



**Marijuana Control Board
Meeting Minutes
August 15, 2018
Fourth Judicial District
Noel Wein Public Library Auditorium
1215 Cowles Street
Fairbanks, Alaska
Call-in Number: 1-800-315-6338, code 69176#**

● **ADMINISTRATION**

9:39am

A. Call to Order

B. Roll Call

Board Members Present:

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

Staff Members Present:

Erika McConnell, Director
Sarah Oates, Program Coordinator

Legal Counsel Present:

Harriet Milks, Assistant Attorney General

C. Approval of Agenda

9:41am

*Brandon Emmett moves to approve the agenda.
Jeff Ankerfelt seconds the motion.
Motion carries unanimously.*

D. Approval of the June 13-15, 2018 Meeting Minutes

9:42am

TAB 1

Brandon Emmett moves to approve the June 13-15 meeting minutes.

Loren Jones seconds the motion.

Motion carries unanimously.

● **BOARD GOVERNANCE**

9:43am

Loren Jones states that he does not have any changes to his disclosures or potential conflicts. He states that he is a candidate in the upcoming Juneau Assembly election this October, and that he attended two licensed marijuana establishments since the last meeting.

Nick Miller states that he does not have any changes.

Jeff Ankerfelt states that he does not have any conflicts.

Brandon Emmett states that he does not have any changes.

Mark Springer states that he has no changes but is seriously contemplating filing for reelection on the Bethel City Council.

● **PUBLIC TESTIMONY**

9:46am

Public testimony is limited to issues not on this agenda and that are not proposed regulations. Written comments may also be submitted to the board for review during its next regular meeting via marijuana@alaska.gov. The call-in number is 1-800-315-6338, code 69176#.

Cary Carrigan, Alaska Marijuana Industry Association, welcomes Jeff Ankerfelt to the Board. He reports that he has been having meeting with Erika McConnell, James Hoelscher, and Sarah Oates, as he had requested, and states that it has been really beneficial.

Representative Tammie Wilson, North Pole, states that she has serious security and safety concerns about the fact that transportation vehicle information is on transport manifests that have been included in notices of violation which are available to the public.

Mark Springer states that her concerns are very well taken, and he requests that staff redact that type of information.

Harriet Milks states that she has been working with staff to safeguard that information.

Kerby Coman, licensee, provides testimony regarding AS 17.38, and states that he would like to see a regulations project regarding acts allowed by retail marijuana stores and marijuana cultivation facilities. He requests that the Board consider regulations projects on the definition of the word "public", the transfer of marijuana product back to the manufacturer, and retail stores being able to repackage wholesale concentrates. He answers Board questions regarding his concerns about the current definition of "in public".

Jana Weltzin, JDW, LLC, provides testimony regarding the Municipality of Anchorage's definition of public, and regarding public consumption of alcohol versus marijuana.

Sarah Oates clarifies that there is not a state law that prohibits public consumption of alcohol.

Marcey Luther, Alaskan Booms, provides testimony that public consumption is a human rights issue.

Susan Isaacs, applicant for a retail store in Dillingham, provides testimony regarding long processing times for marijuana establishments. She states that the staff seems to small and requests that the Board hold more meetings.

Brian Coyle, SteepHill, provides testimony that cannabis testing in Alaska is unreliable. He requests that the Board develop a means to verify testing results and states that the Board needs more scientific resources.

● DIRECTOR BRIEFING

A. Director's Report

10:18am

TAB 2

Erika McConnell states that licensing examiners have been spending too much time on applications, and that applicants are expected to understand the regulations and requirements. She adds that licensing staff is going to change things up a bit – an initial thorough review will be done, a detailed incomplete letter will be sent, and then the corrected documents will be reviewed once. If the application is still incomplete, it will be returned to the applicant, as authorized in the regulation. This will make things more fair for new applicants, and it will hold applicants to the expectation that they understand the rules. She describes the options that are available to the Board when they review the complete applications that are brought forward.

Loren Jones states that he really appreciates her bringing this up – he has notices a stark improvement to the applications from what he saw a year or two ago. He adds that while he appreciates all of the work that staff has done to improve these applications, he's not sure that a good application means that the licensee is going to follow its own application. He states that he is concerned that the quality of the applications might go down, but he doesn't appreciate that a lot of applicants aren't following the rules that they are putting in their own applications.

Mark Springer states that he agrees completely.

Erika McConnell updates the Board regarding the expansion of the AMCO office space, regulations projects, and the next meeting dates, and she provides examples of universal THC symbols.

Loren Jones requests that Ms. McConnell do some more research about how other states get the symbols onto all of the different types of products.

Nick Miller voices concerns about the lengthy amount of time between the time that the Board adopts a regulations project and when it becomes effective.

B. Legislative Requests

10:39am

TAB 3

Erika McConnell states that she did not have time to draft a resolution for Tab 4. She presents to the Board nine proposals for potential legislative requests, which include asking the legislature for an events permit to allow for marijuana consumption at an event (not included in her report).

● **BREAK**

10:43pm

● **DIRECTOR BRIEFING**

B. Legislative Requests

10:51am

TAB 3

Brandon Emmett states that he supports the first recommendation in the memo, but that it could be expanded upon to allow for product to flow back and forth between license types – so long as it's property tracked.

Jeff Ankerfelt states that he would like to see some improvements regarding banking, particularly because of security concerns.

Brandon Emmett states that he agrees with Mr. Ankerfelt.

Loren Jones states that the Board should look at working with DEC or the legislature to put scientists in charge of testing, rather than (the Board).

Mark Springer states that he would like to see AS 17.38 amended to allow the University of Alaska, or another postsecondary education facility in the state, to apply for a license.

Brandon Emmett states that he agrees with the second recommendation in the memo. He states that he's struggled a little with the third recommendation, as he doesn't know how this would be enforceable. He adds that he's not opposed to a prohibition, but he's not sure how enforceable it would be. He states that he supports the fourth recommendation, as long as it wouldn't limit where somebody could have a grow. He states that the fifth recommendation seems like housekeeping, that he has concerns about Mr. Coyle's statements, and that he is supportive of scientists being in charge of the testing. He adds that he has been openly supportive of redoing the statutory tax structure and having the majority of the Board present for regulations projects, and that he likes the idea of an events permit for consumption.

Loren Jones states that he has concerns about the seventh recommendation regarding the majority of the Board being required to adopt regulations because of situations when there might be a conflict.

Brandon Emmett moves to expand item one in the memorandum from retail to retail transportation to include language that allows the flow of marijuana between all facility types, so long as it is properly tracked and manifested.

*Loren Jones seconds the motion for purposes of discussion.
Loren Jones states that he would limit that a little more than that – that there needs to be a legitimate reason for it to go backwards.
Brandon Emmett suggests limiting it to allowing the marijuana or marijuana product only go back to the licensee from which it originated.
Brandon Emmett amends his motion to amend the language in the recommendation to allow the Marijuana Control Board to alter allowable transportation through regulation.
Loren Jones agrees.
None opposed, motion carries as amended.*

*Brandon Emmett moves to adopt the recommendations in the memo, and to add the requests for an events permit and for university licensing.
Loren Jones seconds the motion.
Jeff Ankerfelt requests that the banking requests be included in the motion.
Brandon Emmett agrees and adds that the sixth recommendation will be removed and replaced with the recommendation that oversight of testing be moved under the purview of DEC.
Motion carries unanimously as amended.*

C. Resolution Regarding Separation of Personal-use and Commercial Marijuana **TAB 4**

No action taken, as a draft resolution was not presented to the board.

● **ENFORCEMENT BRIEFING**

A. Enforcement Supervisor's Report **11:20am** **TAB 5**

James Hoelscher updates the Board on enforcement issues, including travel and statistics. He states that enforcement is seeking guidance or clarification regarding “comingling” of alcohol and marijuana licenses at events. He recommends that the both the ABC and Marijuana Control Board create a joint subcommittee to address these shared concerns and provide licensees and AMCO clear and consistent guidance – the ABC Board has agreed to do so, and ABC Chair Bob Klein has volunteered to be on the subcommittee.

*Mark Springer states that he doesn't have an objection to a joint committee.
Nick Miller volunteers to be on the subcommittee.
Mark Springer states that if there needs to be more members, then he's sure he can show up.*

James Hoelscher states that Settler's Bay Golf Course has a golf course license, and consumption of alcohol in those outside areas where the Cannabis Cup occurred was permitted under the license.

B. Enforcement Plan **11:32am** **TAB 6**

Erika McConnell states that the 2017 legislative audit findings for both board required the director, enforcement team, and board to develop an enforcement plan that sets priorities. She states that the proposed priorities include health and safety issues, preventing access by underage persons, diversion and introduction, inspections, and complaints. She adds that the ABC Board wanted to see the priorities divided between alcohol and marijuana, but she does not

think the priorities should be divided between the two industries, as the same eight enforcement staff are responsible for both industries across the entire state.

Loren Jones states that in terms of diversion and introduction, he could see some separation between the two industries. He adds that in general, the issues and the priorities are the same, but he would hate to be put in a position where a bootlegging investigation took priority over a health and safety issue regarding edibles. He adds like he likes the way that this is broken down and in general, this is going in a pretty good direction.

James Hoelscher states that even though AMCO serves under two separate Boards, the staff is tasked with enforcing both alcohol and marijuana; if the priorities are separated, then that will lead to more confusion down the road. He adds that a couple of things could be separated when they only apply to one or the other.

Mark Springer states that he does not see a lot of division to accomplish – the enforcement objectives are shared, and generally there is enough confluence between the alcohol and marijuana (industries) that enforcement should be treating both sets of licensees essentially the same.

Jeff Ankerfelt states that he thinks this is very nicely worded, and that this document does a nice job of focusing the enforcement efforts.

Mark Springer states that he would like to talk with the ABC Board to see what their issues are, and that this Board should bring this up at the next meeting after he's had the opportunity to do so.

C. Notices of Violation Issued and Licensee Responses

11:47am

TAB 7

James Hoelscher states that there are a couple of notices of violations for which responses from licensees have not been received. He states that there have been a good number of violations that have been issued because licensees' point-of-sale systems are not talking with Metrc. He adds that he would like the Board to reinforce that it is the licensee's responsibility to ensure that what it is tracking has been accurately reflected in Metrc by the close of business, as required by the regulations.

Erika McConnell reminds the Board and licensees that there are upcoming training opportunities provided by Metrc.

Brandon Emmett states that licensees need to be sure that they are only using approved pesticides. He adds that when NOV's are being issued in response to self-reporting of licensees, then it encourages licensees to not self-report. He states that in those scenarios when there are not public health or safety risks, advisory notices should be issued rather than NOV's.

Loren Jones states that if a licensee is self-reporting but the Board doesn't have any history, it doesn't know if this is a recurring issue. He adds that self-reporting does not eliminate the fact that there is an issue, it just potentially eliminates a penalty.

James Hoelscher states that enforcement felt in this scenario that it was important to document what happened, as if an advisory notice was issued then it would only be between enforcement

and the licensee. He adds that if enforcement is seeking action be taken by the Board against the license, then an accusation is issued.

● **LUNCH BREAK**

12:00pm

● **ENFORCEMENT BRIEFING**

D. Alaska Hempfest: Niki Raapana

1:15pm

TAB 8

Erika McConnell states that she informed the holder of the Alaska Hempfest event a few weeks in advance of the event about the prohibition of public consumption, yet she still promoted public consumption and held the event with the space that allowed public consumption to occur.

Brandon Emmett states that there have been recent personal attacks on social media against him from this individual and others, and he asks the Chair to determine whether he should be conflicted out of discussion and voting of this matter.

Mark Springer states that he doesn't think that this would necessarily be a conflict, but that if Mr. Emmett feels like it's necessary to do so, then he may make that decision.

Brandon Emmett states that he would like to recuse himself.

Nick Miller states that he has the same concerns as Mr. Emmett – he had an investigation against him because of the claims, and he wants to recuse himself because of it.

Mark Springer states that they are industry members for a reason, and he looks to Ms. Milks for guidance.

Harriet Milks states that sometimes circumstances that occur in board members' lives can cause that member to feel conflicted in a matter. She adds that board members are not to be recused if that will upset the existence of a quorum; in this case, if both members were to be recused, it would still leave the Board with a quorum, but it would also leave the Board without any industry members – who are on the Board to bring their expertise, experience, and knowledge of how the industry works to the Board.

Mark Springer asks Nick Miller to stay (for discussion and voting) for this matter. He asks if Niki Raapana is present to speak to the Board.

Ms. Raapana is not present, either in person or telephonically.

Loren Jones moves that the Board issue a fine to Niki Raapana, director of Alaska Hempfest, in the amount of \$10,000, in accordance with 3 AAC 306.840(a), and request that \$7,500 of that fine be suspended, to be assessed only if future violations of Alaska law by Niki Raapana or Hempfest are committed.

Jeff Ankerfelt seconds the motion.

Loren Jones states that he would very much like to vote against this, but he won't. He states that he thought because of the Board's action regarding the other event, he didn't expect to see another event like this come before the Board.

Harriet Milks clarifies that no Board members got in trouble here, and there was no wrongdoing found on the part of any Board member. She states that she knows of no facts, whatsoever, that would suggest that either of these two Board members acted outside of the law at all. She adds that her perception is that the reason that the recusal happened was because those Board members had strong feelings about things that were done to them by the members of Hempfest.

Jeff Ankerfelt states that they were warned in advance, but they did it anyway.

Motion carries unanimously.

● LICENSING & EDUCATION REPORT

1:33pm

TAB 9

Sarah Oates updates the Board regarding licensing and education issues, including operations, renewal applications, submission of public comments, and training plans. She informs retail marijuana stores that they should be contacting DEC's Food Safety & Sanitation Program before making any revisions to their menus of products sold in the stores. She requests that the Board provide guidance to the staff as to whether marijuana product and concentrate manufacturers can request approval of umbrella categories of products, rather than approval of each product, and to set clear parameters if it chooses to allow that option.

Brandon Emmett states that for simple things like cookies and brownies, having an acceptable list of products would be acceptable. He states that he could see where this could lead to more work and confusion, and that he could go either way on this.

Loren Jones states that he would be more inclined to approve them individually if they were going to have different content to them. He states that he would expect that product to be as close as it was present to the Board. He adds that he wouldn't have as much issue with something that just had the flavor changing – lime, strawberry, etc. – than something where the actual ingredients are changing.

Mark Springer requests that this be postponed until the Kenai meeting, so that the Board can have somebody from DEC come and speak about ingredients and labelling requirements.

Sarah Oates states asks that the Board also keep in mind the potential enforcement issue regarding what's clearly been approved.

● REGULATIONS

A. Proposed Projects

1. Staff Recommendations

1:54pm

TAB 10

Erika McConnell requests that the Board open a regulations project to require that all licensees have a marijuana handler permit.

Brandon Emmett states that he would speak against this recommendation, as the reality is that many licensees are really just investors who would have no idea how to run the business.

Loren Jones states that having an investor get a handler card would be a lot cheaper and easier than having an enforcement staff review forty days of tape to determine who is handling marijuana. He adds that he was always under the impression that it was the desire and the intent, when the Board developed the regulations, to require all licensees to have a handler permit. He states that having the handler card and understanding the business is important.

Jeff Ankerfelt states that he thinks this is an efficient way to handle it.

Mark Springer states that he doesn't see this as being particularly onerous – to take a couple of hours to take an online course and pass it is part of the cost of doing business.

Loren Jones moves that the Board open a regulations project (regarding the requirement that all licensees have handler permits) for 3 AAC 306.320, 3 AAC 306.425, 3 AAC 306.530, new section 3 AAC 306.622, and 3 AAC 306.700, and put it out for public comment.

Jeff Ankerfelt seconds the motion.

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

Erika McConnell states that the current regulations do not require that a person pay a renewal fee for a marijuana handler permit, and requests that the Board open a regulations project to establish one.

Loren Jones moves that the Board open a regulation project to establish a handler permit renewal fee.

Jeff Ankerfelt seconds the motion.

Jeff Ankerfelt requests that the director provide budget information at the next meeting that specifically breaks down all of the fees and shows what is covered.

Motion carries unanimously.

Erika McConnell states that the current regulations regarding reporting ownership changes were borrowed from the alcohol statutes. She adds that there are disqualifying factors of licensees in current statutes and regulations, so the regulation that allows for an ownership change to occur before it is report to the Board is in conflict with those laws.

Loren Jones moves to open a regulation project regarding the effective date of an ownership change, and put it out for public comment.
Jeff Ankerfelt seconds the motion.
Motion carries unanimously.

Loren Jones and Mark Springer request that draft language and examples from other states be brought to the Board so that it may consider whether it wishes to open a regulations project regarding following Metrc rules.

Brandon Emmett moves to open a regulations project for #5 (of the staff recommendations memo).
Loren Jones seconds the motion.
Motion carries unanimously.

Brandon Emmett moves to start a regulations project for #6 (of the staff recommendations memo).
Jeff Ankerfelt seconds the motion.
Motion carries unanimously.

Nick Miller requests that for the proposed regulations project regarding sample jars, that the language focus more on the licensee maintaining control of the marijuana, rather than having restrictions to amounts and jar types.

Brandon Emmett moves to open a regulations project for 3 AAC 306.325 to add a new subsection regarding what the Board has been talking about (regarding sample jars), as well as 3 AAC 306.460, and have the staff bring a revised draft memorializing the Board's comments to the next meeting.
Nick Miller seconds the motion.
Motion carries unanimously.

The Board members discuss the possibility of opening a regulations project to increase license fees (recommendation 8 in the staff memo).
Brandon Emmett states that he would like to see some good numbers to determine how much the Board might need to raise fees, if at all.
Mark Springer requests that the director bring budgeting information to the next meeting.

The Board members discuss the possibility of opening a regulations project to implement a fine schedule (recommendation 9 in the staff memo).
Loren Jones moves to open a regulation project on the fine schedule, and that the Board look at some subcommittee work on this between now and December before actually putting it out.
Brandon Emmett seconds the motion.
Motion carries unanimously.
Loren Jones and Jeff Ankerfelt volunteer to be on the subcommittee.

2. Board Requests

2:52pm

No requests from the Board.

● BREAK

2:53pm

● REGULATIONS

B. Drafts for Board Review, Pending Public Comment Opportunity

1. Onsite Consumption

3:02pm

TAB 11

Status: Revised draft for board consideration
Potential Board Actions: Amend and/or put out for public comment

Loren Jones states that his recommendation would be that the project be open for 60 days, and that there be a public hearing to obtain oral testimony.

Brandon Emmett states that he would support Mr. Jones's comments.

Mark Springer states that he agrees, and he requests that a space be reserved on Wednesday, December 19 for a public hearing to receive oral testimony.

Mark Springer states that (regarding the first question in the memo) he does not see that the cumulative as being too scary, as people can bring unconsumed product home with them.

Loren Jones states that he sees this as being an "or" – that the accumulation is too much.

Brandon Emmett states that he's not going to hang his hat on this, so he will leave it up to his fellow Board members. He urges the Board to put something out for public comment today.

*Brandon Emmett moves to put out for public comment 3 AAC 306.015(d) as amended.
Brandon Emmett withdraws his motion.*

*Brandon Emmett moves to put out the onsite consumption project for public comment.
Loren Jones seconds the motion.*

*Loren Jones moves to amend the motion to amend 3 AAC 306.370(a)(2) to say "or".
Brandon Emmett seconds the motion.
Motion to amend carries unanimously.*

*Loren Jones moves to amend the motion to be that the draft go out for public comment for 60 days, and that there be a public hearing to obtain oral comment on December 19th.
Brandon Emmett seconds the motion.
Motion to amend carries unanimously.*

Motion to put out for public comment, as amended, carries unanimously.

**2. Change from Limited to Standard Cultivation License
(License Conversion)**

3:23pm

TAB 12

Status: First draft for board consideration
Potential Board Actions: Amend and/or put out for public comment

Brandon Emmett moves to send the regulations project Change from Limited to Standard Cultivation License (License Conversion) out for public comment.

*Jeff Ankerfelt seconds the motion.
Motion carries unanimously.*

3. Ownership Change Without Licensee Change 3:29pm TAB 13

Status: First draft for board consideration
Potential Board Actions: Amend and/or put out for public comment

*Loren Jones moves that the Board put the Ownership Change Without Licensee Change regulations project out for public comment.
Brandon Emmett seconds the motion.
Motion carries unanimously.*

4. Expiration of Public Notice 3:33pm TAB 14

Status: First draft for board consideration
Potential Board Actions: Amend and/or put out for public comment

Loren Jones voices concerns about licenses that have been in delegated or pending inspection status for a lengthy amount of time, and states that he would like staff to look into something that would address that issue.

*Loren Jones moves to put the regulations project Expiration of Public Notice out for public comment.
Brandon Emmett seconds the motion.
Motion carries unanimously.*

5. License Expiration for Renewal 3:42pm TAB 15

Status: First draft for board consideration
Potential Board Actions: Amend and/or put out for public comment

*Brandon Emmett moves to send out for public comment the regulations project License Expiration for Renewal.
Jeff Ankerfelt seconds the motion.
Motion carries unanimously.*

6. Wholesale Concentrates to Retail Licensee 3:46pm TAB 16

Status: First draft for board consideration
Potential Board Actions: Amend and/or put out for public comment

*Brandon Emmett moves to put out for public comment the amendment to 3 AAC 306.565(c) regarding wholesale concentrates to a retail licensee.
Nick Miller seconds the motion.
Motion carries unanimously.*

C. Public Comments Received

1. Definition of "Recreation or Youth Center" 4:02pm TAB 17

Status: Comment period closed June 1, 2018; tabled from June 13-15

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

Brandon Emmett moves to adopt the project titled "Definition of Recreation or Youth Center".

Jeff Ankerfelt seconds the motion.

The Board members note that one public comment was received in support for the project. Motion fails, 2-3 (Nick Miller and Brandon Emmett vote No).

2. Testing Working Group Recommendations, Set 1 4:13pm TAB 18

Status: Comment period closed August 8, 2018

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

Sarah Oates states that the Board put this out for public comment before the Testing Working Group realized that the Department of Revenue was also putting out a regulations project that was adding new definitions regarding the marijuana plant. She adds that in order to prevent additional confusion and confliction, staff is recommending that the Board adopt the majority of this project, and send other sections back to the Testing Working Group for additional work.

Loren Jones moves that the Board adopt 3 AAC 306.345(b)(2), 3 AAC 306.455, 3 AAC 306.475(d)(2), 3 AAC 306.645(a), 3 AAC 306.645(b)(1)(B)(i), 3 AAC 306.645(b)(2), and 3 AAC 306.670(b), and any remaining be referred back to the Testing Working Group.

Brandon Emmett seconds the motion and clarifies that the motion did not include sections 3 AAC 306.435, 3 AAC 306.445, 3 AAC 306.990(b), or 3 AAC 306.990(b)(3).

Sarah Oates clarifies that the motion did contain those four sections, but only in the sense that they would be referred back to the Testing Working Group for additional work, and not adopted.

The Board considers public comments received.

Motion carries unanimously.

● NEW MARIJUANA HANDLER COURSE PROVIDER APPLICATIONS

B. MHCP 029: Advanced Learning Mgmt System by MM411 (4:21pm) TAB 20

Applicant: MM411, Inc. DBA Medical Marijuana 411
(Christine Nazarenus)

Mark Springer states that there are enough marijuana handler courses now that he does not feel that anyone needs to be recused.

Chris Nazarenus identifies herself for the record, speaks to the Board about her proposed course, and answers Board questions.

*Brandon Emmett moves to approve MHCP 029 Advanced Learning Mgmt System by MM411.
Nick Miller seconds the motion.
Motion carries unanimously.*

- A. MHCP 028:** **Alaska Marijuana Handler Certification (4:35pm)** **TAB 19**
Applicant: Green CulturED (Evan Erickson)

Evan Erickson identifies herself for the record, speaks to the Board about her proposed course, and answers Board questions.

Jeff Ankerfelt moves to accept the marijuana handler course provider application submitted by Green CulturED.

Mark Springer clarifies that it is course MHCP 028.

Brandon Emmett seconds the motion.

Motion carries unanimously.

● **BREAK**

4:42pm

● **APPLICATIONS FROM PREVIOUS MEETINGS**

A. Tabled

- 1. License #10254:** **AlaskaSense, LLC** **4:48pm** **TAB 21**
Licensee: AlaskaSense, LLC
License Type: Retail Marijuana Store
Premises Address: 217 E 4th Avenue, Suite D
Anchorage, AK 99501
Local Government: Municipality of Anchorage
For Consideration: **Tabled at May 2018 meeting**

Jana Weltzin, legal counsel for Smadar Warden, informs the Board that the licensee has immersed herself in improving her existing licenses and is requesting the Board to table this application until the next meeting so that she can decide whether she actually wants to continue with this application.

Smadar Warden, applicant, states that she is very nervous.

Loren Jones moves that the Board table AlaskaSense, LLC's application for license 10254 until the December meeting.

Brandon Emmett seconds the motion.

Loren Jones states that he said December instead of October because two months is not enough time for him to be sure that the practices that the Board has concerned about have been remedied; he wants to give the applicant time to have more consistency than two months.

Brandon Emmett states that he concurs with Mr. Jones.

Jana Weltzin states that Smadar is okay with this recommendation.

Motion carries unanimously.

● **RECESSED UNTIL 9:30AM AUGUST 16**

4:53pm

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Meeting Minutes
August 16, 2018
Fourth Judicial District
Noel Wein Public Library Auditorium
1215 Cowles Street
Fairbanks, Alaska
Call-in Number: 1-800-315-6338, code 69176#**

● **ADMINISTRATION**

9:32am

A. Call to Order

B. Roll Call

Board Members Present:

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

Staff Members Present:

Erika McConnell, Director
Sarah Oates, Program Coordinator

Legal Counsel Present:

Harriet Milks, Assistant Attorney General

● **APPLICATIONS FROM PREVIOUS MEETINGS**

A. Tabled

2. License #13910:	Alaskan Farmacy	9:33am	<u>TAB 22</u>
Licensee:	Charles T Elliott		
License Type:	Limited Marijuana Cultivation Facility		
Premises Address:	34049 Klondike Avenue E Sterling, AK 99672		
Local Government:	Kenai Peninsula Borough		
For Consideration:	Tabled at June 2018 meeting Conditions pursuant to 3 AAC 306.060(b)		

Applicant is not present for the meeting.

- 3. License #15124:** **Fairbanks Analytical Testing, LLC** **9:34am** **TAB 23**
Licensee: Fairbanks Analytical Testing, LLC
License Type: Marijuana Testing Facility
Premises Address: 1521 Stacia Street, Suite A
Fairbanks, AK 99701
Local Government: City of Fairbanks
For Consideration: **Tabled at June 2018 meeting**
Protest received from City of Fairbanks

Dylan Macomber and Ron Eads, applicants, Jeff Werner, Acting Scientific Director, and Jessica Smith and Lance Wells, staff and legal counsel, and a consultant (inaudible name) identify themselves for the record and answer Board questions about the application and their qualifications.

Brandon Emmett moves to approve license 15124 Fairbanks Analytical Testing, LLC with delegation.

Jeff Ankerfelt seconds the motion.

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

- 4. License #16015:** **Bluffside Gardens** **9:48am** **TAB 24**
Licensee: Bluffside Gardens, LLC
Premises Address: 39700 S Parks Highway
Talkeetna, AK 99676
Local Government: Matanuska-Susitna Borough
For Consideration: **Tabled at June 2018 meeting due to residency**

Brian Tunnell, applicant, identifies himself for the record and answers Board questions about the application.

Brandon Emmett moves to approve license 16015 Bluffside Gardens with delegation.

Nick Miller seconds the motion.

Erika McConnell states that the applicant has been determined to be a resident.

Loren Jones states that the delegation needs to include the requirement that the premises diagram be redone – he sees no stairs, and the loft, access, and separation need to be shown. He states that the staff can bring this back to the Board if they feel necessary.

Mark Springer states that the Fire Marshal should get the same diagram that the staff does.

Motion carries unanimously.

B. Delegated

- 1. License #10898:** **AK Slow Burn Cannabis Outlet** **10:00am** **TAB 25**
Licensee: AK Slow Burn Cannabis Outlet, LLC
License Type: Standard Marijuana Cultivation Facility
Premises Address: 2042 E 3rd Avenue, Suite A
Anchorage, AK 99501
Local Government: Municipality of Anchorage
For Consideration: **LG protest (approved with delegation July 12, 2017)**

Brandon Emmett moves to approve license 10898 AK Slow Burn Cannabis Outlet with delegation.

Nick Miller seconds the motion.

Brandon Emmett withdraws his motion.

Jana Weltzin, legal counsel, identifies herself for the record and requests that the abeyance be for 120 days.

Loren Jones moves that the Board rescind its prior approval with delegation for license 10898 AK Slow Burn Cannabis Outlet, and uphold the protest with a 120-day abeyance, in accordance with 3 AAC 306.060.

Brandon Emmett seconds the motion.

Motion carries unanimously.

- 2. License #13776:** **Alaska Skunkworks, LLC** **10:03am** **TAB 26**
Licensee: Alaska Skunkworks, LLC
License Type: Standard Marijuana Cultivation Facility
Premises Address: 37331 S Talkeetna Spur Road
Talkeetna, AK 99676
Local Government: Matanuska-Susitna Borough
For Consideration: **LG protest (approved with delegation April 2018)**

Erika McConnell states that no action is needed on this, as the protest has been lifted.

- 3. License #15800:** **Baked Alaska, LLC** **10:04am** **TAB 27**
Licensee: Baked Alaska, LLC
License Type: Marijuana Product Manufacturing Facility
Premises Address: 2745 Hanson Road, Unit B
Fairbanks, AK 99709
Local Government: City of Fairbanks
For Consideration: **LG protest (approved with delegation June 2018)**

Audrey Ranstead, applicant, identifies herself for the record and states that 90 days is enough time for her to obtain her certificate of occupancy.

Loren Jones moves that the Board rescind its prior approval with delegation of license 15800 Baked Alaska, and uphold the protest with a 90-day abeyance, in accordance with 3 AAC 306.060.

Brandon Emmett seconds the motion.

Motion carries unanimously.

C. Licenses in “Pending Inspection” Status for Over Six Months

10:07am

TAB 28

Adam Ferguson, applicant, states that he just received the pre-inspection checklist from James Hoelscher for the cultivation facility, and that he plans to be inspected within the next ten days. He adds that the retail store is about 80% done with construction and should be ready in 6-8 weeks.

- 1. License #10107:** **Arctic Earth**
Licensee: Ferguson and Smith Enterprises, Inc.
License Type: Standard Marijuana Cultivation Facility
Premises Address: 151 A Street Loop #1
 Anchorage, AK 99518

Local Government: Municipality of Anchorage
Approved by MCB: April 4, 2017
License Issued: December 29, 2017

- 2. License #10646:** **The Green Room AK**
Licensee: Ferguson and Smith Enterprises, Inc.
License Type: Retail Marijuana Store
Premises Address: 610 C Street, #A7
 Anchorage, AK 99501

Local Government: Municipality of Anchorage
Approved by MCB: April 4, 2017
License Issued: December 29, 2017

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

10:09am

TAB 29

Neither applicant is present.

Brandon Emmett moves to rescind the approval of license 10180 AK Shadows.

Nick Miller seconds the motion.

Brandon Emmett states that it appears that this application has gone stale – it’s been in delegated status for about two years now, and Mr. Holzschuh has not been present to speak to the Board; no additional resources should be wasted on this any longer.

Motion carries unanimously.

Brandon Emmett moves to deny the application for 10180 AK Shadows.

Jeff Ankerfelt seconds the motion.

Brandon Emmett states that the reasoning was because the applicant did not meet the delegation requirements.

Sarah Oates adds that that included the requirement that the applicant meet public safety requirements.

Motion carries unanimously.

- 1. License #10048:** **Tok Heavenly Cannabis, LLC**
Licensee: Tok Heavenly Cannabis, LLC
License Type: Standard Marijuana Cultivation Facility
Premises Address: MP 1308 Alaska Highway
Tok, AK 99780
Local Government: No Local Government
Approved By MCB: July 12, 2017
Pending: **Fire Marshal approval**
- 2. License #10180:** **AK Shadows**
Licensee: Jesse Y Holzschuh
License Type: Standard Marijuana Cultivation Facility
Premises Address: 525 Anisha Drive
Fairbanks, AK 99709
Local Government: Fairbanks North Star Borough
Approved By MCB: July 7, 2016
Pending: **Fire Marshal approval**

● **BOARD CONSIDERATION**

- | | | |
|---|--|---|
| <p>A. License #13479:
 Licensee:
 License Type:
 Premises Address:

 Local Government:
 For Consideration:</p> | <p>North Star Fire
 North Star Fire, LLC
 Standard Marijuana Cultivation Facility
 3780 Leasure Street, Suite 3
 Fairbanks, AK 99701
 City of Fairbanks
 Local government not notified by applicant (approved with delegation June 2018)</p> | <p>10:16am <u>TAB 30</u></p> |
|---|--|---|

Jana Weltzin, legal counsel, states that they accidentally notified the Fairbanks North Star Borough instead of the City of Fairbanks. She states that she now has the new signed AB-08 ready for submittal.

Brandon Emmett moves to rescind the approval of license 13479 North Star Fire.

Jeff Ankerfelt seconds the motion.

Brandon Emmett states that the reason for this is because of the recommendation of the director that the applicant re-notice the application and submit new application documents.

Motion carries unanimously.

B. License #15304:	The Grass Frontier	10:18am	<u>TAB 31</u>
Licensee:	GFR, LLC		
License Type:	Retail Marijuana Store		
Premises Address:	11730 Old Seward Highway Anchorage, AK 99515		
Local Government:	Municipality of Anchorage		
For Consideration:	Residency requirement not met		

Lance Wells, legal counsel, and John Pattee, applicant, identify themselves for the record and request that the application be tabled in order to have more time to review the memo.

The Board members discuss their concerns about the false information on the MJ-18 and Mr. Pattee's residency status.

Brandon Emmett moves to deny license 15304 The Grass Frontier.

Nick Miller seconds the motion.

Brandon Emmett states that his rationale is that it appears that enforcement did a very thorough investigation, that Mr. Pattee is not a resident, and that he falsified the MJ-18 in swearing that he had not been gone more than 180 days from the state, which is very concerns.

Lance Wells states that any error was not an intentional error.

Motion carries unanimously.

● NEW STANDARD MARIJUANA CULTIVATION FACILITY APPLICATIONS

A. License #13827:	Chongkee Farms, LLC	10:24am	<u>TAB 32</u>
Licensee:	Chongkee Farms, LLC		
Premises Address:	691 Brewster Street Fairbanks, AK 99712-2352		
Local Government:	Fairbanks North Star Borough		

Dan Brower, applicant, identifies himself for the record and answers Board questions about the application.

Brandon Emmett moves to approve license 13827 Chongkee Farms, LLC with delegation.

Nick Miller seconds the motion.

Motion carries unanimously.

B. License #14956:	50 Shades of Green, LLC	10:31am	<u>TAB 33</u>
Licensee:	50 Shades of Green, LLC		
Premises Address:	14481 W Marginal Access Road Houston, AK 99694		
Local Governments:	City of Houston		

Gabrielle Petersen-Christensen, applicant, and Billy Christensen, brother and employee, identify themselves for the record and answer Board questions about the application.

*Brandon Emmett moves to approve license 14956 50 Shades of Green, LLC with delegation.
Nick Miller seconds the motion.
Motion carries unanimously.*

C. License #15192:	GreenSleeves Genetics, LLC	10:36am	<u>TAB 34</u>
Licensee:	GreenSleeves Genetics, LLC		
Premises Address:	1700 N Post Road Anchorage, AK 99501		
Local Government:	Municipality of Anchorage		

Paul Dunham, applicant, and his lead grower (inaudible) identify themselves for the record and answer Board questions about the application.

*Brandon Emmett moves to approve license 15192 GreenSleeves Genetics, LLC with delegation.
Nick Miller seconds the motion.
Brandon Emmett withdraws his motion.*

*Brandon Emmett moves to uphold the protest of the Municipality of Anchorage, and give a 120-day abeyance.
Nick Miller seconds the motion.
Motion carries unanimously.*

● **BREAK** **10:43am**

● **NEW STANDARD MARIJUANA CULTIVATION FACILITY APPLICATIONS**

D. License #15546:	Daliwoda Investments #1	10:56am	<u>TAB 35</u>
Licensee:	Daliwoda Investments, Inc.		
Premises Address:	807 Landing Road North Pole, AK 99705		
Local Government:	Fairbanks North Star Borough		

Dave Worel, applicant, identifies himself for the record, states that Scott Hinson and Lisa Davis on the phone, and answers Board questions about the application.

Brandon Emmett states that he consulted for Dave for approximately one hour a couple of months ago when he was assessing whether his property was viable for a grow. He states that he did no additional work and has no interest in this license.

*Brandon Emmett moves to approve license 15546 Daliwoda Investments #1 with delegation.
Loren Jones seconds the motion.
Motion carries unanimously.*

E. License #15918:	Barefoot Grow Company, LLC	11:03am	<u>TAB 36</u>
Licensee:	Barefoot Grow Company, LLC		
Premises Address:	940 Star Court		
	North Pole, AK 99705		
Local Government:	Fairbanks North Star Borough		

Jessica and Jeremy Dance, applicants, identify themselves for the record and answer Board questions about the application.

*Brandon Emmett moves to approve license 15918 Barefoot Grow Company, LLC with delegation.
Nick Miller seconds the motion.
Motion carries unanimously.*

● **NEW LIMITED MARIJUANA CULTIVATION FACILITY APPLICATIONS**

A. License #12895:	Bigfoot Bud Company, LLC	11:08am	<u>TAB 37</u>
Licensee:	Bigfoot Bud Company, LLC		
Premises Address:	46813 Pintail Avenue		
	Kenai, AK 99611		
Local Government:	Kenai Peninsula Borough		
For Consideration:	Conditions pursuant to 3 AAC 306.060(b)		

Jerry Lopez, applicant, identifies himself for the record and answers Board questions about the application.

Brandon Emmett moves to approve license 12895 Bigfoot Bud Company, LLC with delegation and Kenai Peninsula Borough conditions.

Jeff Ankerfelt seconds the motion.

Brandon Emmett states that the delegation will include that the applicant submit a more thorough diagram with additional detail so the Board can see what's actually going on in the place, and to include the access areas (entrances).

Motion carries unanimously.

B. License #14227:	Galactic Herb	11:15am	<u>TAB 38</u>
Licensee:	Theodore C Delaca		
Premises Address:	595 Henry Hahn Court		
	Fairbanks, AK 99712-3551		
Local Government:	Fairbanks North Star Borough		

Theodore Delaca, applicant, identifies himself for the record and answers Board questions about the application.

Brandon Emmett moves to approve license 14227 Galactic Herb with delegation.

Jeff Ankerfelt seconds the motion.

Motion carries unanimously.

C. License #14252:	Primate Rock Harvest, Inc.	11:19am	<u>TAB 39</u>
Licensee:	Primate Rock Harvest, Inc.		
Premises Address:	2276 Sunshine Avenue Fairbanks, AK 99709		
Local Government:	Fairbanks North Star Borough		

Jana Weltzin, legal counsel and daughter, and Jeff Weltzin, applicant, identify themselves for the record and answer Board questions about the application and the objections received.

Jana Weltzin states that Mr. Weltzin is a 3% owner of the licensed entity of which Mr. Emmett is also an owner.

Brandon Emmett defers to the Chair as to whether he would need to recuse himself.

Mark Springer states that he does not think that Mr. Weltzin being a very small owner of a business that Mr. Emmett also owns would pose a conflict.

Brandon Emmett states that he does not have any financial interest in this business, and he states that he can be objective.

Mark Springer states that he does not feel that Mr. Emmett needs to recuse himself.

Brandon Emmett moves to approve license 14252 Primate Rock Harvest, Inc. with delegation.

Nick Miller seconds the motion.

Motion carries unanimously.

D. License #14800:	Field's of Green, LLC	11:29am	<u>TAB 40</u>
Licensee:	Field's of Green, LLC		
Premises Address:	23550 E Hillcrest Way Talkeetna, AK 99676		
Local Government:	Matanuska-Susitna Borough		

Bob Gardner, applicant, identifies himself for the record and answers Board questions about the application.

Loren Jones moves that the Board approve Field's of Green, LLC license 14800 with delegation and that part of that delegation be revision to the premises diagram showing the relationship of the three buildings and to the access areas – to clarify what is restricted access and what is the access to the building.

Brandon Emmett seconds the motion.

Motion carries unanimously.

E. License #15530:	Budmasters Limited Partnership	11:35am	<u>TAB 41</u>
Licensee:	Budmasters Limited Partnership		
Premises Address:	32685 S McKinley View Drive Talkeetna, AK 99676		
Local Government:	Matanuska-Susitna Borough		

Russell Williams, applicant, identifies himself for the record and answers Board questions about the application.

Loren Jones states that he would like the premises diagram to show better delineation, access, and security.

Loren Jones moves that the Board approve Budmasters Limited Partnership license 15530 with delegation to include a clear and updated premises diagram so that the inspectors know what to look for when they go there.

Brandon Emmett seconds the motion.

Motion carries unanimously.

F. License #16028:	Alaska Beasty Buds	11:43am	<u>TAB 42</u>
Licensee:	Joseph D Eickholt, Amber L Eickholt, & Lee K Drotzur		
Premises Address:	1665 Richardson Highway, Unit B		
	North Pole, AK 99705-5968		
Local Government:	Fairbanks North Star Borough		

Brandon Emmett moves to approve license 16028 Alaska Beasty Buds with delegation.

Jeff Ankerfelt seconds the motion.

Amber and Joseph Eickholt, applicants, identify themselves for the record and answer Board questions about the application.

Motion carries unanimously.

G. License #16474:	Grateful Bud, LLC	11:51am	<u>TAB 43</u>
Licensee:	Grateful Bud, LLC		
Premises Address:	1817 Sunset Boulevard		
	Kenai, AK 99611		
Local Government:	City of Kenai		

Brandon Emmett moves to approve license 16474 Grateful Bud, LLC with delegation.

Nick Miller seconds the motion.

Jennifer Huffman, applicant, identifies herself for the record and answers Board questions about the application.

The Board members voice concerns about the fact that the area of cultivation is intended to be 499.99 sq ft.

Motion carries unanimously.

● **LUNCH BREAK**

12:00pm

● **NEW RETAIL MARIJUANA STORE APPLICATIONS**

A. License #10314:	Alaskan Blooms, LLC	1:04pm	<u>TAB 44</u>
Licensee:	Alaskan Blooms, LLC		
Premises Address:	2443 Arvilla Street Fairbanks, AK 99709		
Local Government:	Fairbanks North Star Borough		

Jana Weltzin, legal counsel, and Karen Lowry and Linden Anson, applicants, identify themselves for the record and answer Board questions about the application.

*Brandon Emmett moves to approve license 10314 Alaskan Blooms, LLC with delegation.
Jeff Ankerfelt seconds the motion.*

Loren Jones requests that the applicants fix the MJ-01 to clarify whether the armed guard will be physically outside, or just outside of the licensed premises but indoors.

Loren Jones voices concerns about the fact that the cultivation license was reported to be delinquent on taxes due to the Department of Revenue.

Karen Lowry states that they have entered into a payment plan with the Department of Revenue.

Linden Anson provides an explanation as to why the taxes weren't being paid, citing a lack of sales and the short time period by which taxes need to be paid.

Motion carries unanimously.

B. License #12766:	The Green Store Connection	1:19pm	<u>TAB 45</u>
Licensee:	The Green Store, Inc.		
Premises Address:	3655 S Old Glenn Highway, Unit A Palmer, AK 99645		
Local Government:	Matanuska-Susitna Borough		

Applicants are not present.

C. License #15393:	Majestic Gardens, LLC	1:10pm	<u>TAB 46</u>
Licensee:	Majestic Gardens, LLC		
Premises Address:	12656 Kenai Spur Highway Kenai, AK 99611		
Local Government:	City of Kenai		

Deniece and Ronald Isaacs, applicants, identify themselves for the record and answer Board questions about the application.

*Brandon Emmett moves to approve license 15393 Majestic Gardens, LLC with delegation.
Jeff Ankerfelt seconds the motion.*

Loren Jones requests that the waste disposal plan be cleared up, as it sounds more like a cultivation disposal plan than a retail disposal plan. He cautions the applicants about selling CBD products.

Motion carries unanimously.

D. License #15656:	420 on Main, LLC	1:28pm	<u>TAB 47</u>
Licensee:	420 on Main, LLC		
Premises Address:	3684 Main Street Homer, AK 99603		
Local Government:	City of Homer		

Bob Bornt, applicant, identifies himself for the record and answers Board questions about the application.

Brandon Emmett moves to approve license 15656 420 on Main, LLC with delegation.

Jeff Ankerfelt seconds the motion.

Loren Jones requests that the delegation include that the MJ-00 be revised to only show what licenses he has current ownership in or are currently active.

Motion carries unanimously.

E. License #15916:	K Beach Reef	1:43pm	<u>TAB 48</u>
Licensee:	Ryan K Hall		
Premises Address:	42106 K Beach Road Soldotna, AK 99669		
Local Government:	Kenai Peninsula Borough		
For Consideration:	Conditions pursuant to 3 AAC 306.060(b)		

Ryan Hall, applicant, identifies himself for the record and answers Board questions about the application.

Brandon Emmett moves to approve license 15916 K Beach Reef with delegation and KPB conditions.

Jeff Ankerfelt seconds the motion.

Loren Jones requests that the delegation include the requirement that the applicant provide an as-built diagram, showing all buildings on the property. He voices concerns about the mention of plant waste being in the waste disposal section of an operating plan for a retail store.

Ryan Hall states that one scenario in which that could occur would be when he sells and transfers plants from his cultivation facility over to the retail store for trimming and harvesting.

Sarah Oates states that a retail marijuana store is not permitted to perform activities that are limited to a cultivation facility – the scenario he mentioned would be illegal for a retailer.

Mark Springer and Brandon Emmett state that the applicant is really reaching with that proposal, which makes them feel uncomfortable about approving the application.

Ryan Hall states that he was trying to give an example of how a retailer could produce waste; he wasn't saying that he was doing any of that.

Motion carries 3-2 (Brandon Emmett and Mark Springer vote No).

F. License #16213: **Alaskan Kush Company** **2:00pm** **TAB 49**
Licensee: Alaskan Kush Company, LLC
Premises Address: 159 S Franklin Street
Juneau, AK 99801
Local Government: City and Borough of Juneau

Herb Smyth, applicant, and Amy Erickson, manager, identify themselves for the record and answer Board questions about the application.

Brandon Emmett moves to approve license 16213 Alaskan Kush Company with delegation.

Jeff Ankerfelt seconds the motion.

Loren Jones cautions the applicant about using the term “mental state”.

Motion carries unanimously.

● **BREAK** **2:14pm**

● **NEW RETAIL MARIJUANA STORE APPLICATIONS**

A. License #10314: **Alaskan Blooms, LLC** **2:31pm** **TAB 44**
Licensee: Alaskan Blooms, LLC
Premises Address: 2443 Arvilla Street
Fairbanks, AK 99709
Local Government: Fairbanks North Star Borough

Jana Weltzin, legal counsel, and Karen Lowry, applicant, identify themselves for the record and state that Ms. Weltzin misspoke earlier – the payment plan that was established in June was only for the month of January. They just spoke with the Department of Revenue and will get the payment plan set up for all of the taxes.

G. License #16610: **Great Northern Cannabis** **2:33pm** **TAB 50**
Licensee: Great Northern Retail Stores, Inc.
Premises Address: 1901 W Dimond Boulevard
Anchorage, AK 99515-1454
Local Government: Municipality of Anchorage

Jason Brandeis, legal counsel, and Steve Brashear, applicant, identify themselves for the record and answer Board questions about the application.

Brandon Emmett moves to approve license 16610 Great Northern Cannabis with delegation.

Brandon Emmett withdraws his motion.

Brandon Emmett moves to uphold the protest on license 16610 with a 120-day abeyance.

Loren Jones seconds the motion.

Motion carries unanimously.

● **NEW LICENSE APPLICATIONS FOR RELATED APPLICANTS**

A. License #15245:	North Star Gardens	2:41pm	<u>TAB 51</u>
Licensee:	North Star Gardens, Inc.		
License Type:	Standard Marijuana Cultivation Facility		
Premises Address:	5310 Commercial Boulevard, Suite 2A Juneau, AK 99801		
Local Government:	City and Borough of Juneau		

Jana Weltzin, legal counsel, Jamie Letterman, applicant, and Chris Letterman, manager, identify themselves and answer Board questions about the application.

Loren Jones states that he thinks that the drawings could use a lot more clarification as to what's going on and where.

*Brandon Emmett moves to approve license 15245 North Star Gardens with delegation.
Jeff Ankerfelt seconds the motion.
Motion carries unanimously.*

B. License #15246:	Thunder Cloud 9	2:49pm	<u>TAB 52</u>
Licensee:	Borealis Mountain, Inc.		
License Type:	Retail Marijuana Store		
Premises Address:	5310 Commercial Boulevard, Suite 2B Juneau, AK 99801		
Local Government:	City and Borough of Juneau		

*Brandon Emmett moves to approve license 15246 Thunder Cloud 9 with delegation.
Jeff Ankerfelt seconds the motion.
Motion carries unanimously.*

● **NEW MARIJUANA PRODUCTS**

A. License #11304:	Hollyweed 907	2:53pm	<u>TAB 53</u>
Licensee:	YNY Investment, LLC		
License Type:	Marijuana Product Manufacturing Facility		
Premises Address:	2429 E 88 th Avenue Anchorage, AK 99507		
Local Government:	Municipality of Anchorage		

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

*Brandon Emmett moves that the Board approve CO2 Crumble, CO2 Sauce and Crystals, CO2 Shatter, and CO2 Wax.
Jeff Ankerfelt seconds the motion.*

Erika McConnell asks whether the product name actually has to be on the label; the regulations don't require it, but she wants to know if the Board wants it to be there.

Jim Dyer, packaging and labeling specialist, states that the product name would be under the strain.

Mark Springer states that the delegation will include that the licensee provide an updated label.

Jana Weltzin reminds the Board that licensees are required to submit photos of packaging and labeling, along with the actual products, to enforcement before selling them.

Motion carries unanimously.

*Brandon Emmett moves to approve the product called CO2 Vape Pen.
Jeff Ankerfelt seconds the motion.*

Loren Jones requests that at the next meeting, there be time scheduled for the tobacco people or public health to discuss vaping, including health effects, potential diversion, or access to youth.

Jim Dyer states that there are THC stickers that can be applied to the outside of the cartridges, but they can be peeled off.

Motion carries unanimously.

B. License #15594:	Cold Creek Extracts	3:06pm	<u>TAB 54</u>
Licensee:	Cold Creek Extracts, LLC		
License Type:	Marijuana Product Manufacturing Facility		
Premises Address:	7801 Schoon Street, Unit L Anchorage, AK 99518		
Local Government:	Municipality of Anchorage		

Jason Brandeis, legal counsel, and Cade Inscho, licensee, identify themselves for the record and answer Board questions about the products.

Loren Jones states that the applicant has indicated that it might potentially use different types of concentrates for the products, and he asks whether the Board should restrict the concentrate to a specific one.

Sarah Oates states that she brought this issue to the Board during the June meeting in her report, and she had recommended that the Board allow for flexibility when it comes to just the concentrate. She states that due to supply, licensees have had to submit operating plan changes and pay fees to change the type of concentrate that will be used because the Board had limited the ingredient to a specific concentrate – this is expensive and time-consuming for licensees and staff.

Mark Springer states that whichever concentrate they would use would have to be indicated on the label.

Brandon Emmett moves to approve the product labeled Alaskan Rescue Balm with the requirement that the actual concentrate or concentrates used in each production batch be included on the label.

Jeff Ankerfelt seconds the motion.

Motion carries unanimously.

Brandon Emmett moves to approve the product Alaskan Honey Stix.

Jeff Ankerfelt seconds the motion.

Brandon Emmett states that the motion would have delegation that the label would include any all concentrates used in that particular production batch, including products that might be sourced from other concentrate or product manufacturers.

Jeff Ankerfelt agrees, as the second.

Motion carries unanimously.

● OWNERSHIP TRANSFER APPLICATIONS

A. License #11921:	Snow Capped Gardens, LLC	3:24pm	<u>TAB 55</u>
Licensee:	Snow Capped Gardens, LLC		
License Type:	Limited Marijuana Cultivation Facility		
Premises Address:	13150 East Soapstone Road Palmer, AK 99645		
Local Government:	Matanuska-Susitna Borough		
Transferor:	American Growers Company, LLC DBA American Growers Company, LLC		

Jeff Ankerfelt moves to approve the transfer of ownership.

Mark Springer clarifies that the approval is with delegation.

Brandon Emmett seconds the motion.

Martin Brown, applicant, identifies himself for the record and answers Board questions about the application.

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

● BREAK

3:30pm

● LICENSE RENEWAL APPLICATIONS

A. Delinquent in the Payment of Taxes Due

- | | | | |
|---------------------------|--|---------------|----------------------|
| 1. License #10073: | Alaskan Blooms, LLC | 3:42pm | <u>TAB 56</u> |
| Licensee: | Alaskan Blooms, LLC | | |
| License Type: | Standard Marijuana Cultivation Facility | | |
| Premises Address: | 2448 Arvilla Street, Building A, B, & C
Fairbanks, AK 99709 | | |
| Local Government: | Fairbanks North Star Borough | | |

Brandon Emmett moves to renew license application 10073 Alaskan Blooms, LLC with delegation.

No second.

Jana Weltzin, legal counsel, and Karen Lowry and Linden Anson, applicants, identify themselves for the record and answer Board questions about the application.

Jana Weltzin states that they are going to have one full payment plan for all of the taxes, and Kelly Mazzei from the Department of Revenue told her that 30 days should be adequate time to enter into the agreement.

Loren Jones moves that the Board deny the renewal with a 30-day abeyance, and if the Department of Revenue informs the Board that the licensee is no longer delinquent within the 30-day abeyance period, the license will be renewed.

Brandon Emmett seconds the motion.

Jana Weltzin asks whether the licensee will be able to operate during that 30 days.

Erika McConnell states that they will.

Motion carries unanimously.

- | | | | |
|---------------------------|--|---------------|----------------------|
| 2. License #10237: | AlaskaSense, LLC | 3:46pm | <u>TAB 57</u> |
| Licensee: | AlaskaSense, LLC | | |
| License Type: | Standard Marijuana Cultivation Facility | | |
| Premises Address: | 521 W. Tudor Road, Unit 202
Anchorage, AK 99503 | | |
| Local Government: | Municipality of Anchorage | | |
| For Consideration: | Notices of Violation Received | | |

Jana Weltzin, legal counsel, states that this licensee is no longer delinquent with the Department of Revenue, and she explains what happened on the tax end.

Brandon Emmett moves to renew license 10237 AlaskaSense, LLC with delegation.

Loren Jones seconds the motion.

Loren Jones states that come December, this licensee is on very very thin ice.

Mark Springer states that he tends to agree with Mr. Jones's sentiments.

Motion carries unanimously.

Erika McConnell asks the Board to clarify that if she receives notice from the Department of Revenue that either licensee has defaulted on its payment plan, that the Board would like her to bring this forward as an accusation.

The Board members voice and nod agreement with the director's proposed course of action.

B. Residency Requirement Not Met

1. License #12904:	Grass Frontier Farms	3:51pm	<u>TAB 58</u>
Licensee:	KAD, LLC		
License Type:	Standard Marijuana Cultivation Facility		
Premises Address:	7596 W Carmel Road Wasilla, AK 99623		
Local Government:	Matanuska-Susitna Borough		

Brandon Emmett states that his comments from the earlier discussion about the residency issue still stand.

Loren Jones moves – for process – that the Board approve the renewal of license 12904.

Brandon Emmett seconds the motion, for discussion.

Loren Jones states that based on the Board's discussion, that he would recommend that the Board vote no.

Lance Wells, legal counsel, identifies himself for the record. He states that at the time that this license was applied for, Mr. Pattee did meet the residency requirement. He adds that there are four other members who shouldn't be held responsible for one licensee's issue. He states that he would request that the license be approved for relicensing, but that Mr. Pattee would have to step down from this entity and the change of ownership would have to be filed within a certain number of days. He states that the licensees can't be responsible for one member.

Loren Jones withdraws his motion with the permission of the second and moves that the Board deny the renewal of this application with a 50-day abeyance so that they can go through the appropriate ownership change process with the director (to remove Mr. Pattee as a licensee), and if at the end of that 50 days, that process has not been completed satisfactorily, then the license would be denied.

Brandon Emmett states that that's acceptable to the second.

Sarah Oates asks Mr. Wells if the plan is for Mr. Pattee intends to distribute his shares equally among the remaining members.

Lance Wells states that he does.

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

C. Notices of Violation Received

1. License #10005:	Rosie Creek Farm	4:01pm	<u>TAB 59</u>
Licensee:	RCFC, LLC		
License Type:	Standard Marijuana Cultivation Facility		
Premises Address:	2659 Livingston Loop Fairbanks, AK 99709		
Local Government:	Fairbanks North Star Borough		

Jana Weltzin, legal counsel, and Mike Emers, licensee, identify themselves for the record.

Loren Jones asks whether the Board has taken any action on these NOV's.

Jana Weltzin states that right before the last Nome meeting, Mr. Emers received a bunch of NOV's, some of which dated back to violations in 2016; the Board went through and addressed each individual one, and no action has been taken to date.

Erika McConnell states that she has indicated to the Board that she does intend to serve an accusation, but it is still on her list of things to do.

Loren Jones asks whether the issue around the premises diagram and the operating plan been fixed enough for the Board to know what's going on there.

Erika McConnell states that the office does have what appears to be the most recent information on file.

Loren Jones moves to approve the license renewal, knowing that if an accusation comes forward and processed are followed, the Board will be able to take action at that time.

Brandon Emmett seconds the motion.

Erika McConnell states that it came to the staff's attention that Mr. Emers had harvested marijuana in 2017, kept it over the winter, and has sold some of it this year. She would like to clarify with the licensee that at this time, the regulations require camera coverage on the licensed premises 24 hours per day, 365 days per year. She adds that the Board should inform the licensee any location where the marijuana is stored needs to have camera coverage at all times.

Mike Emers states that aside from the one camera that was crushed when a greenhouse collapsed, all cameras have been working all winter for the past two winters.

Motion carries unanimously.

● **RECESSED UNTIL 9:30AM AUGUST 17**

4:11pm

Marijuana Control Board
Meeting Minutes
August 17, 2018
Fourth Judicial District
Noel Wein Public Library Auditorium
1215 Cowles Street
Fairbanks, Alaska
Call-in Number: 1-800-315-6338, code 69176#

● **ADMINISTRATION**

9:33am

A. Call to Order

B. Roll Call

Board Members Present:

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

Staff Members Present:

Erika McConnell, Director
Sarah Oates, Program Coordinator

Legal Counsel Present:

Harriet Milks, Assistant Attorney General

● **LICENSE RENEWAL APPLICATIONS**

C. Notices of Violation Received

9:34am

Loren Jones moves that the Board approve the renewal applications for Tabs 60-97, with the exception of Tabs 69, 73, and 82.

Brandon Emmett seconds the motion.

Erika McConnell requests that the Board pull Tab 81, as a protest has since been received for that one.

Loren Jones amends his motion to also pull Tab 81.

Brandon Emmett seconds the amendment.

Motion carries unanimously, as amended.

Loren Jones moves to approve the renewal of license 10161.

Jeff Ankerfelt seconds the motion.

Loren Jones notes that this license has four NOV's, including three in calendar year '18. He asks whether the issues have been cleared up.

Erika McConnell states that she will have to get James Hoelscher on the line.

Loren Jones moves that the Board approve the renewal of the Cannabaska retail store application with the reminder that this license is on pretty thin ice.

Brandon Emmett seconds the motion.

Mark Springer reiterates that enforcement staff will continue to watch this licensee, as will the community.

Motion carries unanimously.

Loren Jones asks Mr. Hoelscher whether the licensee for 10161 The Frost Frontier has corrected the actions that have led up to the NOVs for inventory errors enough to where the Board would be okay with renewing the license.

James Hoelscher states that the owner has been very good about communicating with enforcement when a notice of violation was issued. He adds that he thinks a couple of the NOVs were by way of just being new to the industry, and he doesn't think it's a concern of enforcement if this license gets renewed because of the line of communication that the licensee has opened up with enforcement.

Loren Jones moves that the Board renew the license of The Frost Frontier license 10161.

Brandon Emmett seconds the motion.

Motion carries unanimously.

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

Brandon Emmett moves to approve the renewal of license 10310 Danish Gardens, LLC.

Erika McConnell reminds the Board that a protest of this license by the Municipality of Anchorage was received yesterday.

Jana Weltzin states that this is a smell issue for which the fines have already been paid in March of 2018, so Mandy should be sending an update to AMCO.

Loren Jones moves to uphold the protest from the Municipality of Anchorage on Danish Gardens license 10310 with a 30-day abeyance, and if the protest is lifted, then the license is renewed.

Brandon Emmett seconds the motion.

Motion carries unanimously.

Loren Jones moves that the Board approve the renewal of license 10316 Denali 420 Recreationals.

Brandon Emmett seconds the motion.

Motion carries unanimously.

Loren Jones asks why there are so many pages for Tabs 88 and 96.

Sarah Oates states that those are the "binder" licenses, for which there are many licensees who each need to submit required certifications.

2. License #10009:	CannTest, LLC	<u>TAB 60</u>
Licensee:	CannTest, LLC	
License Type:	Marijuana Testing Facility	
Premises Address:	620 E Whitney Road, Suite B Anchorage, AK 99501	
Local Government:	Municipality of Anchorage	
3. License #10021:	Enlighten Alaska, LLC	<u>TAB 61</u>
Licensee:	Enlighten Alaska, LLC	
License Type:	Retail Marijuana Store	
Premises Address:	2600 Spenard Road Anchorage, AK 99503-8934	
Local Government:	Municipality of Anchorage	
4. License #10035:	Arctic Herbery	<u>TAB 62</u>
Licensee:	7107 Ventures, LLC	
License Type:	Standard Marijuana Cultivation Facility	
Premises Address:	7107 Arctic Boulevard Anchorage, AK 99518	
Local Government:	Municipality of Anchorage	
5. License #10037:	Arctic Herbery	<u>TAB 63</u>
Licensee:	7107 Ventures, LLC	
License Type:	Retail Marijuana Store	
Premises Address:	7107 Arctic Boulevard Anchorage, AK 99518	
Local Government:	Municipality of Anchorage	
6. License #10063:	Bob's Morning Bear Cultivation	<u>TAB 64</u>
Licensee:	Brennan J Norden	
License Type:	Limited Marijuana Cultivation Facility	
Premises Address:	21725 Evelyn May Street Kasilof, AK 99610	
Local Government:	Kenai Peninsula Borough	
7. License #10082:	Einstein Labs	<u>TAB 65</u>
Licensee:	Einstein Enterprises, Inc.	
License Type:	Marijuana Product Manufacturing Facility	
Premises Address:	2939 Porcupine Drive, Suite B Anchorage, AK 99501-3118	
Local Government:	Municipality of Anchorage	
8. License #10097:	Raspberry Roots	<u>TAB 66</u>
Licensee:	Raspberry Roots, LLC	
License Type:	Retail Marijuana Store	
Premises Address:	501 Raspberry Road, Suite 101 Anchorage, AK 99518	
Local Government:	Municipality of Anchorage	

9. License #10098:	Raspberry Roots	<u>TAB 67</u>
Licensee:	Raspberry Roots, LLC	
License Type:	Standard Marijuana Cultivation Facility	
Premises Address:	501 Raspberry Road, Suites 101 & 102 Anchorage, AK 99518	
Local Government:	Municipality of Anchorage	
10. License #10141:	Coyote and Toad's Garden, LLC	<u>TAB 68</u>
Licensee:	Coyote and Toad's Garden, LLC	
License Type:	Limited Marijuana Cultivation Facility	
Premises Address:	100 Rio Faux Lobo Skagway, AK 99840	
Local Government:	Municipality of Skagway	
11. License #10161:	The Frost Frontier	<u>TAB 69</u>
Licensee:	The Frost Frontier, LLC	
License Type:	Standard Marijuana Cultivation Facility	
Premises Address:	8535 Dimond D Circle, Unit C Anchorage, AK 99515	
Local Government:	Municipality of Anchorage	
12. License #10170:	Green Degree	<u>TAB 70</u>
Licensee:	Coman Farming Corporation	
License Type:	Limited Marijuana Cultivation Facility	
Premises Address:	2301 South Knik Goose-Bay Road #1 Wasilla, AK 99654	
Local Government:	Matanuska-Susitna Borough	
13. License #10220:	Weed Dudes	<u>TAB 71</u>
Licensee:	Anna M Cleaver	
License Type:	Retail Marijuana Store	
Premises Address:	1321 Sawmill Creek Road, Suite #J Sitka, AK 99835-9645	
Local Government:	City and Borough of Sitka	
14. License #10230:	Pakalolo Supply Company, Inc.	<u>TAB 72</u>
Licensee:	Pakalolo Supply Company, Inc.	
License Type:	Standard Marijuana Cultivation Facility	
Premises Address:	1851 Fox Avenue Fairbanks, AK 99701-2725	
Local Government:	City of Fairbanks	
15. License #10236:	Cannabaska	<u>TAB 73</u>
Licensee:	AlaskaSense, LLC	
License Type:	Retail Marijuana Store	
Premises Address:	521 W Tudor Road, Unit 201 Anchorage, AK 99503	
Local Government:	Municipality of Anchorage	

16. License #10245:	AK Slow Burn Cannabis Outlet	<u>TAB 74</u>
Licensee:	AK Slow Burn Cannabis Outlet, LLC	
License Type:	Retail Marijuana Store	
Premises Address:	2042 E 3rd Avenue, Suite A Anchorage, AK 99501	
Local Government:	Municipality of Anchorage	
17. License #10266:	The Fireweed Factory, LLC	<u>TAB 75</u>
Licensee:	The Fireweed Factory, LLC	
License Type:	Standard Marijuana Cultivation Facility	
Premises Address:	8415 Airport Boulevard, Space B Juneau, AK 99801	
Local Government:	City and Borough of Juneau	
18. License #10273:	Pine Street Cannabis Company	<u>TAB 76</u>
Licensee:	Croy's Enterprises, LLC	
License Type:	Retail Marijuana Store	
Premises Address:	36130 Pine Street Soldotna, AK 99669-8524	
Local Government:	Kenai Peninsula Borough	
19. License #10278:	GoodSinse, LLC	<u>TAB 77</u>
Licensee:	GoodSinse, LLC	
License Type:	Retail Marijuana Store	
Premises Address:	2604 Davis Road Fairbanks, AK 99709	
Local Government:	City of Fairbanks	
20. License #10293:	AK Fuzzy Budz	<u>TAB 78</u>
Licensee:	AKGLD, LLC	
License Type:	Standard Marijuana Cultivation Facility	
Premises Address:	2612 Eagle Street Anchorage, AK 99503	
Local Government:	Municipality of Anchorage	
21. License #10306:	Dankorage, LLC	<u>TAB 79</u>
Licensee:	Dankorage, LLC	
License Type:	Retail Marijuana Store	
Premises Address:	2812 Spenard Road Anchorage, AK 99503	
Local Government:	Municipality of Anchorage	
22. License #10307:	Alaska Fireweed	<u>TAB 80</u>
Licensee:	SEU, LLC	
License Type:	Retail Marijuana Store	
Premises Address:	715 W 4 th Avenue Anchorage, AK 99501	
Local Government:	Municipality of Anchorage	

23. License #10310:	Danish Gardens, LLC	<u>TAB 81</u>
Licensee:	Danish Gardens, LLC	
License Type:	Standard Marijuana Cultivation Facility	
Premises Address:	2430 Cinnabar Loop Anchorage, AK 99507-3138	
Local Government:	Municipality of Anchorage	
24. License #10316:	Denali 420 Recreationals	<u>TAB 82</u>
Licensee:	Silverthorn Investment Group, LLC	
License Type:	Retail Marijuana Store	
Premises Address:	2876 N Rex Road Houston, AK 99694	
Local Government:	City of Houston	
25. License #10489:	Ester Horticulture and Research	<u>TAB 83</u>
Licensee:	John Collette	
License Type:	Limited Marijuana Cultivation Facility	
Premises Address:	2960 Ester Dome Road Fairbanks, AK 99709	
Local Government:	Fairbanks North Star Borough	
26. License #10577:	Alaskan Leaf, LLC	<u>TAB 84</u>
Licensee:	Alaskan Leaf, LLC	
License Type:	Retail Marijuana Store	
Premises Address:	1211 West 36th Avenue, Suite A Anchorage, AK 99503	
Local Government:	Municipality of Anchorage	
27. License #10592:	Alaska Cannabis Cultivators	<u>TAB 85</u>
Licensee:	Branden M Roybal	
License Type:	Standard Marijuana Cultivation Facility	
Premises Address:	3665 Worrell Avenue Fairbanks, AK 99701	
Local Government:	Fairbanks North Star Borough	
28. License #10657:	JWS Enterprises	<u>TAB 86</u>
Licensee:	James W Strassburg	
License Type:	Standard Marijuana Cultivation Facility	
Premises Address:	3000 West Tongass Narrows Ketchikan, AK 99901	
Local Government:	Ketchikan Gateway Borough	
29. License #10671:	Alaska Cannabis Exchange, LLC	<u>TAB 87</u>
Licensee:	Alaska Cannabis Exchange, LLC	
License Type:	Standard Marijuana Cultivation Facility	
Premises Address:	1805 & 1807 West 47 th Avenue Anchorage, AK 99503	
Local Government:	Municipality of Anchorage	

30. License #10747:	Great Northern Cannabis, Inc.	<u>TAB 88</u>
Licensee:	Great Northern Cannabis, Inc.	
License Type:	Standard Marijuana Cultivation Facility	
Premises Address:	2341 Cinnabar Loop Anchorage, AK 99507-3150	
Local Government:	Municipality of Anchorage	
31. License #10831:	High Bush Buds	<u>TAB 89</u>
Licensee:	High Bush Buds, Inc.	
License Type:	Retail Marijuana Store	
Premises Address:	36312 Irons Avenue, Suite 2 Soldotna, AK 99669	
Local Government:	Kenai Peninsula Borough	
32. License #10837:	Hillside Natural Wellness	<u>TAB 90</u>
Licensee:	Hillside Natural Wellness, LLC	
License Type:	Retail Marijuana Store	
Premises Address:	8639 Toloff Street, Suite 1 Anchorage, AK 99507	
Local Government:	Municipality of Anchorage	
33. License #10873:	The Stoney Moose	<u>TAB 91</u>
Licensee:	E & M Holdings, LLC	
License Type:	Retail Marijuana Store	
Premises Address:	127 Stedman Street Ketchikan, AK 99901	
Local Government:	City of Ketchikan	
34. License #10883:	Rainforest Cannabis	<u>TAB 92</u>
Licensee:	Gary Croy, Lorraine C Kolanko, & Jason C Kolanko	
License Type:	Retail Marijuana Store	
Premises Address:	726 Water Street Ketchikan, AK 99901	
Local Government:	City of Ketchikan	
35. License #10959:	Green Go, LLC	<u>TAB 93</u>
Licensee:	Green Go, LLC	
License Type:	Standard Marijuana Cultivation Facility	
Premises Address:	101 Post Road Anchorage, AK 99501	
Local Government:	Municipality of Anchorage	
36. License #11053:	True Dank	<u>TAB 94</u>
Licensee:	True Dank, LLC	
License Type:	Retail Marijuana Store	
Premises Address:	1550 Cushman, Suite A Fairbanks, AK 99701	
Local Government:	City of Fairbanks	

37. License #11617:	Hunter Greens and Purples, LLC	<u>TAB 95</u>
Licensee:	Hunter Greens and Purples LLC	
License Type:	Standard Marijuana Cultivation Facility	
Premises Address:	67927 Virginia Avenue Homer, AK 99603	
Local Government:	Kenai Peninsula Borough	
38. License #11966:	Great Northern Cannabis	<u>TAB 96</u>
Licensee:	Great Northern Cannabis, Inc.	
License Type:	Retail Marijuana Store	
Premises Address:	541 W 4 th Avenue Anchorage, AK 99501-2211	
Local Government:	Municipality of Anchorage	
39. License #13588:	AKfunding, LLC	<u>TAB 97</u>
Licensee:	AKfunding, LLC	
License Type:	Standard Marijuana Cultivation Facility	
Premises Address:	12975 W Horizon Way Houston, AK 99694	
Local Government:	City of Houston	

● **OPERATING PLAN CHANGES**

A. License #10279:	GoodSinse, LLC	9:59am	<u>TAB 98</u>
Licensee:	GoodSinse, LLC		
License Type:	Standard Marijuana Cultivation Facility		
Premises Address:	2604 Davis Road Fairbanks, AK 99709		
Local Government:	City of Fairbanks		
<i>Licensee is not present.</i>			
B. License #10301:	R.C. Tinderbox, LLC	10:00am	<u>TAB 99</u>
Licensee:	R.C. Tinderbox, LLC		
License Type:	Marijuana Concentrate Manufacturing Facility		
Premises Address:	7801 King Street Anchorage, AK 99518		
Local Government:	Municipality of Anchorage		

Nick Miller recuses himself because both he and the licensee are on the Board for the ACBA.

Jana Weltzin, legal counsel, and Chris Euscher, licensee, identify themselves for the record and provide a summary of the requested changes.

Brandon Emmett moves to approve the operating plan change for license 10301 R.C. Tinderbox, LLC.

Loren Jones seconds the motion.

Motion carries unanimously.

Nick Miller rejoins the meeting.

C. License #10828:	Glacier Extracts	10:03am	<u>TAB 100</u>
Licensee:	Glacier Extracts, LLC		
License Type:	Marijuana Product Manufacturing Facility		
Premises Address:	8639 Toloff Street, Suite 3 Anchorage, AK 99507		
Local Government:	Municipality of Anchorage		

Jana Weltzin, legal counsel, and Ashley Taborsky, operations manager, identify themselves for the record and provide a summary of the requested changes.

Erika McConnell states that this applicant is requesting that a delegation added to one of the products (to stamp the product with the THC symbol) be removed.

Brandon Emmett moves to approve the operating plan change for license 10828 Glacier Extracts. Jeff Ankerfelt seconds the motion.

The Board members discuss concerns about the potency of the bath bombs and the potential for misuse.

Ashley Taborsky states that they will be strictly marketed as topicals and would not taste good.

Sarah Oates states that she has to leave the meeting to catch her flight. 10:19am

Loren Jones states that for the products where the licensee is requesting options regarding the type of concentrate used, the delegation would have to include that whichever ingredient is being used must be that which is listed on the label.

Ashley Taborsky clarifies that for the CBD oil requests, she is asking that CBD be approved as an optional ingredient – essentially what they are trying to do with these products is to create a line that would have a few different variants of THC, and then a few different variations of CBD.

The Board members discuss concerns about the fact that CBD that is manufactured from hemp is now regulated by the Department of Natural Resources, and not by the Board.

Loren Jones asks if the Board has approved any of the current manufacturers to produce CBD oil. Erika McConnell states that it depends on the definition of CBD oil.

Brandon Emmett states that there are essentially three ways of making CBD oil: there are a few strains of marijuana that produce low amounts of THC with high amounts of CBD, there are many strains that are about 50/50 THC and CBD, and then there are places in Colorado and Kentucky that manufacture CBD isolate, which goes through stringent testing. He states that if a manufacturer is planning to use the CBD isolate that has passed mandatory testing in the state in which it was produced, then he would support the licensee using that isolate as an ingredient.

Harriet Milks states that if that CBD isolate comes from hemp, then it's not legal to be sold at this time in Alaska.

Jana Weltzin states that there is a 9th Circuit Court opinion that has come out that is in alignment with Ms. Milks' way of thinking on this. She states that her client is comfortable with using CBD that is extracted from marijuana plants and regulated by this Board, or CBD that is legally made from hemp at a future date in Alaska, or CBD that comes from out of state, whatever the Board tells the licensee to do.

Mark Springer states that he thinks the Board has to respect the will and intent of the legislature with respect to CBD regulation.

Loren Jones states that it would be his preference to get some kind of written briefing from Law that involves what (the Board) can and cannot do, and what it should or should not do, and what is the Board's level of purview with respect to CBD oil in Alaska.

Harriet Milks states that she would be happy to do that, but she cannot guarantee that it would be ultimately satisfying, as she does not think that there's a test that distinguishes whether a CBD oil's origin is from hemp or from marijuana. She adds that CBD that comes from hemp is not currently legal in the state of Alaska.

Brandon Emmett voices concerns about the fact that coffee shops and other stores are allowed to sell CBD oil from out of state, but that the Board is considering prohibiting manufacturers from doing so.

Mark Springer states that he's uncomfortable enough with the potential legal and political implications of this that he would request that the licensee withdraw its request to use CBD oil.

Harriet Milks states that she would like to invite someone from DNR, and perhaps the Assistant Attorney General that represents DNR, to come to perhaps the next Board meeting and explain the current legal status of CBD as far as they view it, since that's the agency that's going to be regulating hemp. She adds that in the meantime, the Board could adopt a policy of requesting licensees not to use CBD products that are made from hemp until there's further clarity, although the Board could not hold them to that. She clarifies that this board is not allowing anyone to sell CBD that is made from hemp.

Jana Weltzin states that the licensee is okay with withdrawing its request to use CBD oil, but that it could buy CBD oil that is produced from cannabis concentrate by a licensed marijuana product manufacturer in the state, tested and tracked in Metrc, and use that oil in its products.

Mark Springer recommends that she comes up with a way to make that clear in a request for the next meeting.

Brandon Emmett amends his motion that the applicant remove the reference to CBD oil specifically, but that all other ingredients would stand.

Jeff Ankerfelt seconds the amendment.

None opposed to the amendment.

Motion carries unanimously, as amended.

A. License #10279: **GoodSinse, LLC** **10:53am** **TAB 98**
Licensee: GoodSinse, LLC
License Type: Standard Marijuana Cultivation Facility
Premises Address: 2604 Davis Road
Fairbanks, AK 99709
Local Government: City of Fairbanks

Dan Peters, licensee, identifies himself for the record and provides a summary of the requested changes.

Brandon Emmett moves to approve the operating plan changes for license #10279 GoodSinse, LLC.

Loren Jones seconds the motion.

Motion carries unanimously.

D. License #11304: **Hollyweed 907** **10:58am** **TAB 101**
Licensee: YNY Investment, LLC
License Type: Marijuana Product Manufacturing Facility
Premises Address: 2429 E 88th Avenue
Anchorage, AK 99507
Local Government: Municipality of Anchorage

Jana Weltzin, legal counsel, identifies herself for the record, retracts the request for adding CBD as an additional ingredient for all edibles, and states that the other requested changes are an updated logo and the addition of a vacuum oven. She notes that she hopes the CBD issue is resolved quickly in order to prevent people from going to the black market for products.

The Board members discuss whether a business changing its logo would require an operating plan change to come before the Board.

Brandon Emmett moves to approve the operating plan changes for license #11304 Hollyweed 907.

Loren Jones seconds the motion and states that the motion acknowledges the withdrawal of the CBD, so the narrative will need to be updated and submitted to staff.

Brandon Emmett states that that's correct.

Mark Springer states that that will be included as delegation.

Motion carries unanimously.

E. License #12062: **Matanuska Medicine Woman, LLC** **11:01am** **TAB 102**
Licensee: Matanuska Medicine Woman, LLC
License Type: Limited Marijuana Cultivation Facility
Premises Address: 13840 W Shangrila Avenue, Unit #1
Wasilla, AK 99623
Local Government: Matanuska-Susitna Borough

Anthony Olivieri, licensee, identifies himself for the record and provides a summary of the requested changes.

Loren Jones cautions the licensee to watch his space allocation – to keep it under 500 sq ft.

Brandon Emmett moves to approve the operating plan changes for license #12062 Matanuska Medicine Woman, LLC.

Loren Jones seconds the motion and states that the list of fertilizers and pesticides needs to be run through DEC, and if DEC says any of them can't be used, then they will need to be removed. Motion carries unanimously.

F. License #13424:	Midnight Sun Manufacturing, LLC	11:04am	<u>TAB 103</u>
Licensee:	Midnight Sun Manufacturing, LLC		
License Type:	Marijuana Concentrate Manufacturing Facility		
Premises Address:	28011 Old Parks Highway Willow, AK 99688		
Local Government:	Matanuska-Susitna Borough		

Jana Weltzin, legal counsel, and Phil Schneider, licensee, identify themselves for the record and provide a summary of the requested changes.

Brandon Emmett moves to approve the operating plan change of license #13424 Midnight Sun Manufacturing, LLC.

Loren Jones seconds the motion.

Motion carries unanimously.

G. License #13697:	Wakin Bakery	11:06am	<u>TAB 104</u>
Licensee:	SFA, LLC		
License Type:	Marijuana Product Manufacturing Facility		
Premises Address:	218 Kelly Drive Ketchikan, AK 99901		
Local Government:	Ketchikan Gateway Borough		

Licensee is not present.

● APPLICATIONS FROM PREVIOUS MEETINGS

A. Tabled

2. License #13910:	Alaskan Farmacy	11:07am	<u>TAB 22</u>
Licensee:	Charles T Elliott		
License Type:	Limited Marijuana Cultivation Facility		
Premises Address:	34049 Klondike Avenue E Sterling, AK 99672		
Local Government:	Kenai Peninsula Borough		
For Consideration:	Tabled at June 2018 meeting Conditions pursuant to 3 AAC 306.060(b)		

Applicant is not present for the meeting.

Mark Springer requests that the director let the applicant know that he really needs to be here, as the Board will deny the application if he is not present at the October meeting – which will be the third time that the application goes in front of the Board.

● **NEW RETAIL MARIJUANA STORE APPLICATIONS**

B. License #12766:	The Green Store Connection	11:09am	<u>TAB 45</u>
Licensee:	The Green Store, Inc.		
Premises Address:	3655 S Old Glenn Highway, Unit A Palmer, AK 99645		
Local Government:	Matanuska-Susitna Borough		

Applicants are not present for the meeting.

Loren Jones states that the MJ-02 talks about The Green Store nextdoor, and he requests that the director ask the licensee to address that at the next meeting when she sends the licensee a notice that the application was tabled.

● **OPERATING PLAN CHANGES**

G. License #13697:	Wakin Bakery	11:11am	<u>TAB 104</u>
Licensee:	SFA, LLC		
License Type:	Marijuana Product Manufacturing Facility		
Premises Address:	218 Kelly Drive Ketchikan, AK 99901		
Local Government:	Ketchikan Gateway Borough		

Chris Wilhelm, licensee, identifies himself for the record and provides a summary of the requested changes.

Erika McConnell states that at least some of the requested changes is to eliminate a defined total amount of THC and defined individual serving sizes for three types of cookies, and replacing that with three statements. She adds that this would provide more flexibility for the licensee, but the system, as set up, does not allow for this. She states that other licensees have requested specific options for additional serving sizes, which have been approved.

Chris Wilhelm states that he is requesting the flexibility to produce either a 1mg, 2.5mg, or 5mg cookie.

Mark Springer states that the licensee needs to put specific information in his request, and on the label, regarding THC contents and serving sizes.

Chris Wilhelm states that he understands.

Mark Springer asks whether the licensee has any problem with coming back to the Board in October with an improved proposal.

Chris Wilhelm states that it's not an issue and that the Board's requests are perfectly agreeable.

● MARIJUANA MAILBOX

- A. All correspondence received in the marijuana@alaska.gov inbox 11:27am TAB 105
from May 26 – July 27, 2018.

Brandon Emmett states that there were a couple of questions that were asked of the Board from reporters, as well as one from the City of Dillingham asking if there is a liaison.

Erika McConnell states that she will check with the staff to make sure that the City of Dillingham has been connected with Jed Smith, AMCO's Local Government Specialist.

Mark Springer states that the staff should look into having a table at the Alaska Municipal League conference – the more outreach the Board can have at AML is great.

Brandon Emmett asks about the email question from a licensee regarding fingerprinting requirements.

Erika McConnell states that if it's the same licensee, then the applicant can submit one set of fingerprints for both applications, but if the licensee is different, then two sets of fingerprints would have to be submitted.

Mark Springer states that the Board does not have a seed bank.

● DIRECTOR BRIEFING

- B. Legislative Requests 11:32am TAB 3

Erika McConnell asks for clarification regarding what message to give the Commissioner regarding tax structures.

Brandon Emmett states that he would request that (the Board) urge the legislature to change from an excise tax on marijuana sold by the cultivator to a point of sale retail tax as a percentage of that sale – this would allow the industry to remove the artificial price floor, would allow the price of marijuana to fall, and would ultimately make (the regulated market) more competitive with the black market. He adds that he thinks the State would ultimately capture more revenue.

Loren Jones states that he doesn't know that he would support that without seeing what some of the other tax structures might be. He states that he wants to know how it would affect local sales tax. He adds that the Board could be looking at the Department of Revenue to look at the tax structures that would be revenue neutral. He states that (the Board) would like to determine if there's a better tax structure that would allow the industry it regulates to be a little bit more robust, but he does not want to decrease the amount of tax revenue that goes toward certain divisions.

Erika McConnell asks whether it would be fair for her to suggest that either the Legislature, or that the Legislature direct the Department of Revenue, to examine potential changes to the tax structure to see whether a change that would be revenue-neutral, encourage a robust industry, and do a better job making the industry competitive with the black market could be found.

Loren Jones states that he thinks that would work for him.

Brandon Emmett states that he would be agreeable to that, too, and that the effective tax rate right now is just over 10%, which is not overly burdensome compared with other states; his issue is just with the tax structure.

Mark Springer suggests that the wording could say that the current tax structure impacts pricing, and in some cases, in a negative way.

● **BOARD DISCUSSION – HEARING PROCEDURES**

11:39am

TAB 106

Loren Jones states that he had requested this after going through the AlaskaSense process, he felt very uncomfortable about his lack of structure and how (the Board) looks at its own regulations, and how it decides under what rules it would determine what punishment. He states that he was asking for some ability for (the Board) to get some refresher and guidance regarding suspensions, revocations, and civil penalties. He adds that he thinks with the subcommittee, that hopefully they can bring back something to the Board to consider.

Harriet Milks states that that sounds like a very realistic plan, but she cautions that if the Board is expecting a guideline that is hard and fast, that it needs to be in regulation. She adds that she would be happy to work with the director to create a flowchart.

Loren Jones states that he thinks the Board needs to have some transparency.

● **BOARD COMMENTS**

11:46am

Loren Jones thanks the staff for their work and states that he hopes that the Board is creating a mechanism that is making their work more efficient.

Nick Miller thanks the staff and states that he is positive that the Board does not make the staff's jobs easier, but that the staff always have the Board members' support.

Jeff Ankerfelt thanks everyone for allowing him to be a part of this process, and states that it is his opinion that a well-regulated, healthy marijuana industry could be of a benefit to a lot of people in need, and could be a good-crime prevention tool.

Brandon Emmett welcomes Chief Ankerfelt and thanks him for his comments. He thanks the staff for their hard work, the public for attending, the industry for sticking with (the Board), and those on the phone for being respectful.

Mark Springer thanks Chief Ankerfelt for his comments. He thanks the staff for their hard work and states that (the Board) really depends on the staff a lot. He states that there has been some talk on

social media going after Board members, and that if someone has an issue with a particular Board member or thinks that there is an ethical issue, then that person should call the director or him (as the Chair) rather than spreading things around social media. He adds that he is happy to see that there are some more potential applicants in rural Alaska, and that he still thinks that the statute needs to be repaired to allow for federally-recognized tribes to apply for licenses. He states that the Board should really encourage applicants, particularly for new licenses, to try to get to (the Board) meetings.

The Board members agree to put a recommendation on the website that encourages applicants to make every effort to attend meetings in person when the Board is considering the applicant's license application, complex changes to approved licenses, or lots of products.

Harriet Milks adds that the issue is communication, not opportunity – the communication issues have delayed Board meetings or limited the information that gets to the Board.

● **NEXT MARIJUANA CONTROL BOARD MEETING**

Agenda deadline for October 16-17 meeting: September 28, 2018

● **ADJOURN**

11:59pm

Minutes prepared by:



Sarah D. Oates
Program Coordinator