



Marijuana Control Board

Meeting Minutes

October 16, 2018

Third Judicial District

145 Main Street Loop

Kenai, Alaska

Call-in Number: 1-800-315-6338, code 69176#

● ADMINISTRATION

9:00am

A. Call to Order

B. Roll Call

Loren Jones will not be joining the meeting until later in the morning.

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
Mikal Milton, Records & Licensing Supervisor

Legal Counsel Present:

Harriet Milks, Assistant Attorney General

C. Approval of Agenda

9:01am

Brandon Emmett moves to amend the agenda to move regulations projects to the end.

Jeff Ankerfelt seconds the motion.

None opposed, motion carries.

Brandon Emmett moves to add an executive session to the agenda at 1:00pm regarding matters of personal reputations and investigations.

Nick Miller seconds the motion.

None opposed, motion carries.

None opposed to approving the agenda as amended.

D. Approval of the August 15-17, 2018 Meeting Minutes

9:02am

TAB 1

Brandon Emmett moves to approve the August 15-17 meeting minutes.

Nick Miller seconds the motion.

None opposed, motion carries.

● **BOARD GOVERNANCE**

9:03am

Harriet Milks describes types of communications/changes in relationship that must be disclosed.

Jeff Ankerfelt, Brandon Emmett, and Nick Miller state that they have no changes in their disclosures and conflicts.

Mark Springer states that his only change is that he is no longer on the Bethel City Council.

● **PUBLIC TESTIMONY**

9:04am

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, Executive Director for AMIA, reads a prepared statement from the AMIA Board to the Board regarding James Fejes and action taken by the Board regarding an NOV issued to Mr. Fejes, and stating that Director McConnell notified the FAA that Mr. Fejes was using planes to transport marijuana.

Erika McConnell states that the accusation made against her is entirely untrue.

Benjamin Lawson begins to provide testimony via phone regarding an item that is on the agenda. Mark Springer interjects and states that this period of public testimony is limited to issues that are not on this agenda. He adds that when this agenda item comes up, he will have an opportunity to speak at that time.

Jessie Johnson, licensee in Pennsylvania, proposes that the Board adopt rules and regulations from other states regarding the application process, like from Pennsylvania.

Mark Springer recommends that she submit her recommendations through the marijuana mailbox.

Dollynda Phelps, licensee, provides testimony regarding communication between licensees and regulators, the treatment of licensees by staff, the recommendation to add staff with specific knowledge and experience to AMCO, the timeframe for submitting business records to AMCO, and cannabis events.

George Pierce provides testimony regarding the treatment of mom and pop establishments, the black market, taxes, public comments on changes, education, and business record requests for surveillance footage. He answers Board questions about marijuana prices on the black market.

Patricia Patterson, licensee, provides testimony regarding sales during the Permanent Fund Dividend week, GCI internet issues, self-reporting of errors, and requesting the Board to consider how much more time licensees will need to spend when considering regulations.

Michael Crites, former owner of Absolutely Chronic Delivery Company, provides testimony regarding delivery of marijuana in the statutes.

Tim Dillon, Executive Director of the Kenai Peninsula Economic Development Division, provides testimony regarding regulators and the industry working together to ensure a successful industry. He recommends that there be somebody on the Board who has an agriculture background, and states that there are some excellent staff who need to be able to do their jobs. He states that communication needs to improve and that licensees just want to feel like they've been heard.

Tina Smith provides testimony regarding legal parameters set forth in law, and regarding civil fines imposed against event coordinators rather than individuals for public consumption.

Jana Weltzin, legal counsel, provides testimony regarding AMCO staff's recent work to streamline processes, increasing efficiencies, constitutional personal privacy rights, requesting that an item in the director's report be moved to the later tabs when those specific applications are considered, and praising Erika for meeting with the industry in Kenai.

Victoria Davis, industry member, provides testimony regarding fining cannabis festival promoters, and processing business applications in a timely manner.

Chelsea Foster, future licensee, provides testimony regarding the Board's priorities, new application processing, regulations, and prioritizing time and money to ensure adequate staffing.

Barrett Goodale, cultivation manager, provides testimony regarding Aspergillus, pesticides, economic harm, diversion, protecting the public health, and the waste reporting requirement. Brandon Emmett requests that Mr. Goodale send his recommendations and materials to the Testing Working Group for consideration.

● **DEC – FOOD SAFETY & SANITATION DISCUSSION**

9:50am

A. Jeremy Ayers, Division of Environmental Health, Food Safety & Sanitation

Jeremy Ayers, Food Safety & Sanitation Program Section Manager, provides a summary of the program's plan review process to the Board. He answers Board questions regarding the review process, marijuana process, processing times, labeling, ingredients, and allergies.

● **DIRECTOR BRIEFING**

A. Director's Report

9:58am

TAB 2

Erika McConnell provides the Board with updates regarding staff positions, the status of regulations projects, fees forwarded to local governments, budget information, proposed meeting dates for 2019, and deadlines for the next meeting. She asks the Board whether it wants the staff to prioritize transfer applications for licenses that are not yet operating, and whether it wants the staff to cease accepting transfer applications for businesses who are in delegated status and not yet licensed.

Mark Springer and Brandon Emmett state that they think the Board should wait to consider these questions until it gets to the tabs where these questions would apply, in order to hear those specific scenarios.

Erika McConnell recommends that the Board consider increasing the license fees in order to cover program needs and to begin to repay the general fund, and she answers Board questions regarding the fee proposals in her report.

The Board members decide to consider whether to open a regulations project to amend the license fees during the proposed regulations section of the agenda.

B. Resolution Regarding Separation of Personal-use and Commercial Marijuana

10:17am

TAB 3

Brandon Emmett voices concerns about the proposed draft regarding personal grows.

Brandon Emmett and Erika McConnell agree to work together to bring a revised draft to the Board at the next meeting.

● **BREAK**

10:22am

● **ENFORCEMENT BRIEFING**

A. Enforcement Supervisor's Report

10:32am

TAB 4

James Hoelscher provides the Board with updates regarding enforcement workloads and statistics. He requests that the Board provide clarification as to whether or not it would be appropriate for a youth organization to sell baked goods outside of a retail marijuana store, and he informs the Board that staff determined that a licensee could donate money to a youth organization as long as the donation is not tied to an event.

Mark Springer states that he doesn't think there should be any hindrance to a licensee donating money to an organization, as long as it's a contribution with no strings attached or expectation by the donor.

Jeff Ankerfelt and Nick Miller state that they agree.

Mark Springer states that he thinks it's pretty hazardous for a licensee to allow a youth organization to sell baked goods outside of the retail store.

Brandon Emmett states that he agrees.

Nick Miller states that there were individuals who set up on the sidewalk near his retail store without even talking with him.

Mark Springer states that he thinks that common sense ought to prevail here, but this does kind of raise a specter of loitering.

James Hoelscher speaks to the Board about self-reporting and notices of violation. He states that if an incident happens that is out of the licensee's control – such as the internet going down – then enforcement will not issue a notice of violation; however, if a violation occurs as a result of a mistake made by the licensee, then the enforcement team has no choice but to issue a notice of violation. He states that he thinks that notices of violation are important forms of communication with licensees.

Mark Springer states that all of the Board's enforcement officers are pretty experienced police officers, and that licensees should have a pretty-well-established professional relationship with enforcement by now. He adds that self-reporting is always a good idea.

James Hoelscher states that one investigation on the marijuana side can take up to a month or more in order to gather all of the evidence and facts for presentation to the Board.

B. Enforcement Priorities

10:54am

TAB 5

Erika McConnell states that after the August meeting, Chair Springer met with her, Chair Klein (from the ABC Board), and Chief Hoelscher, and it was agreed to remove the details from the list of priorities, and potentially revisit this in a year. She adds that the ABC Board adopted the attached revised draft yesterday.

Brandon Emmett moves that the Board accept the draft as presented.

Jeff Ankerfelt seconds the motion.

Brandon Emmett states that this just seems like a blanket for the Board to cover itself to meet the finding in the audit.

Mark Springer states that the Board also adopted the principles of the Cole Memo in a resolution. He adds that he invited Chair Klein to come speak to this board at any time, and he was a little disappointed that the ABC Board found some of the enforcement priorities to be too robust.

Motion carries unanimously.

C. Notices of Violation Issued and Licensee Responses

10:59am

TAB 6

Mark Springer states that this is just going to be a discussion – the Board is not asking anyone to respond to the NOVs.

James Hoelscher provides the Board with a summary of the advisory notices and notices of violation in the tab.

Brandon Emmett urges licensees to put the five required warnings on every social media post or message that could be considered to be an advertisement.

Mark Springer asks how many tickets to METRC go from the help desk to being escalated up to tech support. He states that it appears that METRC issues crop up consistently.

James Hoelscher states that the staff does not have that information, but that AMCO could try to request it from METRC. He adds that any time a notice of violation is issued when the licensee claims it was the result of a METRC issue, METRC has been able to show that those claims are unsubstantiated.

Erika McConnell states that she has been working with METRC and can provide that information to the Board (at future meetings).

Nick Miller states that he would like to see monthly stats going forward regarding METRC issues.

Brandon Emmett states that he concurs, and he provides an example of an issue with METRC that affected his business – the test results that were reported in METRC by the testing facility were not reflected on his product manufacturing end for up to two days.

Mark Springer states that Harriet Milks has left to pick up Loren Jones from the airport.

● LICENSING & EDUCATION BRIEFING

A. Program Coordinator's Report

11:23am

TAB 8

Sarah Oates provides the Board with updates regarding staff positions, the status of regulations projects, alcohol renewal application season, fees forwarded to local governments, budget information, and proposed form revisions.

Loren Jones joins the meeting and Harriet Milks returns.

B. Revised Form MJ-04: Marijuana Cultivation Facility Operating Plan Supplemental

TAB 9

Sarah Oates states that the amended version of the form is already on the website and asks for retroactive approval.

She provides a summary of the changes to this form, and discusses that the changes were made to clarify the form and reduce workload for DEC and AMCO staff. She states that she has been corresponding with Karin Hendrickson with DEC-Pesticides to come to a solution and they determined that the simplest solution would be to separate the original question into two questions, one for pesticides and one for other products and to request the EPA registration number.

Sarah Oates asks if the board would like to consider this matter at this time or after her report.

The board determines a vote is appropriate at this time.

Brandon Emmett moves to adopt the form change retroactively.

Jeff Ankerfelt seconds.

No discussion.

None opposed. Motion carries.

Sarah Oates states that a number of forms have been modified to conform to regulatory changes and that to date the board has not delegated the authority to director or staff to make any form revisions. She suggests that the board delegate to the Director and staff the authority to make minor revisions to existing forms for purposes such as revisions for regulatory changes or other minor changes and only require staff to bring major form revisions to the board for consideration.

Mark Springer asks Harriet Milks if the practice of delegating this authority to staff is common and if the board has the authority to do so.

Harriet Milks states that the authority to delegate these types of revisions is present. Brandon Emmett moves that the board delegate to the Director the authority to make minor revisions to forms to either provide clarity or conform to adopted regulatory changes.

*Jeff Ankerfelt seconds.
No further discussion.
None opposed. Motion carries.*

C. Form MJ-27: Marijuana from Unlicensed Source

TAB 10

Sarah Oates states that there has been a recent regulatory change, effective October 20, 2018 that will allow licensees to accept marijuana from an unlicensed source such as a personal grow. She summarizes the regulatory change and states that the regulation requires that licensees attain the Directors approval and that the approval must come on a form approved by the board.

*Brandon Emmett motions to approve.
Nick Miller seconds for discussion.*

Brandon Emmett states that he has reservations regarding the requirement to retain a copy of a consumer/supplier's identification.

Brandon Emmett moves to amend the form or send it back to staff for revision to remove the requirement that photo identification be retained by recipient of the marijuana.

Erika McConnell asks whether it be more palatable if the identification was shredded after a period of time and goes on to state that she finds it important to have the identification be provided so that the AMCO office can confirm that the Marijuana is provided by someone over 21 and so that if there is a concern that arises regarding the supply, the supplying individual can be identified.

Nick Miller states that he has the same issues, and as the licensee, he's certifying that he checked the ID and is responsible (for the occurring transfer) anyway.

Mark Springer states that the licensee is certifying on here that the person is 21 or older, and the licensee is swearing under penalty of unsworn falsification that the form and accompanying documents are true and complete. He goes on to say that this situation is no different from the ID check requirements to enter a facility and that retention of Identification is unnecessary.

Jeff Ankerfelt asks the director whether there's a possibility that the absence of this information could cause more work to the enforcement staff.

Erika McConnell states that it could but that she doesn't anticipate there being a significant number of investigations that will need to occur if this requirement is removed.

Brandon Emmett moves to adopt the form with the words "What must be submitted with this form...- A copy of the providers photo identification (to be kept confidential)." stricken.

Nick Miller seconds the motion.

Jeff Ankerfelt votes Yes.

Brandon Emmett votes Yes.

Nick Miller votes Yes.

Loren Jones votes No.

Mark Springer votes Yes.

Motion carries, 4-1.

Mark Springer clarifies that there is no objection to adoption of MJ-27 form as amended. The proposed form MJ-27 is approved with the retention of photo identification requirement removed.

Sarah Oates states that the only remaining items in her report are the statistics regarding licenses and the requested table of new and transfer applications on this agenda and their relevant submission and review dates. She states that the time has decreased since three examiners are handling Marijuana applications.

Mark Springer thanks Sarah Oates for the addition of the statistics to her report.

Sarah Oates states that she is finished.

Mark Springer states that the executive session will start at approximately 1:00 and the regular meeting will likely resume around 1:30.

● **LUNCH** **11:46am**

● **EXECUTIVE SESSION** **12:59pm**

Mark Springer calls the meeting to order and entertains a motion to go into executive session to discuss matters that pertain to an individual and their character or reputation and to discuss investigative matters. He states that the individuals that would participate are the board, Harriet Milks, Erika McConnell, and Chief Hoelscher.

Brandon Emmett so moves. Nick Miller seconds.

None opposed, motion carries.

Brandon Emmett moves to come out of executive session.

2:16pm

Jeff Ankerfelt seconds the motion.

None opposed, motion carries.

Mark Springer states that the board went into executive session to discuss public testimony received during the public comment period.

Brandon Emmett states that pursuant to the comments from the AMIA and the documents provided to the director and board members by a member of the industry, the board found it important to go into executive session to ensure that the director and staff followed the guidance of the board regarding interaction with federal agencies. He states that those questions were satisfied and that the board determined that the director and enforcement did act ethically; the board did not find that the director and enforcement went outside the board determined allowable actions.

Jeff Ankerfelt states that he believes that everyone including enforcement who is in the process of marijuana regulation is in support of marijuana as an industry and that the enforcement agents, Chief Hoelscher and Erika are present in defiance of Federal law. In that spirit, he goes on to say, that while there might be disagreements regarding regulation, the enforcement and agents are not against the industry and that it is their intention to integrate the marijuana industry into mainstream business society. He encourages people to collect all of the facts before they insinuate that something has been done wrong by regulatory staff. He says that to make statements that are unsupported by fact are not helpful.

Mark Springer states that the board has determined that any contact that occurred with the FAA was initiated by Enforcement and was (initiated) in the process of development of the Notice of Violation and that afterward, there was no additional contact. He states that neither the Director nor enforcement took the stance that the board was not tough enough in the situation and that they did not decide to move forward independently. He reads AS 17.38.010(d) for the record. He says that bottom line there was no untoward contact and that the individual in question had federal action wherein the individual had their airman's certificate revoked for distributing marijuana; punishable for imprisonment up to one year. He goes on to say that the "death penalty" language is used as A-Z language for license revocation and not applicable to the situation as implied.

● ENFORCEMENT BRIEFING

D. Absolutely Chronic Delivery Company (ACDC)

2:23pm

TAB 7

Erika McConnell provides a statement that ACDC has been in operation for four years, and their business model claims to provide free marijuana for a donation and a delivery fee. She provides additional background information to the Board regarding the operation and ownership of this business, as well as felony charges filed against the former owner, Michael Crites. She hands out a printed email to the Board members.

James Hoelscher gives an additional statement confirming that all of the notice letters have been delivered. He goes on to state that this investigation was requested by the board and that this type of business can be very problematic.

Mark Springer states that the Board is pretty far behind on this agenda and asks if this item can be postponed until the December meeting.

Brandon Emmett moves to table the request for a civil fine to ACDC until the December meeting.

Nick Miller seconds the motion.
None opposed. Motion carries.

● **APPLICATIONS FROM PREVIOUS MEETINGS**

A. Previous Board Action Taken

- | | | | |
|---------------------------|--|---------------|----------------------|
| 1. License #11664: | Suilnua | 2:31pm | <u>TAB 24</u> |
| Licensee: | Suilnua, LLC | | |
| License Type: | Standard Marijuana Cultivation Facility | | |
| Premises Address: | 5600 N Cunningham Road
Palmer, AK 99645 | | |
| Local Governments: | Matanuska-Susitna Borough | | |
| For Consideration: | Requesting extension of abeyance period | | |

Jana Weltzin, legal counsel, identifies herself for the record and informs the Board that the licensee was unable to have the protest lifted within the original abeyance period in part because of the hacking of the Matanuska-Susitna Borough's computer systems.

Jeff Ankerfelt moves to rescind the 120-day abeyance and extend (the abeyance period) until February 1, 2019.

*Brandon Emmett seconds the motion.
Motion carries unanimously.*

- | | | | |
|---------------------------|---|---------------|----------------------|
| 2. License #13479: | North Star Fire | 2:33pm | <u>TAB 25</u> |
| Licensee: | North Star Fire, LLC | | |
| License Type: | Standard Marijuana Cultivation Facility | | |
| Premises Address: | 3780 Leasure Street, Suite 3
Fairbanks, AK 99701 | | |
| Local Government: | City of Fairbanks | | |
| For Consideration: | Local government previously not notified by applicant
(approved with delegation June 2018, approval
rescinded August 2018) | | |

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

*Jeff Ankerfelt moves to uphold the protest with a 120-day abeyance.
Brandon Emmett seconds the motion.
Motion carries unanimously.*

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|---------------------------|---|---------------|----------------------|
| 3. License #14956: | 50 Shades of Green, LLC | 2:36pm | <u>TAB 26</u> |
| Licensee: | 50 Shades of Green, LLC | | |
| License Type: | Standard Marijuana Cultivation Facility | | |
| Premises Address: | 14481 W Marginal Access Road | | |

Local Governments: Houston, AK 99694
City of Houston
For Consideration: Establishment does not meet buffer zone restrictions; City of Houston protests; several objections received (approved with delegation August 2018)

Jana Weltzin, legal counsel, identifies herself for the record. She provides testimony regarding retroactively applying adopted regulations, and states that the objections that were received should not be considered by the Board because they were received after the original objection period. She states that the City of Houston will still block her client from operating.

Erika McConnell states that there is no dispute that the City of Houston's protest was filed timely.

Gabrielle Petersen, applicant, identifies herself for the record and hands out binders of documents to the Board members. She testifies that she has owned this piece of property for thirteen years, and that she and her business partners were in the process of buying the property at which the former church was located. She states that the financing fell through, and that the property remained vacant until after she received approval from the Marijuana Control Board for this license.

Jana Weltzin states that a member of the Community Action Patrol is on the phone and has provided a document stating that the property was vacant for two years. She states that her client has invested \$205,000 in remodeling her property for this business.

Nick Miller states that he is very familiar with this area, and this building has been overgrown and full of trash for a couple of years, but that very recently, it is looking pretty good.

Erika McConnell that the City of Houston's protest lists three reasons for the protest, and that the third issue has been resolved. She states that the remaining two items seem to be things that can be resolved.

Gabrielle Petersen states that she has applied for a variance to the City's setback.

Brandon Emmett moves to rescind the approval from August 2018 and to uphold the element of the protest that requires a variance to City code with a 120-day abeyance.

Nick Miller seconds the motion.

Motion carries unanimously.

4. License #15656:	420 on Main, LLC	2:58pm	<u>TAB 27</u>
Licensee:	420 on Main, LLC		
License Type:	Retail Marijuana Store		
Premises Address:	3684 Main Street Homer, AK 99603		
Local Government:	City of Homer		
For Consideration:	Conditions requested by City of Homer pursuant to 3 AAC 306.060(b) (approved with delegation August 2018)		

Robert Bornt, applicant, identifies himself for the record and answers Board questions regarding the status of his compliance with the City of Homer's requirements.

Brandon Emmett moves to rescind the previous approval with delegation, and approve the license with the City of Homer's recommended conditions, to include the requirement that the MJ-00 be revised to only show what licenses the applicant has current ownership in.

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

● **SENATOR PETER MICCICHE COMMENTS**

3:03pm

Senator Peter Micciche, District O, provides testimony regarding regulation of the industry and suggests that there be additional work on application clarification and guidance whenever possible. He adds that individuals are investing their life savings in these businesses it's important to address the gaps present and that whenever possible, applicants who are confused be provided as much help as possible and that he hopes that the end result will be a clear and fair process for new industry members that also takes into account the public safety and commerce of all Alaskans. He states that he is here for legislative issues, whether it's AMCO staffing, event permits, or flexibility regarding transportation. He is present to speak for the individuals in his district who are having difficulties with the application process and to facilitate the application process for those who are having difficulties with it.

Mark Springer thanks the Senator for coming to speak to the Board, and he states that two things that is of particular concern to him are the need to expand the definition of local governments to include a tribal government, and the lack of diversity in the industry – there are no native corporations that hold licenses because all of their shareholders would have to meet statutory requirements, and he would like to see a legislative change to allow for ANCs (Alaska Native Corporations) to create subsidiaries that could apply for licenses without having to meet those requirements.

Senator Micciche states that it's a two-way street with the legislature and the industry, and he would be happy to help bring communication back to the legislature from the Board.

Brandon Emmett thanks the Senator for coming to speak with the Board, and states that the industry is very concerned with the tax issue. He asks whether there are any legislators who would be supportive of legislation to revise the existing tax structure.

Senator Micciche states that he is not happy with the current tax structure, and although he has a bridge to cross (regarding legislators who are against the cannabis industry) with some members of the legislature, he does believe there is support within the legislature to revise the tax structure since the industry is regulated, and in the interests of discouraging black market sales.

● **APPLICATIONS FROM PREVIOUS MEETINGS**

B. Tabled

- | | | | |
|---------------------------|--|---------------|----------------------|
| 1. License #12766: | The Green Store Connection | 3:14pm | <u>TAB 28</u> |
| Licensee: | The Green Store, Inc. | | |
| License Type: | Retail Marijuana Store | | |
| Premises Address: | 3655 S Old Glenn Highway, Unit A
Palmer, AK 99645 | | |
| Local Government: | Matanuska-Susitna Borough | | |
| For Consideration: | New license application (tabled at August 2018 meeting) | | |

Erika McConnell states that at the last meeting, the Board tabled this application because the applicant was not present either telephonically or in person; subsequently, the Matanuska-Susitna Borough filed a protest that was not timely, because the applicant had not obtained a Conditional Use Permit. She reads 3AAC 306.300(a)(2)(b) which she summarizes should allow the board to approve the license with delegation specifying that the required documentation be obtained.

Elizabeth Truett, applicant, identifies herself for the record and answers Board questions about the application.

Mark Springer asks whether it would be off-putting for the applicant to table this application until the December meeting. Elizabeth Truett said that it would not be off-putting, and it would give her more time to get some issues resolved.

Brandon Emmett moves to postpone this application until December.

Nick Miller seconds the motion.

Motion carries unanimously.

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|---------------------------|---|---------------|----------------------|
| 2. License #13910: | Alaskan Farmacy | 3:19pm | <u>TAB 29</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: | New license application; conditions pursuant to 3 AAC
306.060(b) | | |
| | (tabled at June 2018 meeting and August 2018 meeting) | | |

Charles Elliott, applicant, identifies himself for the record and states that he wants to withdraw his application.

C. Licenses in "Pending Inspection" Status for Over Six Months **3:20pm** **TAB 30**

Erika McConnell states that she had forgotten to notify the applicants for Tabs 30 and 31 that they will be on this agenda, so she recommends that the Board consider tabling these tabs until December.

Mark Springer asks if any of the applicants are present via phone or in person. None of the applicants are present to provide the Board with updates regarding their pending items.

Tabs 30 and 31 are tabled until December.

- | | |
|---------------------------|---|
| 1. License #10014: | The Naked Herbalist |
| Licensee: | Peggy S France and Miles S France |
| License Type: | Limited Marijuana Cultivation Facility |
| Premises Address: | 47841 South Crop Circle
Willow, AK 99688 |
| Local Government: | Matanuska-Susitna Borough |
| Approved by MCB: | October 28, 2016 |
| License Issued: | January 24, 2017 |

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

TAB 31

- | | |
|---------------------------|---|
| 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 |
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| 2. License #11350: | Hardworking Hippies |
| Licensee: | Nathan D Penrod and Preston S Penrod |
| License Type: | Limited Marijuana Cultivation Facility |
| Premises Address: | 49755 Sterling Highway
Soldotna, AK 99669 |
| Local Government: | Kenai Peninsula Borough |
| Approved By MCB: | September 14, 2017 |
| Pending: | Clarification regarding actual premises address – Fire Marshal approved different address for this license |
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 | |
| 3. License #12580: | Brown Owl’s Cultivation |
| Licensee: | Winazar, LLC |
| License Type: | Limited Marijuana Cultivation Facility |
| Premises Address: | 320 Wright Lane
Fairbanks, AK 99712 |
| Local Government: | Fairbanks North Star Borough |
| Approved By MCB: | September 14, 2017 |
| Pending: | Fire Marshal approval |
|
 | |
| 4. License #13202: | Matanuskas Finest |
| Licensee: | Hybrid, LLC |
| License Type: | Limited Marijuana Cultivation Facility |
| Premises Address: | 905 S Vicki Way C |

Local Government: Wasilla, AK 99654
Approved By MCB: Matanuska-Susitna Borough
September 14, 2017
Pending: **Fire Marshal approval**

● **BOARD CONSIDERATION**

A. License #10015: **Greatland Ganja, LLC** **3:23pm** **TAB 32**
Licensee: Greatland Ganja, LLC
License Type: Standard Marijuana Cultivation Facility
Premises Address: 56475 Sterling Highway
Kasilof, AK 99610
Local Government: Kenai Peninsula Borough
For Consideration: Appeal of denial of request to retest failed harvest batch

Brandon Emmett states that the licensee is the Vice President of the Alaska Marijuana Industry Association.

Mark Springer states that Mr. Emmett does not need to recuse himself, since he has no business interest in this matter.

Erika McConnell states that the licensee requested her approval to retest a harvest batch that failed due to the presence of Aspergillus. She states that she denied the request because no credible information was offered to justify a retest, because there is no reason to think a second test is more correct than a first test, and because the lack of a positive Aspergillus test in a second sample does not mean there was no Aspergillus in the first sample.

Jana Weltzin, legal counsel, Leif Abel, licensee, identify themselves for the record, hand out a document to the Board, answer Board questions, and provide testimony regarding the reasons for the appeal and justification for a retest of the harvest batch.

Brandon Emmett states that the Aspergillus issue is something that has come up in the Testing Working Group, and that it has become apparent that making this a black and white issue – to fail a harvest batch for the presence of any Aspergillus whatsoever – is a problem. He states that he would support a retest.

Jana Weltzin states that her client is not opposed to having two tests done, with one sent to each lab.

Jeff Ankerfelt states that he appreciated the director’s reasoning.

Brandon Emmett moves that Greatland Ganja be permitted to retest their marijuana so long as there is a split sample, and each sample is sent to a competing lab.

Nick Miller seconds the motion.

Motion carries unanimously.

B. License #12311: **Juneau’s Green Garden** **3:35pm** **TAB 33**
Licensee: ISG, Inc.

License Type: Standard Marijuana Cultivation Facility
Premises Address: 5011 Short Street, Suite 1
Juneau, AK 99801
Local Governments: City & Borough of Juneau
For Consideration: Unauthorized transfer; appeal of application requirement

Jana Weltzin, legal counsel, identifies herself for the record and states that Elizabeth Romanoski, transferee, is on the phone.

Erika McConnell states that Tabs 33-35 are for a similar issue, which she had brought up in her director's report. She states that Juneau's Green Garden is the only application of the three for which a license has been issued, and the license is in Active – Pending Inspection status; the other two applications are still in Delegated status. She reads 3 AAC 306.045(a) for the record and states that the staff accepted and reviewed transfer applications for all three licenses, at which point it was discovered that 100% of the ownership of the corporation had been transferred with the Division of Corporations from Paul Burrows – the shareholder who was approved by the Board. She adds that staff instructed the applicants to transfer the ownership of the corporation back to Mr. Burrows until the ownership change has been approved by the Board, but Mr. Burrows refused to take the shares back.

Jana Weltzin provides some history to the Board, requests that the Board accept these transfers, and answers Board questions about the applications and situation.

Harriet Milks states that she can't help the Board too much, but that she's still stuck on the fact that the transfers were never approved by the Board.

Jana Weltzin states that she understands the director's logic here regarding transfers of licenses that aren't active and valid are not contemplated in the regulations, but because payment was received and applications processed six months ago for these applications, that interpretation should be applied prospectively, not retroactively.

Nick Miller states that he's kind of in favor of fixing it to where people could do this, due to the lack of cash flow and investment.

Mark Springer asks Ms. Milks for an opinion on this particular issue here.

Harriet Milks states that she could give an opinion on this specific issue.

Mark Springer states that the Board might want to schedule these for a special meeting.

Jana Weltzin reminds the Board that these applications came back before the Board during the April meeting, and at that time, she informed the Board that they were still in delegation because there were transfers pending.

Loren Jones states that at the Nome meeting, there were additional issues regarding the conditional use permits with Juneau.

Jana Weltzin updates the Board regarding those statuses.

Brandon Emmett moves to postpone consideration of these three applications until the call of the Chair.

Nick Miller seconds the motion.

Motion carries unanimously.

C. License #12313:	Juneau's Green Market	<u>TAB 34</u>
Licensee:	ISG, Inc.	
License Type:	Retail Marijuana Store	
Premises Address:	263 Marine Way Juneau, AK 99801	
Local Governments:	City & Borough of Juneau	
For Consideration:	Unauthorized transfer; appeal of application requirement; delegated September 2017 pending DEC approval	

Considered with the previous tab.

D. License #12315:	Evergreen Extracts	<u>TAB 35</u>
Licensee:	ISG, Inc.	
License Type:	Marijuana Product Manufacturing Facility	
Premises Address:	5011 Short Street, Suite 2 Juneau, AK 99801	
Local Governments:	City & Borough of Juneau	
For Consideration:	Unauthorized transfer; appeal of application requirement; delegated September 2017 pending DEC approval	

Considered with the previous tab.

● **NEW STANDARD MARIJUANA CULTIVATION FACILITY APPLICATIONS**

A. License #10117:	Alaska Fireweed Farm	3:51pm	<u>TAB 36</u>
Licensee:	Jason Harder		
Premises Address:	Mile 101 Richardson, Pipeline Access Road Copper Center, AK 99573-0342		
Local Government:	No local government		

Jason Harder, applicant, identifies himself for the record and answers Board questions about his application.

Brandon Emmett moves to approve license 10117 Alaska Fireweed Farm with delegation.

Nick Miller seconds the motion.

Jason Harder states that he spoke with the objectors who live within the one-mile radius about their concerns, and that they wished him good luck either way.

Motion carries unanimously.

B. License #15867:	Ayme’s Garden, LLC	3:55pm	<u>TAB 37</u>
Licensee:	Ayme’s Garden, LLC		
Premises Address:	9785 Totem Bight Road, Suite 200 Ketchikan, AK 99901		
Local Government:	Ketchikan Gateway Borough		

Brandon Emmett moves to approve license #15867 with delegation.

Nick Miller seconds the motion.

Kanoe Zantua, applicant, identifies himself for the record and answers Board questions about his application.

Motion carries unanimously.

C. License #16446:	420 on Main, LLC	4:01pm	<u>TAB 38</u>
Licensee:	420 on Main, LLC		
Premises Address:	3684 Main Street Homer, AK 99603		
Local Government:	City of Homer		
For Consideration:	Conditions pursuant to 3 AAC 306.060(b)		

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

Brandon Emmett moves to approve license #16446 with delegation.

Nick Miller seconds the motion.

Brandon Emmett clarifies that the approval would also be with the City of Homer’s recommended conditions, pursuant to 3 AAC 306.060(b).

Motion carries unanimously.

● **BREAK** **4:10pm**

● **NEW STANDARD MARIJUANA CULTIVATION FACILITY APPLICATIONS**

D. License #16738:	vanGreen’s, LLC	4:18pm	<u>TAB 39</u>
Licensee:	vanGreen’s, LLC		
Premises Address:	224 Smith Street #D & #E Sitka, AK 99835		
Local Government:	City & Borough of Sitka		

Loren Jones states that he would like to postpone this application until tomorrow because AAG Milks will need some time to review concerns that he raised to her.

*Loren Jones moves to move this agenda item until first thing tomorrow morning.
Brandon Emmett seconds the motion.
None opposed, motion carries.*

● **NEW LIMITED MARIJUANA CULTIVATION FACILITY APPLICATIONS**

A. License #15015:	The Fire Supply	4:19pm	<u>TAB 40</u>
Licensee:	The Fire Supply, LLC		
Premises Address:	1705 N Winding Brook Loop, #A3 Palmer, AK 99645-7741		
Local Government:	Matanuska-Susitna Borough		

*Brandon Emmett moves to approve license #15015 The Fire Supply with delegation.
Nick Miller seconds the motion.*

Jana Weltzin, legal counsel, and applicants Joshua Boots and Nick Holbrook, applicants, identify themselves for the record and answer Board questions about the application.

Motion carries unanimously.

B. License #16181:	Potter's Harvest, LLC	4:23pm	<u>TAB 41</u>
Licensee:	Potter's Harvest, LLC		
Premises Address:	4123 S Gon Fishin Drive Wasilla, AK 99687		
Local Government:	Matanuska-Susitna Borough		

Lance Wells, legal counsel, and Jayci Caldwell, applicant, identify themselves for the record and answer Board questions about the application.

*Brandon Emmett moves to approve license #16181 with delegation.
Nick Miller seconds the motion.
Motion carries unanimously.*

C. License #16276:	Alaskan Dream, LLC	4:29pm	<u>TAB 42</u>
Licensee:	Alaskan Dream, LLC		
Premises Address:	6696 Gonder Road, Unit #1 Big Lake, AK 99652-1762		
Local Government:	Matanuska-Susitna Borough		

*Brandon Emmett moves to approve license #16276 with delegation.
Nick Miller seconds the motion.*

Tim Davis, applicant, and Anthony Olivieri, employee, identify themselves for the record and answer Board questions regarding the application.

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

D. License #16791:	RCJ Legacy, LLC	4:37pm	<u>TAB 43</u>
Licensee:	RCJ Legacy, LLC		
Premises Address:	2893 S Big Lake Road #2 Big Lake, AK 99652		
Local Government:	Matanuska-Susitna Borough		

*Brandon Emmett moves to approve license #16791 RJC Legacy, LLC with delegation.
Nick Miller seconds the motion.*

Jolyn Jillson, applicant, identifies herself for the record and answers Board questions about the application.

Motion carries unanimously.

E. License #16916:	Dutch Buds Cannabis Co.	4:41pm	<u>TAB 44</u>
Licensee:	DBCC, LLC		
Premises Address:	4240 S Headvic Court Wasilla, AK 99654		
Local Government:	Matanuska-Susitna Borough		

*Brandon Emmett moves to approve license #16916 Dutch Buds Cannabis Co. with delegation.
Nick Miller seconds the motion.*

Mark Bailey, applicant, identifies himself for the record and answers Board questions about the application.

Motion carries unanimously.

● **NEW RETAIL MARIJUANA STORE APPLICATIONS**

A. License #10686:	Turnagain Herb Company	4:44pm	<u>TAB 45</u>
Licensee:	AK Provisions Corporation		
Premises Address:	279 Crow Creek Road Girdwood, AK 99587-9999		
Local Government:	Municipality of Anchorage		

*Brandon Emmett moves to approve license #10686 with delegation.
Brandon Emmett retracts his motion.
Brandon Emmett moves to uphold the protest on license #10686 with a 120-day abeyance.
Nick Miller seconds the motion.*

Seth Molen, applicant, identifies himself for the record and answers Board questions about the application.

Motion carries unanimously.

B. License #13279:	The Mason Jar, LLC	4:51pm	<u>TAB 46</u>
Licensee:	The Mason Jar, LLC		
Premises Address:	2771 Sherwood Lane, Unit E Juneau, AK 99801		
Local Government:	City & Borough of Juneau		

Brandon Emmett moves to approve license #13279 The Mason Jar, LLC with delegation.

Nick Miller seconds the motion.

Dennis Lavigne, applicant, identifies himself for the record and answers Board questions about the application.

Motion carries unanimously.

C. License #16529:	Good Buds, LLC	4:55pm	<u>TAB 47</u>
Licensee:	Good Buds, LLC		
Premises Address:	11770 Seward Highway Seward, AK 99664-1463		
Local Government:	Kenai Peninsula Borough		
For Consideration:	Conditions pursuant to 3 AAC 306.060(b)		

Brandon Emmett moves to approve license #16529 Good Buds, LLC with delegation and KPB conditions.

Nick Miller seconds the motion.

Jared Wallace, applicant, identifies himself for the record and answers Board questions regarding the application.

Sarah Oates states that it came to the staff's attention after the application was determined to be complete that this establishment is located in the same building as a liquor license, so at the instruction of staff, the licensee has since added "Suite 2" to this premises address and submitted a revised lease that reflects the change.

Erika McConnell recommends that the delegation include the requirement that the applicant submit a revised MJ-02 that shows both stories of the building.

Loren Jones states that the delegation needs to include that in the MJ-03, Section 2.1 be completely rewritten to comply with the packaging regulations, and Section 6.1 be clarified regarding exit packaging for deli-style sales.

Motion carries unanimously.

● **NEW STANDARD MARIJUANA CULTIVATION FACILITY APPLICATIONS**

D. License #16738:	vanGreen's, LLC	5:10pm	<u>TAB 39</u>
Licensee:	vanGreen's, LLC		
Premises Address:	224 Smith Street #D & #E Sitka, AK 99835		
Local Government:	City & Borough of Sitka		

Harriet Milks states that she has had time to review Mr. Jones's concerns regarding this application, and that perhaps the Board could consider the application now since the applicant is in the room.

*Brandon Emmett moves to approve license #16738 vanGreen's LLC with delegation.
Nick Miller seconds the motion.*

Eric vanVeen, applicant, identifies himself for the record and answers questions regarding the application.

Loren Jones asks Mr. vanVeen about a news article in which he stated that he had given Aaron Bean money for the Green Leaf licenses (#10066 and 10067), but that Mr. Bean had never added Mr. vanVeen to the license.

Eric vanVeen describes the situation that occurred between Mr. Bean and himself. Erika McConnell states that Mr. vanVeen is not listed on the Green Leaf licenses. Eric vanVeen states that he is not involved in the lawsuits against Mr. Bean.

Brandon Emmett states that he received a voicemail from Aaron Bean that was kind of patchy, but stating that there was an application that was going to come before the Board who had trashed his grow. He asks whether this is regarding Mr. vanVeen, and if so, whether the allegation is true.

Eric vanVeen states that Mr. Bean is probably referring to him, but that the claims are not true.

Jeff Ankerfelt states that he has received two emails from Mr. Bean within the last twelve hours, but that he has not opened them. He adds that as the Chief of Police for the City & Borough of Sitka, he has heard about the lawsuits and regards them as civil matters.

Harriet Milks states that the reason why Mr. Ankerfelt has not opened the emails is because that would be ex parte contact, which is not helpful to anyone.

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

● **RECESSED UNTIL 9:00AM ON OCTOBER 16, 2018**

5:21pm

Marijuana Control Board
Meeting Minutes
October 17, 2018
Third Judicial District
145 Main Street Loop
Kenai, Alaska
Call-in Number: 1-800-315-6338, code 69176#

● **ADMINISTRATION**

9:00am

A. Call to Order

B. Roll Call

Board Members Present:

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

Staff Members Present:

Erika McConnell, Director
Sarah Oates, Program Coordinator
Mikal Milton, Records & Licensing Supervisor

Legal Counsel Present:

Harriet Milks, Assistant Attorney General

● **NEW MARIJUANA PRODUCT MANUFACTURING FACILITY APPLICATIONS**

A. License #13839:

Frontier Manufacturing

9:01am

TAB 48

Licensee:

Sunnybrook Group, LLC

Premises Address:

38436 S Malaspina Loop
Talkeetna, AK 99676

Local Government:

Matanuska-Susitna Borough

For Consideration:

Objection received

*Brandon Emmett moves to approve license #13839 Frontier Manufacturing with delegation.
Nick Miller seconds the motion.*

Wayne Allen and Sibyl Atkins, applicants, identify themselves for the record and answer Board questions about the application.

Brandon Emmett moves to approve the base products Cannabis Butter, Cannabis Cream, Cannabis Oil, and Cannabis Tincture, all of which are intended to be used in-house.

Nick Miller seconds the motion.

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

Brandon Emmett moves to approve the products Vanilla Cannabis Caramels, Mocha Cannabis Caramels, PB Cannabis Cocoa Crispie Bites, Milk Chocolate Cannabis Bonbons, Chocolate Chip Cannabis Cookie Bites, Shortbread Cannabis Cookie Bites, Cannabis Brownie Bites, and Blueberry Cream Cannabis Mini Muffins.

Nick Miller seconds the motion.

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

Brandon Emmett moves to approve products labeled Frontier Wake-n-Bake Creamer and Frontier Cannabis Tincture.

Nick Miller seconds the motion.

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

Brandon Emmett moves to approve the product Frontier Canna-Capsules.

Nick Miller seconds the motion.

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

Brandon Emmett moves to approve the product Frontier Ganja Gummies.

Nick Miller seconds the motion.

Mark Springer states that he doesn't like either the name – specifically the use of the word "gummies" – or the color. He adds that in his view, the duller (the color), the better.

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

Motion to approve the license application with delegation carries, 3-2 (Loren Jones and Mark Springer vote No).

● **NEW LICENSE APPLICATIONS FOR RELATED APPLICANTS**

A. License #15788:	Scorpion Grass	9:40am	<u>TAB 49</u>
Licensee:	L & J Ventures, Inc.		
License Type:	Retail Marijuana Store		
Premises Address:	266 S McCallister Drive, Suite 1 Wasilla, AK 99654		
Local Government:	Matanuska-Susitna Borough		

Jana Weltzin, legal counsel, and applicants Lisa and James Hacker identify themselves for the record and answer Board questions about the application.

Brandon Emmett moves to approve license #15788 Scorpion Grass with delegation.

Nick Miller seconds the motion.

Motion carries unanimously.

B. License #15789: **Scorpion Grass** **9:46am** **TAB 50**
Licensee: L & J Ventures, Inc.
License Type: Standard Marijuana Cultivation Facility
Premises Address: 266 S McCallister Drive, Suite 2
Wasilla, AK 99654
Local Government: Matanuska-Susitna Borough

Brandon Emmett moves to approve license #15789 Scorpion Grass – the standard marijuana cultivation facility – with delegation.

Nick Miller seconds the motion.

Jana Weltzin states that she made a mistake on the MJ-04 – it will actually be on septic, and not city sewer, so she will correct that and get it to the staff.

Motion carries unanimously.

C. License #15790: **Scorpion Grass** **9:49am** **TAB 51**
Licensee: L & J Ventures, Inc.
License Type: Marijuana Product Manufacturing Facility
Premises Address: 266 S McCallister Drive, Suite 3
Wasilla, AK 99654
Local Government: Matanuska-Susitna Borough

Brandon Emmett moves to approve license #15790 Scorpion Grass with delegation.

Nick Miller seconds the motion.

Brandon Emmett begins motion to approve products named Scorpion Grass Wax, Scorpion Grass Shatter, Scorpion Grass CO2 Oil, Scorpion Grass Rosin, Scorpion Grass Live Resin, Scorpion Grass Budder, Kief, ends motion.

Brandon Emmett amends his motion to approve everything except the Vape Pen.

Nick Miller seconds the motion.

Motion carries unanimously.

Brandon Emmett moves to approve the Scorpion Grass Vape Pen.

Nick Miller seconds the motion.

Loren Jones and Mark Springer request that the delegation include that the production procedures for this product be clarified.

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

Motion to approve the license application with delegation carries unanimously.

D. License #15814: **Tanana Herb Company, LLC** **9:55am** **TAB 52**
Licensee: Tanana Herb Company, LLC
License Type: Retail Marijuana Store
Premises Address: 1200 Well Street
Fairbanks, AK 99701-2835
Local Government: City of Fairbanks

Brandon Emmett moves to approve license #15814 Tanana Herb Company, LLC with delegation.
Nick Miller seconds the motion.

Leslea Nunley, applicant, identifies herself for the record and answers Board questions about the application.

Loren Jones states that the delegation needs to include that the waste disposal section of the operating plan be revised, as marijuana waste may not be moved to another license's premises for disposal.

Motion carries unanimously.

E. License #16091:	Tanana Herb Company, LLC	10:04am	<u>TAB 53</u>
Licensee:	Tanana Herb Company, LLC		
License Type:	Marijuana Concentrate Manufacturing Facility		
Premises Address:	1200 Well Street Fairbanks, AK 99701-2835		
Local Government:	City of Fairbanks		

Brandon Emmett moves to approve (license #16091) with delegation.
Nick Miller seconds the motion.

Brandon Emmett moves to approve the product named Rosin.
Nick Miller seconds the motion.
Motion carries unanimously.

Motion to approve the license application with delegation carries unanimously.

● **NEW MARIJUANA PRODUCTS**

A. License #13424:	Midnight Sun Manufacturing, LLC	10:09am	<u>TAB 54</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, Phil Schneider, licensee, and Leif Abel, consultant, identify themselves for the record and answer Board questions about the proposed product.

Brandon Emmett moves to approve the product (Cannabis Concentrate Pre-Rolls).
Nick Miller seconds the motion.

Jana Weltzin states that because the flower and the concentrate would have already been tested separately, both testing results of those would be provided on the label, as well as a total THC number, rather than sending the pre-roll itself back for additional testing.

Erika McConnell states that she thinks that additional testing would be required under 3 AAC 306.550.

Brandon Emmett states that he would be supportive of the proposal by the applicant regarding testing. He adds that this issue may need to be addressed in the Testing Working Group.

Loren Jones states that for this product, and this product only, the end product would not need to be retested, but that this process would be referred to the Testing Committee for consideration. He adds that the record needs to be clear that this is not a precedent for anything else.
The remaining Board members agree.

Motion carries unanimously.

● **BREAK** **10:24am**

● **OWNERSHIP TRANSFER APPLICATIONS**

A. License #10293:	AK Fuzzy Budz	10:36am	<u>TAB 55</u>
Licensee:	AKGLD, LLC		
License Type:	Standard Marijuana Cultivation Facility		
Premises Address:	2612 Eagle Street Anchorage, AK 99503		
Local Government:	Municipality of Anchorage		
Transferor:	AKGLD, LLC (controlling interest) DBA AK Fuzzy Budz		

Jana Weltzin, legal counsel, and Jamie Millhouse, licensee, identify themselves for the record and answer Board questions about the application.

Brandon Emmett moves to approve the ownership transfer application for license #10293.
Nick Miller seconds the motion.
Motion carries unanimously.

Brandon Emmett moves to delegate authority to the director on the action taken on license #10293.
Nick Miller seconds the motion.
Motion carries unanimously.

B. License #10864:	AK Fuzzy Budz	10:42am	<u>TAB 56</u>
Licensee:	AKGLD, LLC		
License Type:	Retail Marijuana Store		
Premises Address:	2612 Eagle Street Anchorage, AK 99503		
Local Government:	Municipality of Anchorage		
Transferor:	AKGLD, LLC (controlling interest) DBA AK Fuzzy Budz		

*Brandon Emmett moves to approve (the ownership transfer of license #10864) with delegation.
Nick Miller seconds the motion.
Motion carries unanimously.*

C. License #10933:	Alaska's Green Light District	10:43am	<u>TAB 57</u>
Licensee:	AKGLD, LLC		
License Type:	Retail Marijuana Store		
Premises Address:	405 E Northern Lights Boulevard Anchorage, AK 99503		
Local Government:	Municipality of Anchorage		
Transferor:	AKGLD, LLC (controlling interest) DBA Alaska's Green Light District		

*Brandon Emmett moves to approve (the ownership transfer of license #10933) with delegation.
Nick Miller seconds the motion.
Motion carries unanimously.*

D. License #10747:	Great Northern Cannabis	10:44am	<u>TAB 58</u>
Licensee:	Great Northern Cultivation, Inc.		
License Type:	Standard Marijuana Cultivation Facility		
Premises Address:	2341 Cinnabar Loop Anchorage, AK 99507-3150		
Local Government:	Municipality of Anchorage		
Transferor:	Great Northern Cannabis, Inc. DBA Great Northern Cannabis, Inc.		

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

*Brandon Emmett moves to approve the ownership transfer application of license #10747 Great Northern Cannabis with delegation.
Nick Miller seconds the motion.
Motion carries unanimously.*

E. License #11966:	Great Northern Cannabis	10:51am	<u>TAB 59</u>
Licensee:	Great Northern Retail Stores, Inc.		
License Type:	Retail Marijuana Store		
Premises Address:	541 W 4 th Avenue Anchorage, AK 99501-2211		
Local Government:	Municipality of Anchorage		
Transferor:	Great Northern Cannabis, Inc. DBA Great Northern Cannabis		

Brandon Emmett moves to approve the ownership transfer application of license #11966, Great Northern Cannabis with delegation.

Nick Miller seconds the motion.

Motion carries unanimously.

F. License #12612:	Absolem’s Garden	10:53am	<u>TAB 60</u>
Licensee:	Absolem’s Garden, LLC		
License Type:	Limited Marijuana Cultivation Facility		
Premises Address:	13247 East Wycoff Drive Palmer, AK 99645		
Local Government:	Matanuska-Susitna Borough		
Transferor:	Absolem’s Garden, LLC (controlling interest) DBA Absolem’s Garden		

Brandon Emmett moves to approve the ownership transfer application for license #12612 Absolem’s Garden with delegation.

Nick Miller seconds the motion.

Lorrie Moffitt, licensee, identifies herself for the record and answers Board questions about the application.

Motion carries unanimously.

● **LICENSE RENEWAL APPLICATIONS**

A. Delinquent in the Payment of Taxes Due

1. License #10147:	Permafrost Distributors	10:56am	<u>TAB 61</u>
Licensee:	Chase R Griffith		
License Type:	Limited Marijuana Cultivation Facility		
Premises Address:	54200 Leonard Drive Nikiski, AK 99611		
Local Government:	Kenai Peninsula Borough		

Chase Griffith, licensee, identifies himself for the record and answers Board questions about the delinquency.

Brandon Emmett moves to deny the renewal (of license #10147) with a 30-day abeyance period – if the Department of Revenue informs staff that the licensee is no longer delinquent within the 30-day abeyance period, the license would be renewed; otherwise, at the end of the 30-day period, the license would be expired.

Nick Miller seconds the motion.

Motion carries unanimously.

2. License #11519:	Permafrost Distributors	11:02am	<u>TAB 62</u>
Licensee:	Chase R Griffith		
License Type:	Limited Marijuana Cultivation Facility		

Premises Address: 32630 June Drive
Sterling, AK 99672
Local Government: Kenai Peninsula Borough

Brandon Emmett moves to deny the renewal of license #11519 with a 30-day abeyance period, pending communication from the Department of Revenue.

Nick Miller seconds the motion.

Motion carries unanimously.

3. License #10286:	Arctic Greenery, LLC	11:03am	<u>TAB 63</u>
Licensee:	Arctic Greenery, LLC		
License Type:	Standard Marijuana Cultivation Facility		
Premises Address:	1725 Richardson Highway, Suite 104 North Pole, AK 99705		
Local Government:	Fairbanks North Star Borough		

Licensee is not present at the meeting.

Brandon Emmett moves to deny the license renewal application for license #10286 Arctic Greenery, LLC with a 30-day abeyance, pending communication from the Department of Revenue.

Nick Miller seconds the motion.

Motion carries unanimously.

B. Miscellaneous Issues

3. License #11138:	Fat Tops, LLC	11:05am	<u>TAB 66</u>
Licensee:	Fat Tops, LLC		
License Type:	Standard Marijuana Cultivation Facility		
Premises Address:	36380 Murray Lane Soldotna, AK 99669		
Local Governments:	Kenai Peninsula Borough		
For Consideration:	Licensee does not have current lease; objection received from landlord		

Erika McConnell hands out a document to the Board members that was provided to her at the meeting yesterday. She states that the licensee and landlord are currently involved in court proceedings.

Harriet Milks states that the due process rights for the parties involved require the Board to essentially stand down until the courts have determined who has property rights.

Brandon Emmett moves that in the matter of license numbers 11138 and 11140 that the consideration be tabled until the December meeting in order to let both the court proceedings and the AMCO investigation to continue.

Nick Miller seconds the motion.

No persons are present to provide testimony.

Motion carries unanimously.

- | | | |
|---------------------------|---|----------------------|
| 4. License #11140: | Fat Tops, LLC | <u>TAB 66</u> |
| Licensee: | Fat Tops, LLC | |
| License Type: | Retail Marijuana Store | |
| Premises Address: | 36380 Murray Lane
Soldotna, AK 99669 | |
| Local Governments: | Kenai Peninsula Borough | |
| For Consideration: | Licensee does not have current lease;
objection received from landlord; notice of
violation received | |

Action taken with previous tab – tabled until the December meeting.

C. Notices of Violation Received

- | | | | |
|---------------------------|--|----------------|----------------------|
| 1. License #10050: | Rainforest Farms, LLC | 11:11am | <u>TAB 67</u> |
| Licensee: | Rainforest Farms, LLC | | |
| License Type: | Retail Marijuana Store | | |
| Premises Address: | 216 2 nd Street
Juneau, AK 99801 | | |
| Local Government: | City & Borough of Juneau | | |

Brandon Emmett moves to approve the renewal application for license #10050 Rainforest Farms, LLC.

Nick Miller seconds the motion.

Motion carries unanimously.

- | | | | |
|---------------------------|---|----------------|----------------------|
| 2. License #10174: | Parallel 64, LLC | 11:14am | <u>TAB 68</u> |
| Licensee: | Parallel 64, LLC | | |
| License Type: | Standard Marijuana Cultivation Facility | | |
| Premises Address: | 2128 N Post Road
Anchorage, AK 99504 | | |
| Local Government: | Municipality of Anchorage | | |

Brandon Emmett moves to approve the renewal application for license #10174 Parallel 64, LLC.

Nick Miller seconds the motion.

Motion carries unanimously.

- | | | | |
|---------------------------|--|----------------|----------------------|
| 3. License #10901: | The High Expedition Company | 11:16am | <u>TAB 69</u> |
| Licensee: | The High Expedition Company | | |
| License Type: | Retail Marijuana Store | | |
| Premises Address: | 13465 E Main Street
Talkeetna, AK 99676 | | |
| Local Government: | Matanuska-Susitna Borough | | |

Jana Weltzin, legal counsel, identifies herself for the record and states that Joe is on the phone if the Board has any questions.

Brandon Emmett moves to approve the renewal application for license #10901 High Expedition Company.

Nick Miller seconds the motion.

Motion carries unanimously.

4. License #11234:	DKW Farms, LLC	11:18am	<u>TAB 70</u>
Licensee:	DKW Farms, LLC		
License Type:	Standard Marijuana Cultivation Facility		
Premises Address:	4269 Richardson Highway Valdez, AK 99686		
Local Government:	City of Valdez		

Brandon Emmett moves to approve the renewal application for license #11234 DKW Farms, LLC.

Nick Miller seconds the motion.

Motion carries unanimously.

5. License #11927:	Green Life Supply, LLC	11:19am	<u>TAB 71</u>
Licensee:	Green Life Supply, LLC		
License Type:	Retail Marijuana Store		
Premises Address:	511 30 th Avenue Fairbanks, AK 99701		
Local Government:	City of Fairbanks		

Brandon Emmett moves to approve the license renewal for license #11927 Green Life Supply, LLC.

Nick Miller seconds the motion.

Motion carries unanimously.

6. License #12328:	Aurora Blaze, LLC	11:20am	<u>TAB 72</u>
Licensee:	Aurora Blaze, LLC		
License Type:	Standard Marijuana Cultivation Facility		
Premises Address:	2693 Arla Street Fairbanks, AK 99709		
Local Government:	Fairbanks North Star Borough		

Brandon Emmett moves to approve the license renewal application for license #12328 Aurora Blaze, LLC.

Nick Miller seconds the motion.

Motion carries unanimously.

● **BREAK**

11:24am

● **OPERATING PLAN CHANGES**

A. License #10299:	R.C. Tinderbox, LLC	11:30am	<u>TAB 73</u>
Licensee:	R.C. Tinderbox, LLC		
License Type:	Standard Marijuana Cultivation Facility		
Premises Address:	7801 King Street Anchorage, AK 99518		
Local Government:	Municipality of Anchorage		

Jana Weltzin, legal counsel, and Rick Euscher, licensee, identify themselves for the record and answer Board questions about the requested changes.

Brandon Emmett moves to approve the operating plan changes for license #10299 R.C. Tinderbox, LLC.

Nick Miller states that he has to recuse himself from voting and discussion.

Jeff Ankerfelt seconds the motion.

Motion carries 4-0.

Nick Miller rejoins the meeting.

B. License #10322:	Babylon Company, LLC	11:33am	<u>TAB 74</u>
Licensee:	Babylon Company, LLC		
License Type:	Marijuana Concentrate Manufacturing Facility		
Premises Address:	6820 Rosewood Street #9 Anchorage, AK 99518		
Local Government:	Municipality of Anchorage		

Dave DeLuca, licensee, identifies himself for the record and answers Board questions about the requested changes.

Brandon Emmett moves to approve the operating plan change for license #10322 Babylon Company, LLC.

Nick Miller seconds the motion.

Brandon Emmett states that the Board should consider whether adding the cartridge would just be adding packaging, or if it's considered a new product.

Sarah Oates states that this would need to be a Board determination – the concentrate itself is already an approved product, and the licensee is arguing that this change would just be a packaging change – similarly to how the Board has determined that retail stores and cultivation facilities can make pre-rolls because that is just considered packaging.

Mark Springer requests that Brandon Emmett recuse himself because of his financial interest in this topic.

Brandon Emmett recuses himself from discussion and voting.

Mark Springer states that he thinks there's a big different between a pre-roll and a vape cartridge for a number of reasons.

Loren Jones states that this is a marijuana concentrate manufacturing facility, and the Board does not usually approve products (for concentrate manufacturers). He asks whether this manufacturer would need to obtain a marijuana product manufacturing license.

Erika McConnell states that she will need to do some research on this for consistency.

Jeff Ankerfelt moves to postpone this matter this until the December meeting.

Nick Miller seconds the motion.

Motion to postpone carries unanimously.

Brandon Emmett rejoins the meeting.

C. License #11605:	Stoned Salmon Farms	11:42am	<u>TAB 75</u>
Licensee:	Always Redeye, LLC		
License Type:	Standard Marijuana Cultivation Facility		
Premises Address:	2005 Anka Street Juneau, AK 99801		
Local Government:	City & Borough of Juneau		

Brandon Emmett moves to approve the operating plan changes for license #11605 with delegation pending review from DEC, and giving the director the authority to remove from the applicant's requested list those chemicals and fertilizers determined by DEC not to meet the criteria for use on marijuana.

Nick Miller seconds the motion.

Casey Wilkins, licensee, identifies herself for the record and states that she has already heard back from DEC and will need to remove some products.

Motion carries unanimously.

● **LUNCH** **11:44am**

● **LICENSE RENEWAL APPLICATIONS**

B. Miscellaneous Issues

1. License #10066:	Green Leaf	1:00pm	<u>TAB 64</u>
Licensee:	Green Leaf, Inc.		
License Type:	Standard Marijuana Cultivation Facility		
Premises Address:	4614 Halibut Point Road, C-2, C-3, C-4 Sitka, AK 99835		
Local Government:	City & Borough of Sitka		

For Consideration:

**Renewal lacking lease with board-required language;
delinquent in the payment of taxes due; notice of
violation received**

Mark Springer states that he is given to understand that the individuals related to this matter are in court.

Erika McConnell states that she believes that they are out of court but that Jana Weltzin may be able to provide additional information.

Jana Weltzin states that they are no longer in court but that she is not handling the litigation portion of this matter.

Erika McConnell states that on Monday, Aaron Bean requested that consideration of the renewal applications for 10066 and 10067 take place in executive session, which would be authorized under AS 44.62.310(c)(2) which she reads for the record.

Jana Weltzin states that executive session may not be necessary but that she leaves the determination to the applicant.

An unidentified man states that it is his preference to conduct the discussion of this matter as privately as possible due to the ongoing litigation.

Jana Weltzin asks that the same action taken with Fat Tops be taken, and that the application be tabled until the matters of litigation are settled.

Erika McConnell states that these renewals have not been deemed complete because they have not provided a lease that contains the required language. She says that the landlord has filed an objection and that she agrees with postponement regarding license due to the pending civil litigation. She states that a temporary license has been issued.

Sarah Oates states that the AMCO office has heard from Department of Revenue that Mr. Bean is current on his payment plan for taxes.

Brandon Emmett moves to table the discussion of license number 10066 and 10067 until December. Nick Miller seconds the motion.

Erika McConnell references Ms. Nelson being present and that she is part owner of the property but not an individual who is currently in litigation.

Mark Springer states that Ms. Nelson will be heard.

Harriet Milks suggests that the chair ask Ms. Nelson if her testimony will have content that could prejudice people against the individual who has an application before the board.

Valarie Nelson asks if the board would like to question her or if she can state why she is present. She promises to attempt to not say anything that would disparage Mr. Beans reputation.

Brandon Emmett moves to go into executive session to hear from Valarie Nelson.

Nick Miller seconds the motion.

Mark Springer states that Ms. Milks and the director would also remain.

Harriet Milks asks if Ms. Nelson's testimony that would be heard in executive session would be information that the board would not act on at this time, and asks the board to clarify if the testimony to be heard would need to be re-stated in December, and if so if it would be appropriate to hear Ms. Nelson at the later consideration of this matter.

Mark Springer explains to Ms. Nelson that the applications have been issued temporary licenses pending renewals which may not be deemed complete due to the matter under litigation and that it is not necessarily in the best interest of the state to take action at this time.

*Mark Springer asks the board to finalize the motion to table the applications to December.
All in favor.*

None opposed.

Motion to table the discussion until December carries unanimously.

Mark Springer asks Ms. Nelson to provide a basic idea of what she would like to speak to the board about.

Harriet Milks states that Ms. Nelson should explain only why her testimony should be heard now, rather than in December and that if the board is not hearing from Mr. Bean they may want to wait to hear her testimony in December so that it can be heard in proximity with the other testimony.

Mark Springer states that it is very unlikely that anything that the Board could hear in executive session would be a basis on which the Board could act and asks Ms. Nelson to consider the value of testifying at this time, particularly because there is no further action on these licenses for consideration at this time.

Valarie Nelson states that she has spent a substantial amount of money and time to deliver her materials to the appropriate channels. She says that it is pretty obvious that there have been some ex parte communications and that she believes that Mr. Emmett saw her photographing him getting in a vehicle with Mr. Bean's attorney (Jana Weltzin) yesterday and that is why he does not want her to testify. She goes on to state that she has vital information and is a property owner with her husband Conner Nelson and not a party to the litigation.

Brandon Emmett states that if the board is going to continue to hear this testimony they must go into executive session or table the matter to December.

Harriet Milks says that it is clear to her that Ms. Nelson is clearly a party of interest in the matter at hand and she can provide her documents to AMCO staff to be included in the board packet for December for the board to hear from everyone in executive session.

Mark Springer states that he agrees and since the Board is not going to be considering the renewal applications at this time, Ms. Nelson's testimony would make more sense to be heard in December and that her protest be provided to the Director so that it could be concluded so that it would be in closer proximity to the boards consideration of the matter. He states that he understands that it is a financial burden on Ms. Nelson but that there are times when the board must table a matter and

that the board was not avoiding hearing her but it doesn't make sense to hear something at this time regarding a matter that would be considered in December.

Sarah Oates states that the objection to the applications was submitted on October 9th but that the objection was not included in the board packet because it was not received by close of business on September 28 so she instructed the Nelson's attorneys to provide the documents to the board and that the documents would not need to be resubmitted to be included in the December packets.

Mark Springer confirms that the above information makes sense to Ms. Nelson.

Valarie Nelson confirms that it does make sense and asks if the board is finished with her at this time.

Mark Springer clarifies that her concerns will be considered in December.

Valarie Nelson states that she has a financial interest in the matter as a property owner and that she will be back in December when this matter is considered.

Brandon Emmett withdraws his motion for executive session.

2. License #10067:	Green Leaf	<u>TAB 65</u>
Licensee:	Green Leaf, Inc.	
License Type:	Retail Marijuana Store	
Premises Address:	4612 Halibut Point Road Sitka, AK 99835	
Local Government:	City & Borough of Sitka	
For Consideration:	Renewal lacking lease with board-required language	

Action taken with previous tab – tabled until the December meeting.

● **OPERATING PLAN CHANGES**

D. License #12254:	Lady Gray Gourmet Medibles	1:16pm	<u>TAB 76</u>
Licensee:	Lady Gray, LLC		
License Type:	Marijuana Product Manufacturing Facility		
Premises Address:	36322 Pine Street, Suite 1 Soldotna, AK 99669		
Local Government:	Kenai Peninsula Borough		

Jana Weltzin, legal counsel, and Tasha Grossl, licensee, identify themselves for the record.

Erika McConnell provides an overview of the application regarding the temporarily approved products and those that did not receive temporary approval.

Jana Weltzin provides an overview of the application regarding the temporarily approved products and those that did not receive temporary approval.

She states based upon action taken by the Board at the last meeting, she has removed the CBD option from all sections of the operating plan as shown in the board packet.

Brandon Emmett moves to approve, excluding Almond Joyfuls, as referenced in the letter to the licensee, (the changes to) Kief, Banana Chocolate Chip Mini Muffins, Banana Chocolate Chip Walnut Muffins, Blueberry Dream Muffins, Mocha Walnut Muffins, RAWlicious Brownie, Rosin, Cannabis Caps, Cannabis Coconut Oil, and Cannabis Butter.

Brandon Emmett amends his motion to not include Cannabis Caps, Cannabis Coconut Oil, Cannabis Butter, and Rosin.

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

*Brandon Emmett moves to approve (the changes to) the product Rosin.
Nick Miller seconds the motion.
Motion carries unanimously*

*Brandon Emmett moves to approve (the changes to) Cannabis Caps.
Nick Miller seconds the motion.
Motion carries unanimously.*

*Brandon Emmett moves to approve (the changes to) Cannabis Coconut Oil and Cannabis Butter.
Nick Miller seconds the motion.
Motion carries unanimously.*

Erika McConnell states that many of the changes that are requested to the products for which temporary approval was not granted are the same as the changes that were just approved for the other products. She states that the concern that the staff has regarding these products is that the licensee is requesting that these be changed to umbrella categories of different products, versus individual products. She says that the proposed products are separate products and not one product with minor variations.

Tasha Grossl states that some products have been approved by the Board that say “or comparable ingredients”, that she finds the ingredients that she is proposing are similar/comparable ingredients and that this is just an effort to not bog everyone down with getting everything approved.

Jana Weltzin states that she researched the FDA flavoring guide and that the colorings and flavorings are usually labeled more generally and that this application is only taking it a step further so that these items can become more streamlined. She says that the items that they are attempting to get umbrella approval for only have one ingredient swapped out and different packaging but are otherwise the same. She states that the applicant has a good working relationship with DEC as well.

Sarah Oates states that she believes that enforcement and the full staff have concerns regarding enforceability for product approvals. If each individual product is not approved it could make it much more difficult to determine if a product is approved or not. She states that if the board is planning on allowing umbrella categories, they first open a regulations project because the regulations state that the board must approve each individual product. She further states that if a project is opened, that

the board may want to be very specific regarding the umbrella category parameters so as to avoid opening Pandora's Box.

Jana Weltzin states that Sarah Oates' comments are well received and that the intent of the application is to provide clear parameters for their requested categories and that the information for each variation would be sent to DEC and Enforcement before moving forward.

Brandon Emmett states that if there was a product that said "may contain tree nuts" that he would be okay with doing that but that he agrees on the need for clarification regarding what would and would not be approved.

Jana Weltzin states that she agrees with Sarah Oates' idea of amending the form to allow for the identification of sub-categories and that her client (applicant) would be okay with waiting until December to consider these categories if the product packaging was approved now.

Mark Springer discusses the Elation product with Jana Weltzin and states that he would be okay with approving this product. He further states that the umbrella product concept that gives manufacturers leeway to customize product as they wish makes business sense but also presents a regulatory conundrum and merits further consideration.

Brandon Emmett moves to approve (the changes to) the product Elation.

Nick Miller seconds the motion.

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

Brandon Emmett moves to approve (the changes to Lady Gray's) Tincture.

Nick Miller seconds the motion.

Brandon Emmett states that the only difference that will occur is the scent or taste and that the ingredients list will reflect the same items and that all of the products will look the same.

Mark Springer states that the Board and staff should consider the idea of assigning numbers to all approved products.

Erika McConnell states that she would be interested in exploring this matter regarding assigning product numbers.

Motion to approve Lady Gray's Tincture carries, 4-1 (Loren Jones votes No).

Jana Weltzin states that her client is okay with not moving forward with the umbrella categories idea at this time, but she would like for the other changes to be approved.

Erika McConnell suggests that she could sit down with Ms. Weltzin and her client to temporarily approve those changes that were similar to the ones already approved and, then bring everything back in December.

Mark Springer states that he would like to open a regulation project to address the umbrella products issue, and to start assigning numbers to approved products.

Sarah Oates request a motion and vote.

Brandon Emmett moves to open a regulations project to have staff address the possibility and potential for an umbrella products category.

Nick Miller seconds the motion.

Motion carries unanimously.

E. License #12768:	Secret Garden Cannabis	1:54pm	<u>TAB 77</u>
Licensee:	Axion Enterprises, LLC		
License Type:	Retail Marijuana Store		
Premises Address:	726 E 15 th Avenue, Suite 1 Anchorage, AK 99501		
Local Government:	Municipality of Anchorage		

Brandon Emmett moves to approve the operating plan changes to license #12768 Secret Garden Cannabis retail marijuana store.

Jana Weltzin, legal counsel, and James Thornton, licensee, identify themselves for the record, provide a summary of the requested changes, and answer Board questions about the requests.

Nick Miller seconds the motion.

Motion carries unanimously.

F. License #12769:	Secret Garden Cannabis	1:59pm	<u>TAB 78</u>
Licensee:	Axion Enterprises, LLC		
License Type:	Marijuana Product Manufacturing Facility		
Premises Address:	726 E 15 th Avenue, Suite 2 Anchorage, AK 99501		
Local Government:	Municipality of Anchorage		

Brandon Emmett moves to approve the operating plan changes to license #12769 Secret Garden Cannabis marijuana product manufacturing facility.

Nick Miller seconds the motion.

Brandon Emmett retroactively amends his first motion (to the retail store) and amends this motion to include that the approvals are with delegation.

Erika McConnell states that there is nothing in the regulations that gives a local government a protest right to operating plan changes.

Motion carries unanimously.

G. License #12770:	Secret Garden Cannabis	2:04pm	<u>TAB 79</u>
Licensee:	Axion Enterprises, LLC		
License Type:	Standard Marijuana Cultivation Facility		
Premises Address:	726 E 15 th Avenue, Suite 3 Anchorage, AK 99501		
Local Government:	Municipality of Anchorage		

*Brandon Emmett moves to approve the operating plan changes to license #12770 Secret Garden Cannabis standard marijuana cultivation facility (with delegation if necessary).
Nick Miller seconds the motion.*

Jana Weltzin states that the licensee is not requesting to add any pesticides, only fertilizers, and that Mr. Thornton checked the DEC list to ensure that his previously-approved pesticides were on that list.

Motion carries unanimously.

H. License #14432:	Herban Extracts, LLC	2:07pm	<u>TAB 80</u>
Licensee:	Herban Extracts, LLC		
License Type:	Marijuana Product Manufacturing Facility		
Premises Address:	14927 Kenai Spur Highway Kenai, AK 99611		
Local Government:	City of Kenai		

*Brandon Emmett moves to approve the operating plan changes for Herban Extracts, LLC license #14432 with delegation.
Nick Miller seconds the motion.*

Jana Weltzin, legal counsel, and licensees Lisa Coates and Buddy Crowder identify themselves for the record, provide a summary of the requested changes, and answer Board questions about the requests.

The Board members agree that a licensee could change the color of packaging without requiring an operating plan change.

Jana Weltzin states that a photo of the final packaging would be sent to enforcement.

*Mark Springer states that the approval is with the consideration that the licensees may be able to get the snowflake back onto the cartridge, at which point they would notify the director.
Motion carries unanimously.*

I. License #15594:	Cold Creek Extracts	2:21pm	<u>TAB 81</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, describe the changes, and answer Board questions about the request.

*Brandon Emmett moves to approve the operating plan changes to license #15594 Cold Creek Extracts.
Nick Miller seconds the motion.*

Jason Brandeis asks if there's any way for the licensee to just add another type of packaging instead of completely changing it. He requests that the Board add to the delegation the ability for the licensee to revise the form to add this proposed packaging to the existing approved packaging, versus replacing the existing packaging as requested in the current form.

Mark Springer states that he's okay with that, and the other Board members nod in agreement.

Loren Jones requests that the delegation include the requirement that the licensee revise the form to clarify that by "plastic bag", the licensee is referring to a childproof Mylar bag.

Motion with delegation carries unanimously.

● **BREAK** **2:29pm**

● **REGULATIONS**

A. Proposed Projects

1. Testing Working Group Recommendations, Set 2 **2:50pm** **TAB 11**

Brandon Emmett and Sarah Oates provide a summary of the proposed changes for the Board. Sarah Oates states that there was not consensus on this draft – enforcement had concerns about the enforceability of the proposed definitions and preferred definitions from an earlier draft that came before the Board.

Loren Jones moves to put (the proposed regulations changes in) Tab 11 out for public comment. Brandon Emmett seconds the motion. Motion carries unanimously.

Brandon Emmett states that the Testing Working Group is working on a proposed guidance document that would include parameters for testing facilities, and he plans to bring forward much of the information from that document at a later date to the Board to consider putting into regulation.

2. Staff Recommendations **2:58pm** **TAB 12**

The Board members discuss the staff's recommendations.

Mark Springer states that it should be incumbent upon the Board to establish a record of why a denial of a license has occurred.

Brandon Emmett moves to open a regulations project on items 1-4 in the memorandum per as written. Nick Miller seconds the motion. Motion carries unanimously.

3. Board Requests

3:05pm

No requests.

B. Drafts for Board Review, Pending Public Comment Opportunity

1. Sample Jars

3:06pm

TAB 13

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

Brandon Emmett moves to send the draft out for public comment.

Nick Miller seconds the motion.

Motion carries unanimously.

2. Handler Permit Renewal Fee

3:09pm

TAB 14

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

Brandon Emmett moves to send the draft out for public comment.

Nick Miller seconds the motion.

Motion carries unanimously.

3. Follow Approved Operating Plan

3:11pm

TAB 15

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

Brandon Emmett moves to send the draft out for public comment.

Nick Miller seconds the motion.

Motion carries unanimously.

4. Inspection Parameters

3:12pm

TAB 16

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

Jeff Ankerfelt moves to put this out for public comment as written.

Brandon Emmett seconds the motion.

Loren Jones asks if this would or could include non-marijuana storage areas that aren't part of the licensed premises.

Erika McConnell states that her interpretation of that question is yes.

Mark Springer asks whether the draft could be amended to add "equipment and materials".

Brandon Emmett states that the Board has put the intent of what "other operations" is on the record enough times that it would include those elements.

Motion carries unanimously.

C. Public Comments Received

1. Extend Video Storage Retention Time

3:19pm

TAB 17

Status: Public comment period closed September 7, 2018
Potential Board Actions: Vote to adopt; OR
Substantially amend and put out for public comment

*Loren Jones moves to adopt the regulation as written.
Jeff Ankerfelt seconds the motion.*

The Board members discuss public comments received.

Motion fails unanimously.

2. Out-of-State Investment in Testing Facilities

3:26pm

TAB 18

Status: Public comment period closed September 7, 2018
Potential Board Actions: Vote to adopt; OR
Substantially amend and put out for public comment

*Brandon Emmett moves to adopt the regulations project as written.
Jeff Ankerfelt seconds the motion.*

The Board members discuss public comments received.

Loren Jones states that the Board should look at whether they should require out-of-state investment to come from someone who has proven experience in a testing facility from another state.

Sarah Oates states for the record that the other regulated states are having the same issues with testing as we are in Alaska.

Nick Miller states that he has concerns about out-of-state investors coming into Alaska and buying 50% of an existing successful testing facility.

Mark Springer states that maybe the Board should look into reciprocal licensing, where a testing facility that is licensed and in good standing in another state could apply to be a part investor here. He states that he would almost be inclined to wait and see what happens with the testing regime before the Board opens the door again.

Brandon Emmett withdraws his motion.

Loren Jones states that he could work on some language to bring back to the Board in December that reflects his comments.

The Board members nod and voice agreement.

- 3. Definition of Residency** **3:41pm** **TAB 19**
Status: Public comment period closed September 7, 2018
Potential Board Actions: Vote to adopt; OR
Substantially amend and put out for public comment

*Loren Jones moves that the Board vote to adopt.
Jeff Ankerfelt seconds the motion.*

The Board members discuss public comments received.

Motion carries unanimously.

- 4. License Conversion** **3:49pm** **TAB 20**
Status: Public comment period closed October 7, 2018
Potential Board Actions: Vote to adopt; OR
Substantially amend and put out for public comment

No public comments received.

*Loren Jones moves that the Board adopt the license conversation regulations.
Brandon Emmett seconds the motion.
Motion carries unanimously.*

- 5. Ownership Change Without Licensee Change; License Expiration for Renewal; Wholesale Concentrates to Retail Licensee** **3:53pm** **TAB 21**
Status: Public comment period closed October 7, 2018
Potential Board Actions: Vote to adopt; OR
Substantially amend and put out for public comment

No public comments received.

*Brandon Emmett moves to adopt ownership change without licensee change.
Nick Miller seconds the motion.
Brandon Emmett amends his motion to adopt ownership change without licensee change which would amend 3 AAC 306.045 by adding a new subsection (e).
No public comments received.
Motion carries unanimously.*

*Brandon Emmett moves to adopt the five changes to 3 AAC 306.035 for the regulations project regarding the license expiration for renewal.
Nick Miller seconds the motion.
Motion carries unanimously.*

Brandon Emmett states that he will recuse himself from discussion and voting of the last project in this group due to a business interest.

*Jeff Ankerfelt moves to adopt the amendment to 3 AAC 306.565(c) for the project regarding wholesale concentrates to retail licensee.
Nick Miller seconds the motion.*

Mark Springer states that this does not allow a retail marijuana store to fill vape pens.

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

Brandon Emmett rejoins the meeting.

- 6. Expiration of Public Notice** **4:08pm** **TAB 22**
- Status: Public comment period closed October 7, 2018
- Potential Board Actions: Vote to adopt; OR
Substantially amend and put out for public comment

No public comments received.

*Brandon Emmett moves to adopt (the expiration of public notice regulation project).
Nick Miller seconds the motion.
Motion carries unanimously.*

- 7. All Licensees to have Handler Permits; Effective Date of Ownership Change** **4:15pm** **TAB 23**
- Status: Public comment period closed October 10, 2018
- Potential Board Actions: Vote to adopt; OR
Substantially amend and put out for public comment

No public comments received.

*Loren Jones moves that the Board adopt the regulation changes to sections 3 AAC 306.320, 3 AAC 306.425, 3 AAC 306.530, 3 AAC 306.622, and 3 AAC 306.720.
Nick Miller seconds the motion.
Motion carries, 3-2 (Brandon Emmett and Nick Miller vote No).*

*Loren Jones moves that the Board adopt the ownership change regulation in 3 AAC 306.040.
Brandon Emmett seconds the motion.
Motion carries unanimously.*

● **MARIJUANA MAILBOX** **4:27pm**

- A.** All correspondence received in the marijuana@alaska.gov inbox from July 28 – September 28, 2018 **TAB 82**

Mark Springer states that there may be an email in there for the testing committee.

Brandon Emmett states that the email regarding paying for expedited review of an application speaks to the recommendation that the Board consider increasing the fees to fund the office.

● **DIRECTOR BRIEFING**

A. Director's Report

4:29pm

TAB 2

The Board members discuss whether it should consider a regulations project to increase the fees to fund the office.

Brandon Emmett moves to open a regulations project to explore raising fees for active and operating licenses.

Loren Jones seconds the motion.

Motion carries unanimously.

● **BOARD COMMENTS**

4:34pm

Jeff Ankerfelt thanks everyone for the experience the last couple of days.

Brandon Emmett thanks the director, staff, Ms. Milks, the other Board members, and the public. He states that if someone is going to have a marijuana event, then that person should pay close attention to the regulations and be sure to follow them.

Nick Miller thanks the staff and Harriet and welcomes Mikal Milton.

Loren Jones echoes everyone else's comments and apologizes if he delayed things.

Mark Springer thanks Governor Walker for appointing him and everyone else to the Board, and he states that he thinks the industry owes the Governor appreciation for allowing the Board to work very independently. He states that Ms. Milks does an ostensible job of representing the Governor's office and working for the Board. He reminds everybody that former Lt. Governor Byron Mallott's signature is on all of the Board's regulations, and that is part of his legacy. He thanks everyone who stuck around, and states that the time frame for getting these licenses issued is pretty decent and not as long as people think. He congratulates Canada for being a nationwide cannabis country.

● **NEXT MARIJUANA CONTROL BOARD MEETING**

4:42pm

Agenda deadline for December 20-21 meeting: November 30, 2018

Mark Springer states that the public hearing for onsite consumption will take place on December 19, and the next Board meeting will be the 20-21 in Anchorage.

● ADJOURN

4:43pm

Minutes prepared by:



Mikal Milton
Records and Licensing Supervisor

Minutes reviewed by:



Erika McConnell
Director