810(3)(A)(B)(C) failed, within a reasonable time after receiving a notice of violation from the director, to correct any defect that is the subject of the notice of violation of AS 17.38 or this chapter, a condition or restriction imposed by the board or other applicable law.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

*Please send your response to the address below and include your Marijuana Establishment License Number in your response.

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator: A. Stonecipher

Received by:

SIGNATURE:



SIGNATURE:

Delivered VIA: Mail

Date:

Article #

Received by AMCO 6.22.18

As for the time of arrival at CannTest, according to the NOV, CannTest entered the product in at 3:51, and according to the NOV it got to CannTest at 3pm. I am assuming that Ms. Hellings brought multiple samples from other cultivators to CannTest and I can only speculate that they entered the times received for all cultivators as they got to them and not all at once. This is a question for CannTest. I would assume that when CannTest receives samples from multiple facilities at once and then likely inputs each sample into their system, which I can only assume takes time.

Scales and Weights – NOV number 5

Please see attached scale certifications attached as Exhibit 5a and 5b. We were using certified scales. Additionally, I do not understand how I have been accused of violating 3 AAC 306.730(b) because I used certified scales to weigh any marijuana that was delivered to another marijuana establishment:

(b) Marijuana delivered to a marijuana establishment must be weighed on a scale registered in compliance with 3 AAC 306.745.

In a July 27, 2016 memo forwarded to me by Investigator Bankowski addressed to Enforcement by Donald Brewer from DOT states that questions regarding weights and measures in the marijuana industry should be directed to his office. What follows are notes by Matt Springer, my employee, on this subject. Matt and I researched the best way to measure plants harvested in the field and were on several occasions were told by Weights and Measures that we did not need certified scales for field harvest since discrepancies would be resolved after the initial waste process and subsequent drying. The only weight that required a certified scale was the final weight for sale. Regardless we used a hanging scale that did not have decimal points only for field harvests, not for making packages.

What follows are Matt's notes:

"I became aware today that there are several serious issues relating to the conduct of Rosie Creek Farm that you discussed with Mike this morning. I simply wish to address the use of non-certified scales for recording harvest weights with you as I was in charge of making that decision.

Last summer (2016) I took responsibility for determining our weighing process and equipment used for harvesting marijuana. Faced with harvesting a large quantity of plants over a short period of time in a field setting, I thought small, hanging, spring scales would work well for our situation. I was aware that 3 AAC 306 mandated the use of certified scales so I contacted via telephone Donald Brewer, the Chief of Weights and Measures at DOT to discuss the issue. I told Mr. Brewer of our plan to use spring scales for harvesting and a digital scale to make packages for sale. I asked if the hanging scales would need to be certified by his office. Mr. Brewer told me that the only scales that needed to be certified by his office were the ones used to make packages for sale, not the ones we would use to record the weights of freshly harvested plants. We then purchased a digital scale sensitive to the tenth of a gram, had it certified by the State, and have used it exclusively for making packages of marijuana for sale. For the purpose of harvesting marijuana from the field we have used Pesola brand spring scales and endeavored to record our harvests accurately.



Surprisingly, I just received a telephone call from DOT's Department of Weights and Measures just now, letting us know they would be in town in the coming weeks to re-certify our scales. I used the call as an opportunity to question, Marjory (Gidget), Sanders (DOT's field officer in Anchorage) on this very topic. She thought that there had been a new determination made by AMCO that did specifically state that scales used to weight freshly harvested plants must be certified. She thought that these scales had to be accurate to within an ounce, however she ultimately was unsure and directed me back to Donald Brewer, who I just got off the phone with. Mr. Brewer was unaware that there had been any change of policy from AMCO since we had last spoken in August of 2016. He did say he had certified a few similar spring type hanging scales used by marijuana cultivators this year and that they were accurate to within 10 grams, but had not been told that this was mandatory for all cultivators. He reiterated that his department only regulates scales used for commercial transactions and that there are many other industries who are required to use certified scales for such transactions but not for initial weights (i.e. commercial fishing industry). Mr. Brewer said he was available to further discuss with issue directly with you if you wish.

I firmly believe that I approached this issue with due diligence and proceeded in a way that was in accordance with the directions given by METRC, AMCO and the DOT. We purchased top-of-the-line spring scales to use for harvest and attempted to weigh plants accurately, which I believe we have done. If there are other areas in which we have not performed to satisfaction, I apologize, but I do not believe this to be one."

Camera-contractors – NOV Number 6

This happened on August 22, 2017. We heard no concerns about it until this April 3, 2018 NOV. We did have camera coverage in the exact place where the contractors were working but not in the walkway where they would enter and exit from the trimming area. Upon discussion with the Enforcement officers, they helped us determined the best placement for the new cameras and we followed their direction immediately, installed the camera, and remedied the situation.

As for the repositioning of the cameras, we had redundancy on coverage and moved some cameras to provide better overall coverage of the facility.

Camera-Connex - NOV Number 7

This event occurred on 7/13/17. We heard no concerns about it till this April 3, 2018 NOV. At that time, and contrary to what is in the NOV, we did not have marijuana stored in the connex on this date since harvesting of marijuana did not start until July 21st 2017. We installed a camera in that connex in late July and began storing marijuana there in late August 2017. The NOV is accurate that we had the connex on the premises prior to having it approved on our licensed premises.

Camera-Gates – NOV Number 8



This NOV notes that Enforcement noticed this issue on July 13, 2017. We heard no concerns about it until this April 3, 2018 NOV. Although we did have cameras pointed at all of the gates from within the facility, we did not have them positioned outside two of the three gates and facing outwards. The camera placement on the gates has been the same since our initial inspection in July of 2016. Since this was not identified as a violation at our initial inspection, we assumed that we were compliant. We wish that Enforcement had notified us at our initial inspection (2016) that they were not satisfied with the camera placement. We remedied this situation immediately after the July 13, 2017 inspection on one of the gates and on the far gate (where the distance is too great to run wire, we chained that gate shut so that it is no longer an entrance).

Camera HT-1 – NOV number 9

According to the NOV, Enforcement noticed this event on July 13, 2017. We heard no concerns about it until this April 3, 2018 NOV. High Tunnel 1 did collapse (due to snow) in December of 2016 and the cameras were offline as a result. Since there was no marijuana in it and the farm isn't in use during the winter, we did not inform Enforcement. We realize now that we should have. We did assemble the wreckage in the early summer of 2017 and rebuilt it. At that time, we also installed new cameras that were inspected by AMCO in August of 2017.

Premises Change Sept 2017 – NOV Number 10

Please see attached correspondence from my counsel explaining which structures were in use and when that was presented at the April 2018 MCB.

Premises Change – Propagation House – NOV Number 11

Please refer to the same exhibit referenced in NOV Premises change NOV number 10

Please see attached correspondence from my counsel explaining which structures were in use and when that was presented at the April 2018 MCB.

Restricted Access ID – NOV Number 12

It is true that the contractors did not have visitor or employee badges. However, their state issued marijuana cards were in a copy on file in the office - we should have either had them wear visitor badges and this is our mistake.

Unsecured Recording Equipment – NOV number 13

We kept the key for the recording equipment in the recording box for fear of losing it. Since the office is locked after hours and people are going in and out all day, we felt sure of its safety.



Exhibit 5a



Received by AMCO 6.22.18

Exhibit 5b



Received by AMCO 6.22.18

SCALE REPORT

STATE OF ALASKA

Department of Transportation & Public Facilities
Division of Measurement Standards & Commercial Vehicle Enforcement

PAGE 1 OF 1

- ☒ INITIAL
☐ REINSPECTION
☐ PLEASE NOTIFY WEIGHTS & MEASURES
AFTER REPAIRS FOR REINSPECTION

Anchorage: 345-7846
Fax: 345-2313

Fairbanks: 451-2862
Fax: 451-2864

Juneau: 789-9763
Fax: 789-0069

FIRM <i>Rosie Creek Farm</i>	OWNER/MANAGER <i>Mike Emmons</i>	DATE OF INSPECTION <i>10/14/16</i>
ADDRESS <i>2654 Livingston Loop</i>	TELEPHONE <i>479-3642</i>	TIME IN / TIME OUT
CITY/TOWN <i>Fairbanks</i>	INSPECTOR <i>Steve Pocock</i>	DATE OF LAST INSPECTION

MANUFACTURER	MODEL	SERIAL NUMBER	CAPACITY-DIVISION	SCALE TYPE	VIOLATIONS (See Key)	ACTION A R RN	REMARKS
1. <i>Cos</i>	<i>EC</i>	<i>EC0762271</i>	<i>GY.0002</i>	<i>A</i>		<i>X</i>	<i>class II</i>
2. <i>Turner</i>	<i>L-200</i>	<i>DIS-25115</i>	<i>40X.01</i>	<i>A</i>		<i>X</i>	<i>REG-046</i>
3.							
4.							
5.							
6.							
7.							
8.							
9.							

TOTALS APP 2 REJ _____ SMALL MEDIUM LARGE APP _____ REJ _____ FISH APP _____ REJ _____

VIOLATION KEY

- A - WEIGHTS AND MEASURES NOT NOTIFIED FOR TEST
- B - UNSUITABLE FOR THE PURPOSE IN WHICH IT IS USED
- C - INCORRECT OR MISSING NOMENCLATURE PLATE
- D - CAPACITY AND/OR DIVISION VALUE NOT MARKED, CLASS CODE
- E - OPERATIONAL CONTROLS NOT MARKED
- F - CUSTOMER VIEW OBSTRUCTED
- G - INDICATIONS INCORRECT OR UNREADABLE
- H - DOES NOT REPEAT INDICATIONS
- I - PRICE COMPUTATIONS INCORRECT
- J - RECORDED REPRESENTATIONS UNREADABLE/INCORRECT
- K - TARE MECHANISM INCORRECT

- L - IMPROPER OPERATION/MAINTENANCE
- M - OUT OF TOLERANCE
- N - DEVICE OUT OF LEVEL
- O - ZERO OUT OF BALANCE
- P - IMPROPER SUPPORT
- Q - NEEDS PROTECTION FROM ENVIRONMENT
- R - DAMPING SYSTEM NEEDS SERVICE
- S - MOTION DETECTION INCORRECT
- T - AUTO/ZERO INCORRECT
- U - EXCEEDS SPECIFIED CAPACITY
- V - OTHER

ACTION KEY

- A - APPROVED FOR USE
- R - REJECTED NOT TO BE USED
- R/N - REPAIR NOTICE-STILL IN SERVICE

REMARKS/INSTRUCTIONS READ AND COMPLY WITH INSTRUCTIONS ON TAG OR SEAL

VIOLATIONS MUST BE CORRECTED BY

OR DEVICE(S) MAY BE REMOVED FROM SERVICE.

I ACKNOWLEDGE RECEIPT OF THIS REPORT AND
I UNDERSTAND THE VIOLATIONS OR INFORMATION
OR INSTRUCTIONS DESCRIBED HEREIN.

SIGNATURE OF FIRM

VIOLATION NOTICE - NUMBER

REMARKS:

RC FC LLC
PO 181 E St - 99725

RECEIVED

MAY 10 2018

Notice of Violation

(3AAC 306.805)

This form, all information provided and responses are public documents per Alaska Public Records ACT AS 40.25

Date: 04-03-18

Licensee: RCFC, LLC

DBA: Rosie Creek Farm

License #/Type: #10005 Standard Cultivation

Address: 2659 Livingston Loop, Fairbanks, AK

AMCO Case #: AB17-0000445

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

AMCO discovered two METRC Transport Manifests dated 08-21-17 from two facilities conflicted each other. The first manifest, #96523 was from RCFC, LLC, License #10005. The manifest stated Handler Devron Hellings would be the transporting party. The route to be traveled noted a Nissan Versa would be used to drive from RCFC's facility to the Fairbanks International Airport with specific directions, then via a specific flight, and lastly to Canntest Lab in Anchorage via a Honda Civic, again with specific directions. The departure time was to be 11 am and arrival time 3 pm. The actual time received at Canntest is indicated as 5:03 pm.

The conflicting manifest, #96401, originated from Ester Horticulture and Research, License #10489. The transporting party was indicated to be Devron Hellings as well. The vehicle used to transport the product to Rosie Creek Farm is not documented. In their manifest, the route is indicated to be from their facility to RCFC, LLC's facility. The exact route is not written. The route then goes to a Fred Meyer's gas station. The route from Rosie Creek Farm's facility to the gas station did not contain specific directions either. From the gas station to the Fairbanks International Airport was then documented in detail as required. The route continued to document a specific flight; the same flight indicated on RCFC, LLC's manifest. The route ended with the arrival in Anchorage. It did not outline the route to be traveled the remainder of the way to Canntest. The time of departure was 10:30 am and arrival time 3 pm. The actual time received was 3:51 pm.

Based on the conflicting information, it is unclear which vehicle(s) and transporter(s) were actually used to transport the products from the two facilities to the airport and on to Anchorage. It is unclear as to why the products were not received at Canntest at the same time since both manifests indicate the products were transported by Devron Hellings. RCFC, LLC's manifest is missing at least one stop, the Fred Meyer's gas station.

This is a violation of: 3 AAC 306.435 (b) Marijuana Inventory Tracking System, 3 AAC 306.730 Marijuana Inventory Tracking System, and 3 AAC 306.750 Transportation.

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A licensee may respond, either orally or in writing, to the Notice. 3 AAC 306.810(3)(A)(B)(C) failed, within a reasonable time after receiving a notice of violation from the director, to correct any defect that is the subject of the notice of violation of AS 17.38 or this chapter, a condition or restriction imposed by the board or other applicable law.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

***Please send your response to the address below and include your Marijuana Establishment License Number in your response.**

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator: A. Stonecipher

Received by:

SIGNATURE:



SIGNATURE:

Delivered VIA: Email

Date:

Article #

Received by AMCO 6.22.18

6) **Flowering stage too soon:** see above – since we have no real veg stage, we skip in Metrc straight to “flowering”.

7) **Exceptional amount of plants destroyed for “industry standard”:** I don’t understand what the “industry standard” is or how it can be applied against our operation. Our operation is not the typical indoor grow. (see attached pictures attached as Exhibit 2c-e). When we start thousands of plants from seed, half of them will be males. Although most of the males show flowers before they reach a taggable height, a large number still do not show flowers before they are planted in the field and must be subsequently destroyed after tagging. The Males that we keep for breeding purposes are in a separate portion of the facility where they cannot pollenate our main crop.

Also mold can be a very large problem in outdoor-grown plants. If we see a moldy plant, we must remove it immediately upon detection. In the summer of 2017 we had about 15,000 plants growing. Most of those plants produce about 1/5 of what indoor plants will produce and we must grow more plants to get a viable harvest. We are not able to artificially control the environment so we will always have higher numbers of plants that will die, become males, or become moldy because we grow outdoors, unprotected from the elements.

8) **Harvest weights high:** Since we grow outdoors in an agricultural setting, we have only one large harvest per year. Also since there is a short harvest window between the time of plant maturity and cool/wet weather that would damage the crop, we are forced into large daily harvests within a few weeks.

Business Records – NOV number 3

Although we had all the business records required by AMCO, It is true that business records were not immediately available or in a standard format upon Investigator Stonecipher’s request. However, as I read 3 AAC 306.755, I believe I do not have to instantly produce those documents the moment they are requested – I believe 3 AAC 306.755 allows me to have three business days after the request is made to provide the business records. I was surprised to see that the last sentence of the NOV states that I was in the wrong because of my inability to “immediately” produce documents. We continue to update and streamline our filing system and business records. I no longer use cumbersome spreadsheets to compile financial data, but instead use Quickbooks and now that data is caught up, I enter receipts as they come in – I didn’t use Quickbooks before because I know that Quickbooks has shut down the software when it finds out its used for cannabis business. Hopefully this will not happen and hopefully it will make our records more accessible to AMCO.

Conflicting Manifests – NOV number 4

This event occurred on August 21, 2017. The manifests conflict because I did not indicate on the manifest that Ms. Hellings would stop at Fred Meyer gas. This is my error. I now know to add gas stops on a manifest.



As for the time of arrival at CannTest, according to the NOV, Canntest entered the product in at 3:51, and according to the NOV it got to Canntest at 3pm. I am assuming that Ms. Hellings brought multiple samples from other cultivators to Canntest and I can only speculate that they entered the times received for all cultivators as they got to them and not all at once. This is a question for CannTest. I would assume that when Canntest receives samples from multiple facilities at once and then likely inputs each sample into their system, which I can only assume takes time.

Scales and Weights – NOV number 5

Please see attached scale certifications attached as Exhibit 5a and 5b. We were using certified scales. Additionally, I do not understand how I have been accused of violating 3 AAC 306.730(b) because I used certified scales to weigh any marijuana that was delivered to another marijuana establishment:

(b) Marijuana delivered to a marijuana establishment must be weighed on a scale registered in compliance with 3 AAC 306.745.

In a July 27, 2016 memo forwarded to me by Investigator Bankowski addressed to Enforcement by Donald Brewer from DOT states that questions regarding weights and measures in the marijuana industry should be directed to his office. What follows are notes by Matt Springer, my employee, on this subject. Matt and I researched the best way to measure plants harvested in the field and were on several occasions were told by Weights and Measures that we did not need certified scales for field harvest since discrepancies would be resolved after the initial waste process and subsequent drying. The only weight that required a certified scale was the final weight for sale. Regardless we used a hanging scale that did not have decimal points only for field harvests, not for making packages.

What follows are Matt's notes:

" I became aware today that there are several serious issues relating to the conduct of Rosie Creek Farm that you discussed with Mike this morning. I simply wish to address the use of non-certified scales for recording harvest weights with you as I was in charge of making that decision.

Last summer (2016) I took responsibility for determining our weighing process and equipment used for harvesting marijuana. Faced with harvesting a large quantity of plants over a short period of time in a field setting, I thought small, hanging, spring scales would work well for our situation. I was aware that 3 AAC 306 mandated the use of certified scales so I contacted via telephone Donald Brewer, the Chief of Weights and Measures at DOT to discuss the issue. I told Mr. Brewer of our plan to use spring scales for harvesting and a digital scale to make packages for sale. I asked if the hanging scales would need to be certified by his office. Mr. Brewer told me that the only scales that needed to be certified by his office were the ones used to make packages for sale, not the ones we would use to record the weights of freshly harvested plants. We then purchased a digital scale sensitive to the tenth of a gram, had it certified by the State, and have used it exclusively for making packages of marijuana for sale. For the purpose of harvesting marijuana from the field we have used Pesola brand spring scales and endeavored to record our harvests accurately.



Notice of Violation

(3AAC 306.805)

This form, all information provided and responses are public documents per Alaska Public Records ACT AS 40.25

Date: 04-03-18

Licensee: RCFC, LLC

DBA: Rosie Creek Farm

License #/Type: #10005 Standard Cultivation

Address: 2659 Livingston Loop, Fairbanks, AK

AMCO Case #: AB17-0000445

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

An audit of RCFC, LLC's METRC was conducted. A large amount of serious entry violations were found. Violations include, but are not limited to, long delays in reporting up to weeks in some cases, male plants being placed into Flowering phase, plants remaining in Flowering status an extended period of time to include up to 5 months, moisture loss being incorrectly documented resulting in harvests to reach "0" quantity when there was still marijuana, vegetative phases being skipped entirely, plants being placed into Flowering stage too soon after the entered planting date, an exceptional amount of destroyed plants for industry standards, and harvest weights high for Alaska according to METRC Staff. Examples are provided via attached memo and screen-shots of METRC entries.

This is a violation of the following: 3 AAC 306.435 Marijuana Inventory Tracking System, 3 AAC 306.730 Marijuana Inventory Tracking System, 3 AAC 306.755(b) Business Records.

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A licensee may respond, either orally or in writing, to the Notice. 3 AAC 306.810(3)(A)(B)(C) failed, within a reasonable time after receiving a notice of violation from the director, to correct any defect that is the subject of the notice of violation of AS 17.38 or this chapter, a condition or restriction imposed by the board or other applicable law.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

*Please send your response to the address below and include your Marijuana Establishment License Number in your response.

Alcohol & Marijuana Control Office
ATTN: Enforcement
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501
amco.enforcement@alaska.gov

Issuing Investigator: A. Stonecipher

Received by:

SIGNATURE:



SIGNATURE:

Delivered VIA: Email

Date:

Article #

Received by AMCO 6.22.18

Manifest 30002: Up until my annual inspection in July 13, 2017 I was operating on this assumption for transporting marijuana:

306.470 d(3): generating a transport manifest from the marijuana cultivation facility's marijuana inventory tracking system; the transport manifest must remain with the marijuana at all times while being transported, and a copy must be given to the licensed marijuana establishment that receives the shipment.

I did not read in this regulation for packaging and transporting marijuana that I needed to keep a copy of the manifest with myself, only that I must leave one with the end recipient. It also does not state in regulations that manifests need to be signed.

Also for keeping transportation records required under 306.755 a(9) it states:

transportation records for marijuana and marijuana products as required under 3 AAC 306.750 (f) .

I assumed the Metrc record was adequate and complete for this because it does not state that I needed to keep the paper records for this, all manifests are kept electronically on the metrc system and are accessible at any time via metrc.

However noting that Investigator Stonecipher requested that I keep the paper copies for my records, I did indeed go to Dan Peters of Goodsense to have copies of the paper records I was missing. Following my meeting with Investigator Stonecipher in September 2017, we changed our policies. I now take two copies of both the manifest and invoice. After both parties sign them, both the recipient and myself are left with their own copy.

Manifest #103611 to Weed Dudes. Is incorrect. Chasady Didrickson from Weed Dudes (Michelle Cleavers assistant) confirms that she had the packages locked in the Frozen Budz lockup for the night along with other packages she was transporting. She retrieved the packages the next morning and proceeded to FAI en-route to Sitka. It was her understanding she needed to do this to ensure security of the packages. I should have written in the manifest that the product would be stored on a licensed premises (Frozen Budz) overnight.

Manifest #124101 to Weed Dudes. This is correct, Ms. Cleaver from Weed Dudes did keep the packages in her possession through her stay at the Westmark and depart to FAI the next morning (at 4AM). This is how Ms. Cleaver currently does transports after learning that she does not need to keep the product locked at a facility when she is traveling overnight as she did earlier in manifest 103611.

Metrc NOV NO. 2

As a preliminary matter – this NOV makes many accusations but lacks detail. It is only three sentences long and does not provide specifics for me to reply to. I understand that our outdoor operation differs from the majority indoor grows in the state but since we both grow outdoors and use auto-flowering strains of marijuana

(https://en.wikipedia.org/wiki/Autoflowering_cannabis) which behave differently from standard strains, we are bound to have differences with the majority of growers in the state.



1) Long Delays in entering – Unlike cultivators who have scheduled small harvests throughout the year, our farm gets one large harvest during a three to four week period once a year. Due to the very large harvests we were conducting daily and the difficulties in entering data efficiently into Metrc. We did get behind in entering harvest data. We anticipated that we would have a problem and proactively alerted both AMCO Enforcement and Metrc on August 22nd and sought advice (Exhibit 2a). Although we received an immediate response and troubleshooting suggestions from Metrc, we received no acknowledgement from Enforcement until we were confronted with the lag in entering data in my meeting with Investigator Stonecipher on September 21st, 2017, over a month after I requested AMCO help. On Sept 21 she explained how important it was that we enter data in real time – as a result we ceased our harvests until I could catch up with entering data. In no case were we weeks behind in entering the data. On one occasion we were 10 days behind. After harvests were paused, I was able to catch up in Metrc within two days. The issue we are coming to terms with is that we are just not situated like a regular cultivation facility because we are an outdoor grow – perhaps Metrc has a different type of system they use in other states for their outdoor grows that they are not providing here in Alaska.

2) Male Plants in Flowering Phase: There are two reasons for this. 1) Recently transplanted and tagged plants that have not yet revealed themselves as male (i.e. flower) in the field and are subsequently destroyed. 2) We intentionally keep mature (flowering) males on the farm as part of our breeding program. Pollen is collected from these individuals and used to pollenate females. We only are able to use auto-flowering species, most other licensed cultivators do not use these types of genetics because they use light cycles to trigger the flowering cycle, but because we are outdoor, we only use auto-flowers as these plants don't need the light cycle to flower, they just need light. If we don't allow males to mature we cannot get the pollen we need to reproduce our genetics and we cannot get the type of plants we need from other licensed cultivators because they do not use auto-flowering genetics. We must use auto-flowering genetics because our plants grow in the midnight sun, not under artificial lights.

3) Plants remaining in flowering status for long periods: Auto-flowering marijuana (plants that flower on a time and not light cycle) are not genetically stable (wide variation in forms and genetics). With some varieties it might take months in long-light situations for plants to flower, if at all. We were simply waiting for some plants to mature that some never did. Also in some circumstances, we bred to these plants and kept them in the flowering stage longer for seeds to mature.

We also had verbal communication from Investigator Stonecipher at our annual inspection that she realized the challenge we were up against trying to clear the field of non-commercially viable plants at the end of our field season. She told us that we were allowed to harvest and subsequently waste out those late harvests as long as it did not continue until Christmas. As it was, the last few plants we harvested were in November that we wished to harvest seeds from.

4) Moisture loss being recorded resulting in below zero weights for harvests. On October 18th, 2017, after harvests were completed (with the exception of the plants that were left on the field referenced in paragraph 3 above) and dried sufficiently, we went through and carefully weighed all harvests to determine what we had lost in moisture from the original harvest. The difference we determined was water loss and then recorded the water loss in Metrc as waste. We learned



that we are not supposed to enter water loss as waste and were notified of our error on October 19th 2017 when we met with Mr. Jenkins from Metrc at our facility on a scheduled training visit. Although Mr. Jenkins appreciated what we were trying to do, he explained that Metrc had a system for evaluating water loss weight differences through drying. I will explain this below:

Once a harvest is made initial weights are tallied, Metrc calculates a total weight for the harvest batch. After this, all subsequent wastes that are physically taken from the harvest batches are recorded in addition to any packages made for sale. After there is no more waste to declare or packages to be made, the cultivator uses the "finish" function in Metrc for that harvest batch even though the batch might show a weight remaining in Metrc. After this "finish" function is entered, Metrc comes up with a ratio of what must have been water loss from drying.

When he examined our large harvests, he told us that what would probably happen is: 1) we would discover more totes of the harvests and/or 2) that the moisture of the batch would fluctuate resulting in a negative value. This is what indeed happened in 4 cases to date and will likely happen again. This is entirely our mistake but stemmed from us trying to be overly conscientious in our reporting of the product we had in stock. We were attempting to do what was required of us in 3 ACC 306.755 (8) "accurate and comprehensive inventory tracking records that account for all marijuana inventory activity . . ."

Mr. Jenkins told us that he would contact Director McConnell about this situation, but after that meeting we had not heard back from him and we do not know if he did contact Director McConnell about this issue.

I contacted Metrc again about this problem on 4/5/18 because I was concerned about generating more negative harvest batches. Since all of the "water loss" waste was reported on 10/18/17 we wondered if it was possible to restore these reported wastes. This would clear up the situation thereby allowing us to "finish" the batches as they should and allowing Metrc and AMCO to determine if our ratios were off. I spoke to Secoya Rose of Metrc about this on both April 5th and April 6th (Metrc trouble ticket 181817). She told me again, that waste recorded couldn't be restored. Then on April 11 at 2PM I received a call from Metrc about negative harvest weights in our tracking system. I spoke to Heidi Kampwertz (trouble ticket 183238). She told me that it was permissible to have negative harvest weights for my batches but that I should create a spreadsheet of the "water loss" weights recorded in error and also indicating the actual physical weights destroyed. I have prepared a spreadsheet and forwarded this to both AMCO and Metrc on April 13th, 2018. (Exhibit 2b). I received acknowledgement from Metrc but not from AMCO.

5) Vegetative Phase being skipped entirely: Auto-flowering plants essentially enter a flowering phase immediately upon germination since they are on a time cycle and not a photoperiod cycle that can be manipulated by artificial light. We asked Metrc about this in 2016 and they instructed us to skip the vegetative stage in recording. There just isn't a "veg" phase to record because the auto flower plant type does not have a vegetative stage. This was miscommunication and misunderstanding because our farm does not have a veg stage in our cultivating process.



6) Flowering stage too soon: see above – since we have no real veg stage, we skip in Metrc straight to “flowering”.

7) Exceptional amount of plants destroyed for “industry standard”: I don’t understand what the “industry standard” is or how it can be applied against our operation. Our operation is not the typical indoor grow. (see attached pictures attached as Exhibit 2c-e). When we start thousands of plants from seed, half of them will be males. Although most of the males show flowers before they reach a taggable height, a large number still do not show flowers before they are planted in the field and must be subsequently destroyed after tagging. The Males that we keep for breeding purposes are in a separate portion of the facility where they cannot pollenate our main crop.

Also mold can be a very large problem in outdoor-grown plants. If we see a moldy plant, we must remove it immediately upon detection. In the summer of 2017 we had about 15,000 plants growing. Most of those plants produce about 1/5 of what indoor plants will produce and we must grow more plants to get a viable harvest. We are not able to artificially control the environment so we will always have higher numbers of plants that will die, become males, or become moldy because we grow outdoors, unprotected from the elements.

8) Harvest weights high: Since we grow outdoors in an agricultural setting, we have only one large harvest per year. Also since there is a short harvest window between the time of plant maturity and cool/wet weather that would damage the crop, we are forced into large daily harvests within a few weeks.

Business Records – NOV number 3

Although we had all the business records required by AMCO, it is true that business records were not immediately available or in a standard format upon Investigator Stonecipher’s request. However, as I read 3 AAC 306.755, I believe I do not have to instantly produce those documents the moment they are requested – I believe 3 AAC 306.755 allows me to have three business days after the request is made to provide the business records. I was surprised to see that the last sentence of the NOV states that I was in the wrong because of my inability to “immediately” produce documents. We continue to update and streamline our filing system and business records. I no longer use cumbersome spreadsheets to compile financial data, but instead use Quickbooks and now that data is caught up, I enter receipts as they come in – I didn’t use Quickbooks before because I know that Quickbooks has shut down the software when it finds out it’s used for cannabis business. Hopefully this will not happen and hopefully it will make our records more accessible to AMCO.

Conflicting Manifests – NOV number 4

This event occurred on August 21, 2017. The manifests conflict because I did not indicate on the manifest that Ms. Hellings would stop at Fred Meyer gas. This is my error. I now know to add gas stops on a manifest.



Exhibit 2a



Received by AMCO 6.22.18



Me <mike@rosiecreekfarm.com> >

problems entering data in Metrc

Reply Reply All Forward Archive Junk Delete More

Stonecipher, Amanda M (CED) <amanda.stonecipher@alaska.gov> ✉, Bankowski, Joe (CED) <joe.bankowski@alaska.gov> ✉, CED AMCO Enforcement (CED sponsored) <amco.enforcement@alaska.gov> ✉, Jana Weltzin <jana@jdwccounsel.com> ✉, Valerie Mastolier <valerie@jdwccounsel.com> ✉

5/22/17, 6:23 AM

1 more

Dear AMCO,

We are experiencing problems entering harvest data into Metrc. We are presently going through very large harvests at this point in the season (100-200 plants or more per day) and need to enter the harvest data daily into Metrc. Unfortunately the Metrc server is timing out ~75% of the time making what should be a task that should take less than an hour, stretch out over days.

I wanted to alert you to this because we ran into these problems last year which resulted in a Notice of Violation. Since then, we have taken steps to correct this problem by being diligent in entering data on time, adding high speed internet to our facility, and trying to enter data different times during the day but we have not found a solution that will work. Because entering data in Metrc is of such importance, I don't trust anyone but myself, the facility manager, to work with the tracking system. However, this problem ties me to sitting at the computer all day long preventing me from doing other things at our facility which costs us both productivity and time and still the job is getting delayed.

We will continue to plug away at entering our harvest data but I wanted to alert you to the problem if you notice our harvest data lagging further and further behind.

Thanks for your patience,

Mike Emers
Rosie Creek Farm

Received by AMCO 6.22.18

Exhibit 2b



Received by AMCO 6.22.18

"Water loss" reported by Rosie Creek Farm on 10.18.17				
Harvest Batch	Waste showing in Metrc (g)	Waste declared from "water loss" on October 18, 2017 (g)	Actual Waste created (g)	
RB 18 Aug	14,776	12,341	2,435	
RB 19 Aug	81,188	62,609	18,579	
RB 21 Aug	142,636	74,803	67,833	
RB 22 Aug	149,646	81,978	67,668	
RB 23 Aug	111,691	89,461	22,230	
RB 24 Aug	133,416	69,224	64,192	
RB 25 Aug	35,868	28,863	7,005	
RB 26 Aug	7,676	4,066	3,610	
RB 28 Aug	141,902	61,618	80,284	
RB 31 Aug **	395,945	61,474	334,471	Mistake made - entered 267204g manicured from one plant # (23806) which had to be "wasted out" upon entry
RB 1 Sep	107,783	106,338	1,445	
RB 4 Sep	111,770	87,281	24,489	
RB 5 Sep	140,564	69,762	70,802	
RB 6 Sep	127,431	73,806	53,625	
RB 7 Sep	111,903	88,573	23,330	
RB 18 Sep	37,538	18,226	19,312	
CHZ 30 Aug	18,109	12,644	5,465	
DP 17 Aug	41,857	35,715	6,142	
SS 17 Aug	44,266	31,416	12,850	
WW 22 Aug	45,976	30,735	15,241	
WW 23 Aug	41,604	29,376	12,228	
WW 24 Aug	26,021	15,176	10,845	
AMN 28 Aug	24,172	17,236	6,936	



DL 28 Aug	82,545	57,065	25,480	
BD 28 Aug	38,185	24,060	14,125	



Received by AMCO 6.22.18

Exhibit 2c



Received by AMCO 6.22.18



Received by AMCO 6.22.18

Exhibit 2d



Received by AMCO 6:22:18



RECEIVED
MAY 10 2018
ALCOHOL MARIJUANA CONTROL OFFICE
STATE OF ALASKA

Exhibit 2e



Received by AMCO 6.22.18



Received by AMCO 6.22.18



Alcohol & Marijuana Control Office
550 W. 7th Ave, Suite 1600
Anchorage, AK 99501

Date: 3-16-17
Case Number: 17-0118
Page 1 of 1 Page

Notice of Violation

(3AAC 306.805)

Licensee RCFC, LLC.	License Number 10005	Type of License Standard Marijuana Cultivation Facility
D.B.A. Rosie Creek Farm 2659 Livingston Loop	How Delivered Certified USPS 7013 2250 0000 9617 5156	Law Enforcement Agency Alaska State Troopers
Street or P.O. Box P.O. Box 181	City, State Ester, AK	Zip 99725

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

On 3-16-17 a review of METRC manifests noted that you allowed Einstein Labs, a product manufacturing lab facility, to pick up product and transport it back to Einstein Labs in Anchorage on 3-12-17. This type of transport is prohibited.

Your attention is directed to 3AAC306.750: Transportation, specifically (a)(1)

You are directed to respond to the Director of the Marijuana Control Board in writing to this Notice of Violation within 10 days of receipt to explain what action you have taken to prevent a reoccurrence of this violation. FAILURE TO RESPOND TO THIS NOTICE OF VIOLATION WITHIN 10 DAYS WILL RESULT IN YOUR APPEARANCE, EITHER IN PERSON OR TELEPHONICALLY, BEFORE THE MARIJUANA CONTROL BOARD AT THEIR NEXT REGULARLY SCHEDULED BOARD MEETING.

***Please include your Marijuana Establishment License Number in your response.**

Alcohol & Marijuana Control Office
ATTN: Enforcement Unit
550 W. 7th Ave, Suite 1600
Anchorage, Alaska 99501

A Response is Required

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice. A Licensee shall respond, either orally or in writing, to the Notice.

Receipt:	Violation Observed By: FRH0
Filed By: F.R. Hamilton	Title: Investigator III

Received by AMCO 6.22.18



Jana D. Weltzin
Licensed in Alaska & Arizona
3003 Minnesota Blvd., Suite 201
Anchorage, Alaska 99501
Phone 630-913-1113
Main Office 907-231-3750
JDW, LLC
jana@jdwcounsel.com

March 29, 2017

Sent Via Electronic Mail & Hand-Delivered

RE: Response to RCFC, LLC License No. 10005 NOV dated 3/16/2017 ~ Received by Licensee on 3/20/2017

Dear Marijuana Control Board:

I am writing you on behalf of my client RCFC, LLC, license number 10005 in response to violation case number 17-0118. The brief summary of the situation that prompted the violation is as follows: On March 12, 2017 a licensee of Einstein Labs (license number 10510) came from Anchorage to RCFC, LLC facility and picked up 1726 grams of marijuana trim and transported the same directly back to Einstein Labs' manufacturing licensed premises in Anchorage.

On March 20, 2017, RCFC, LLC designated licensee, Mike Emers, received NOV case number 17-0118 stating the following allegation violated 3 AAC 306.750(a)(1):

On 3-16-2017 a review of METRC manifests noted that you allowed Einstein Labs, a product manufacturing lab facility, to pick up product and transport it back to Einstein Labs in Anchorage on 3-12-2017. This type of transport is prohibited. **Your attention is directed to 3 AAC 306.750: Transportation, specifically (a)(1).**

See NOV dated 3/16/2017 (emphasis in the original). 3 AAC 306.750(a)(1) provides:

3 AAC 306.750. Transportation. (a) a marijuana establishment shall transport marijuana as follows: (1) a marijuana cultivation facility may transport marijuana to another marijuana cultivation facility, a marijuana product manufacturing facility, a marijuana testing facility, or a retail marijuana retail store.

RCFC did not transport marijuana to any entity – the cited regulatory provision only addresses whom a cultivator can transport to. Subsection (a)(1) only states whom a cultivator can transport to, it does not address what type of licensee can pick up from a cultivation licensee. Subsections (b) –(f) of the same provision discusses the responsibilities of the originator of the marijuana (in this specific situation RCFC) and Mr. Emers complied with all the obligation set forth in subsection (b)-(f) – a trip manifest was properly prepared, preparation and packaging met regulation standards, Mr. Emers verified that the person doing transport had a valid handler card, and the transaction was properly recorded in Metrc.



Jana D. Weltzin
Licensed in Alaska & Arizona
3003 Minnesota Blvd., Suite 201
Anchorage, Alaska 99501
Phone 630-913-1113
Main Office 907-231-3750
JDW, LLC
jana@jdwcounsel.com

Moreover, the interpretation that a marijuana product manufacturer may not transport the marijuana trim it purchased for its own business operations is faulty in and of itself. The definition of a marijuana product manufacturing facility in the regulations refers to AS 17.38.900(14) to define a manufacturing facility, which states:

(14) “marijuana product manufacturing facility” means an entity registered to purchase marijuana; manufacture, prepare, and package marijuana products; and sell marijuana and marijuana products to other marijuana product manufacturing facilities and to retail marijuana stores, but not to consumers;

Alaska Stat. Ann. § 17.38.900 (West)(emphasis added). The interpretation by AMCO enforcement is that a registered licensed entity, who is entitled to purchase marijuana trim, may not legally transport the same and requires that a manufacturing company must entrust a third party (who has not had background checks nor may be even employed by the manufacturing company) to handle and transport its property to its facility. At the February, 2017 MCB meeting, the board made clear to the public that it did not agree with this policy and voted to adopt regulations to be put out for public comment that specifically allow for licensee to licensee transport. Mr. Emers listened to the whole MCB meeting as well as many other licensees. It was clearly indicated that licensee to licensee transport should not be prohibited.

Accordingly, we request this NOV case number 17-0118 be dismissed and removed from RCFC’s record entirely.

Sincerely,

Jana D. Weltzin



P.O. Box 181
Ester, Alaska 99725
907-479-3642

January 26th, 2017

Sara Chambers
Interim Director, AMCO
550 W. 7th AVE, SUITE 1600
Anchorage, AK 99501

Dear Director Chambers,

My name is Michael Emers and I am the co-owner of RCFC, LLC dba Rosie Creek Farm (license # 10005). I am writing in response to the violation notice I received dated January 24th, 2017 and I would welcome a hearing with AMCO if one is required.

The information given in the violation notice is accurate as reported by Investigator Bankowski. Our violation stemmed from a mis-interpretation of the state regulation 3 AAC 306.750 (Transportation) which inadvertently led to violations of 3 AAC 306.435 (Marijuana inventory tracking system), 3 AAC 306.455 (Required laboratory testing). First, I was under the assumption that any person with a valid marijuana handler's permit (even another licensed cultivator) could act as transport agent. Second, I assumed that since the regulations did not explicitly forbid it, that it was legal to change vehicles for transport as long as that was explained in the transfer manifest. Third, I assumed that since I explained in the transfer manifest the route and method for transport, that the integrity of the chain of custody for the lab samples would be maintained. Although I was wrong in the above assumptions, I believe that I was transparent in my write-up via the transfer manifest and intended to deceive no one in what both my intentions were and what I ultimately did.

After discussing the above issues with Investigators Hoelscher, Bankowski, and yourself on January 24th, I understand both the problems and implications of the above assumptions. I understand that another licensed cultivator cannot act as a transport agent, I understand that product cannot be exchanged outside of a licensed facility, and I understand how the integrity of the chain of custody of

untested marijuana (lab sample) was compromised. I also understand how serious violations of this nature reflect on the integrity of this industry as a whole and AMCOs ability to both enforce these regulations and keep the public's trust. I know that there are still many gray areas in these and other regulations and, in the future, I will consult with the AMCO investigators on any issue that is out of the ordinary. If I had done this at the outset, then the above problems would have been avoided. Investigator Hoelscher did mention that many of the ambiguities of transport regulations would be addressed by the MCB at their next meeting to clear up these some of these gray areas and give direction to both enforcement and licensees. I believe that addressing the issues of 1) cultivation licensees being able to act as a third party for transport and 2) allowing retail licensees to transport wholesale packages from a cultivator would greatly benefit the industry.

I would welcome the opportunity to discuss this further if necessary.

Sincerely,

A handwritten signature in black ink that reads "Michael Emers". The signature is written in a cursive, flowing style.

Michael Emers
Rosie Creek Farm



P.O. Box 181
Ester, Alaska 99725
907-479-3642

January 11, 2017

Sara Chambers
Interim Director, AMCO
550 W. 7th AVE, SUITE 1600
Anchorage, AK 99501

Dear Director Chambers,

My name is Michael Emers and I am the co-owner of RCFC, LLC dba Rosie Creek Farm (license # 10005). I am writing in response to the violation notice I received dated January 6th, 2017 and I would welcome a hearing with AMCO if one is required.

The information given in the violation notice is accurate as reported by officer Stonecipher. We were indeed delayed in entering data into Metrc which resulted in a delay in reporting to AMCO (through Metrc) when plants were actually destroyed making it seem as though plants were in a flowering phase much longer than actually happened. The fault was entirely ours in not alerting AMCO to the problem when it first occurred. What follows is an explanation of the circumstances.

Metrc was intended to be a simple method of entering data to track changes in the operation of our cultivation and harvest schedule. While this may be the case for an operation dealing with hundreds of plants, we found it became very difficult in an agricultural setting when keeping track of thousands of plants. We noticed this early in our season during the planting stage of our operation when we were planting thousands of plants per day just entering tag numbers. When we would go into Metrc in the afternoons or evenings to enter data, Metrc would both take a very long time to respond and crash often making it difficult to keep up to date. As we passed through the season into our harvest, entering both tag numbers and weights made the process very cumbersome to the point that we could no longer keep up. This was coupled with the fact that many mistakes were being made by our data entry person that were impossible to correct, resulting in the necessity of

issuing more tags to cover up our mistakes, costing us money. I made the decision to delay our harvest data entry into Metrc until after our seasonal crew left at the beginning of October. I should have alerted AMCO to our problems at this point and I did not. As it was, entering our harvest data into Metrc took me over a month to complete.

I completely understand the concerns brought about by our delay in entering our data and we did not have a concern about the AMCO officers reviewing our video footage to verify the gap between our last harvest and data entry. My main concern is that unless the process of data entry improves, we will run into similar problems next summer season when we are likely to triple the number of plants we will plant. I would welcome an opportunity to discuss the process with AMCO and troubleshoot solutions so that both the integrity of the tracking system is maintained and the ease of compliance for licensees improves. Metrc intended for us to take just a few minutes each day to complete. This is what we were told in our trainings with them. As explained above, we found this to be far from the case. One solution would be for Metrc to develop an Excel spreadsheet that could be uploaded into the tracking system. There also needs to be a section for "notes" so that explanations can be entered in real time.

I would welcome the opportunity to discuss this further if necessary.

Sincerely,

A handwritten signature in black ink that reads "Michael Emers". The signature is written in a cursive, flowing style.

Michael Emers
Rosie Creek Farm



P.O. Box 181
Ester, Alaska 99725
907-479-3642

January 27th, 2017

Sara Chambers
Interim Director, AMCO
550 W. 7th AVE, SUITE 1600
Anchorage, AK 99501

Dear Director Chambers,

My name is Michael Emers and I am the co-owner of RCFC, LLC dba Rosie Creek Farm (license # 10005). I am writing in response to the violation notice I received dated January 6th, 2017 (NOV AB16-0691). This letter is intended as a follow-up response to the informal hearing I had with you and investigators Hoelscher and Bankowski on the 24th of January 2017. What follows is an action plan and plan of improvement for our future operations.

1. **Importance of same-day data entry:** In order to track immediate changes in the status of plantings, plant growth phases, harvest, and waste reporting, data will be entered into Metrc the same day. Will do whatever it takes to achieve this. We If this means hiring a person to stay late or obtaining a faster internet connection in town, this will be achieved. If circumstances arise that are out of our control to achieve this, we will contact AMCO investigators immediately (see below).
2. **Reporting problems:** If problems arise within Metrc or if unusual circumstances occur preventing us from achieving same-day data entry or other problems in inventory tracking, we will contact AMCO immediately. This will not be an excuse for operational problems that are within our control to correct.
3. **Working with Metrc:** It is up to us and not to AMCO investigators to suggest changes and improvements that could be made in Metrc. We need to be our own advocate in communicating with METRC if we feel the system can be improved.
4. **Communicating with other growers:** We understand that as a farm-based grower that we are not unique. There are operations in other states from which we could

seek out advice and strategies for working with Metrc to achieve tracking regulation compliance.

Thanks for your time in helping us work out these strategies on the 24th and please contact me if this plan needs further improvements

Sincerely,

A handwritten signature in black ink that reads "Michael Emers". The script is cursive and fluid, with the first name and last name clearly distinguishable.

Michael Emers
Rosie Creek Farm



P.O. Box 181
Ester, Alaska 99725
907-479-3642

January 26th, 2017

Sara Chambers
Interim Director, AMCO
550 W. 7th AVE, SUITE 1600
Anchorage, AK 99501

Dear Director Chambers,

My name is Michael Emers and I am the co-owner of RCFC, LLC dba Rosie Creek Farm (license # 10005). I am writing in response to the violation notice I received dated January 24th, 2017 and I would welcome a hearing with AMCO if one is required.

The information given in the violation notice is accurate as reported by Investigator Bankowski. Our violation stemmed from a mis-interpretation of the state regulation 3 AAC 306.750 (Transportation) which inadvertently led to violations of 3 AAC 306.435 (Marijuana inventory tracking system), 3 AAC 306.455 (Required laboratory testing). First, we were under the assumption that any person with a valid marijuana handler's permit (even another licensed cultivator) could act as transport agent. Second, we assumed that since the regulations did not explicitly forbid it, that it was legal to change vehicles for transport as long as that was explained in the transfer manifest. Third, we assumed that since we explained in the transfer manifest the route and method for transport, that the integrity of the chain of custody for the lab samples would be maintained.

After discussing the above issues with Investigators Hoelscher, Bankowski, and yourself on January 24th, I understand the both the problems and implications of the above assumptions. I understand that another licensed cultivator cannot act as a transport agent, I understand that product cannot be exchanged outside of a licensed facility, and I understand how the integrity of the chain of custody of untested marijuana (lab sample) was compromised. I also understand how serious violations of this nature reflect on the integrity of this industry as a whole and AMCO's ability to both enforce those regulations and keep the public's trust. I am

aware that there are still many gray areas in these and other regulations and, in the future, I will consult with the AMCO investigators on any issue that is out of the ordinary.

I would welcome the opportunity to discuss this further if necessary.

Sincerely,

A handwritten signature in black ink that reads "Michael Emers". The script is cursive and fluid, with the first name "Michael" and the last name "Emers" clearly distinguishable.

Michael Emers
Rosie Creek Farm