Alcohol and Marijuana Control Office
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Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

What is this form?

An operating plan is required for all marijuana establishment license applications. Applicants should review **Title 17.38** of **Alaska Statutes** and **Chapter 306** of the **Alaska Administrative Code.** This form will be used to document how an applicant intends to meet the requirements of those statutes and regulations. If your business has a formal operating plan, you may include a copy of that operating plan with your application, but all fields of this form must still be completed per 3 AAC 306.020(c).

What must be covered in an operating plan?

Applicants must identify how the proposed premises will comply with applicable statutes and regulations regarding the following:

- Control plan for persons under the age of 21
- Security
- Business records
- Inventory tracking of all marijuana and marijuana product on the premises
- Employee qualification and training
- Health and safety standards
- Transportation and delivery of marijuana and marijuana products
- Signage and advertising

Applicants must also complete the corresponding operating plan supplemental forms (**Form MJ-03, Form MJ-04, Form MJ-05,** or **Form MJ-06)** to meet the additional operating plan requirements for each license type.

Section 1 – Establishment & Contact Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Mr. Happy Farms LLC.	**MJ License #:**	17692		
License Type:	Limitied Marijuana Cultivation Facility				
Doing Business As:	Mr. Happy Farms LLC.				
Premises Address:	3900 N. Sierra St.				
City:	Wasilla	**State:**	Alaska	**ZIP:**	99654

Mailing Address:	17851 Yellowstone Dr.				
City:	Eagle River	**State:**	Alaska	**ZIP:**	99577

Designated Licensee:	Matthew Shelton		
Main Phone:	(907) 854-2247	**Cell Phone:**	(907)-854-2247
Email:	Msmatt02@gmail.com		

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Section 2 – Control Plan for Persons Under the Age of 21

2.1. Describe how the marijuana establishment will prevent persons under the age of 21 from gaining access to any portion of the licensed premises and marijuana items:

There will be posted signs on the restricted areas stating "Restricted Access Area. Visitors Must Be Escorted." All doors will remained locked at all times and only members of Mr. Happy Farms LLC. shall have access. Video surveillance will assist as entry points will will have cameras that can be monitored from inside the building.
Visitors will be required to show proof of identity and age (with government issued ID), sign a visitor log and be escorted at all times in the restricted areas. The company owner on duty shall review the visitor's identification and will not admit anyone under the age of 21.

Section 3 – Security

Restricted Access Areas (3 AAC 306.710):

3.1. Describe how you will prevent unescorted members of the public from entering restricted access areas:

All exterior doors shall remain locked at all times, with cameras pointed at all restricted access doorways and rooms to assist in monitoring access. The security system, when armed after hours, will detect and alert to any movement in the restricted areas.

3.2. Describe your recordkeeping and processes for admitting visitors into and escorting them through restricted access areas:

All visitors will be required to enter through the main door of the facility. The visitor will be required to show proof of age and identity by presenting a form of government-issued identification. Each of the owners will be trained in proper ID verification techniques and no one under the age of 21 will be admitted to the restricted area. Visitors 21 and over, with valid ID, and valid purpose will be issued a company visitor badge and will be escorted at all times while in the restricted areas. Visitors shall be limited to not more than five visitors per licensed escort. Visitors will also be logged when they enter and exit. Visitor logs will contain visitor's name, time and date of entry and exit, form of ID used, and name of escort. The logs will be kept, according to regulatory requirements, onsite for 6 months and archived offsite for a minimum of four years.

Visitors presenting with a suspected fraudulent ID or attempting to circumvent stated procedures will be denied access and law enforcement will be notified. Video logs may used to further assist law enforcement if necessary.

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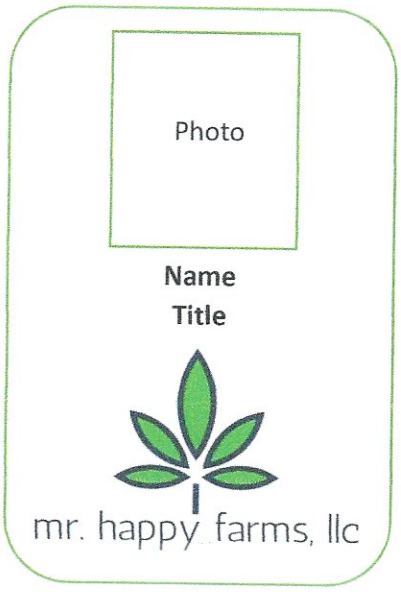
3.3. Provide samples of licensee-produced identification badges that will be displayed by each licensee, employee, or agent while on the premises, and of visitor identification badges that will be worn by all visitors while in restricted access areas:



Security Alarm Systems and Lock Standards (3 AAC 306.715):

3.4. Exterior lighting is required to facilitate surveillance. Describe how the exterior lighting will meet this requirement:

We will install a minimum of 2000 lumens security flood lights above both entry points illuminating 20+ ft out from the doors. We will also be installing color night vision cameras on the exterior of the building to increase viewing distance.

3.5. An alarm system is required for all license types that must be activated on all exterior doors and windows when the licensed premises is closed for business. Describe the security alarm system for the proposed premises, explain how it will meet all regulatory requirements, and outline your policies and procedures regarding the actions to be taken by a licensee, employee, or agent when the alarm system alerts of an unauthorized breach:

We will be using Frontpoint security company for break in, fire, and flood protection. There will only be two exterior doors and both will be equipped with breach sensors. Owners (the company, at this time, has no employees aside from the two members/owners) will have keyfobs to arm/disarm the system as well as having a panic button to carry concealed while on duty. When the alarm is activated from the onsite keypad or owner keyfob, any breach will automatically trigger an alert to the Frontpoint monitoring service and the designated company owner/contact. That individual will have access to immediately view the video log from their mobile device and confirm to Frontpoint if the access is authorized or not. If it is determined that there has been an unauthorized access or attempt, Frontpoint will promptly notify local law enforcement. The owner on duty will then proceed immediately to the site to assist law enforcement with any issues or investigation and will inform the other owners. As soon as is reasonably practical, but no longer than 24 hours after the unauthorized access, the owner on duty will contact AMCO to inform them of the event. If Frontpoint is, for any reason, unable to make contact with one of the owners, they will dispatch local law enforcement by default. All owners will also be able to log in and check the video feed at any time.

3.6. Describe your policies and procedures for preventing diversion of marijuana or marijuana product, including by employees:

Any unauthorized diversion of marijuana will not be tolerated at Mr. Happy Farms LLC. Any such act will be reported to proper authorities. We will prevent diversion by keeping all marijuana secured in locked restricted access areas and properly inventoried. These areas will also include video surveillance to assist with keeping unauthorized individuals out.

3.7. Describe your policies and procedures for preventing loitering:

We have an advantage of our location being set back more than 100' from the road access and its a private driveway to one of the managers home. To aid further, we will post signage of "Restricted Access" and "No tresspassing". Our policy will be to have a Mr. Happy Farms LLC. associate approach the individual and inform them of being on private property and to vacate the premises. If it persists proper law enforcment will be informed.

You must be able to certify the statement below. Read the following and then sign your initials in the box to the right: Initials

3.8. I certify that if any additional security devices are used, such as a motion detector, pressure switch, and duress, panic, or hold-up alarm, to enhance security of the licensed premises, I will have written policies and procedures describing their use. MS

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Video Surveillance (3 AAC 306.720):

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

3.9. The video surveillance and camera recording system for the licensed premises covers each restricted access area, and both the interior and exterior of each entrance to the facility. MS

3.10. Each video surveillance recording: is preserved for a minimum of 40 days, in a format that can be easily accessed for viewing (consistent with the Alcohol & Marijuana Control Office's approved format list); clearly and accurately displays the time and date; and is archived in a format that does not permit alteration of the recorded image. MS

3.11. The surveillance room or area is clearly defined on the Form MJ-02: Premises Diagram that is submitted with this application. MS

3.12. Surveillance recording equipment and video surveillance records are housed in a designated, locked, and secure area or in a lock box, cabinet, closet or other secure area where access is limited to the licensee(s), an authorized employee, and law enforcement personnel (including an agent of the Marijuana Control Board). MS

3.13. Describe how the video cameras will be placed to produce a clear view adequate to identify any individual inside the licensed premises, or within 20 feet of each entrance to the licensed premises:

All cameras will be placed in all required areas positioned towards the ceiling as to allow the best possible view with the least amount of obstruction. With all exterior doors, cameras will be placed in such a way that they get a clear view of anyone entering from the outside. In addition, these doors will also have cameras placed outside above the doorway aimed outward to achieve a 20+ foot oncoming view. All restricted access rooms will have a sufficient number of cameras to get a full view of activities, mounted high up to get best results.

3.14. Describe the locked and secure area where video surveillance recording equipment and original copies of surveillance records will be housed and stored, and how you will ensure the area is accessible only to authorized personnel, law enforcement, or an agent of the Marijuana Control Board. If you will be using an offsite monitoring service and offsite storage of video surveillance records, your response must include how the offsite facility will meet these security requirements:

We will utilize a safe mounted to the subfloor in secure storage. The safe will be large enough to store video recorder hard drive, all hard copies of paperwork, and any marijuana that is completely dried, tested and packaged for sale. This area shall remain locked at all times as well as all doors in our building, that only the owners will have access to. We will have enough storage on site to hold 40 + days of constant recordings.

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Section 4 – Business Records

Review the requirements under 3 AAC 306.755. All licensed marijuana establishments must maintain, in a format that is readily understood by a reasonably prudent business person, certain business records.

4.1. I certify that the following business records will be maintained and kept on the licensed premises: Initials

a. **all books and records necessary to fully account for each business transaction conducted under my license for the current year and three preceding calendar years** *(records for the last six months must be maintained on the licensed premises; older records may be archived on or off-premises)*; MS

b. **a current employee list setting out the full name and marijuana handler permit number of each licensee, employee, and agent who works at the marijuana establishment;** MS

c. **the business contact information for vendors that maintain video surveillance systems and security alarm systems for the licensed premises;** MS

d. **records related to advertising and marketing;** MS

e. **a current diagram of the licensed premises, including each restricted access area;** MS

f. **a log recording the name, and date and time of entry of each visitor permitted into a restricted access area;** MS

g. **all records normally retained for tax purposes;** MS

h. **accurate and comprehensive inventory tracking records that account for all marijuana inventory activity from seed or immature plant stage until the retail marijuana or retail marijuana product is sold to a consumer, to another marijuana establishment, or destroyed;** MS

i. **transportation records for marijuana and marijuana product, as required by 3 AAC 306.750(f); and** MS

j. **registration and inspection reports of scales registered under the Weights and Measures Act, as required by 3 AAC 306.745.** MS

4.2. A marijuana establishment is required to exercise due diligence in preserving and maintaining all required records. Describe how you will prevent records and data, including electronically maintained records, from being lost or destroyed:

All hardcopy forms, inspection reports, logs, and tracking records will be scanned and retained along with all electronic records in the company's electronic file drive. The file drive will be configured to automatically back up to a cloud server on a nightly basis. Hard-copy and electronic records current to six months will be maintained onsite as well as backed up off site. Archived records beyond six months will be maintained in offsite storage, easily retrievable when needed.

Section 5 – Inventory Tracking of All Marijuana and Marijuana Product

Review the requirements under 3 AAC 306.730. All licensed marijuana establishments must use a marijuana inventory tracking system capable of sharing information with Metrc to ensure all marijuana cultivated and sold in the state, and each marijuana product processed and sold in the state, is identified and tracked from the time the marijuana is propagated from seed or cutting, through transfer to another licensed marijuana establishment, or use in manufacturing a marijuana product, to a completed sale of marijuana or marijuana product, or disposal of the harvest batch of marijuana or production lot of marijuana product.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

5.1. My marijuana establishment will be using Metrc, and if any other tracking software is used, it will be capable of sharing information with Metrc. MS

5.2. All marijuana delivered to a marijuana establishment will be weighed on a scale registered in compliance with 3 AAC 306.745. MS

5.3. My marijuana establishment will use registered scales in compliance with AS 45.75.080 (Weights and Measures Act), as required by 3 AAC 306.745. MS

Section 6 – Employee Qualification and Training

Review the requirements under 3 AAC 306.700. A marijuana establishment and each licensee, employee, or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or a marijuana product, or who checks the identification of a consumer or visitor, must obtain a marijuana handler permit from the board before being licensed or beginning employment at a marijuana establishment.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

6.1. Each licensee, employee, or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or marijuana product, or who checks the identification of a consumer or visitor, shall obtain a marijuana handler permit from the board before being licensed or beginning employment at the marijuana establishment. MS

6.2. Each licensee, employee, or agent who is required to have a marijuana handler permit shall keep that person's marijuana handler permit card in that person's immediate possession (or a valid copy on file on the licensed premises) when on the licensed premises. MS

6.3. Each licensee, employee, or agent who is required to have a marijuana handler permit shall ensure that that person's marijuana handler permit card is valid and has not expired. MS

6.4. Describe any in-house training that will be provided to employees and agents (apart from a marijuana handler course):

We may employ contractors at some point. On top of a required marijuana handlers permit we mentor all employees/contractors under close supervision. As far as training we will regularly check the AMCO website for a change in statutes or regulations to update our policies and procedures. We will also seek out local organizations and groups to keep apprised of new techniques in the cannabis industry, to continue to put out the best quality product in the most efficient manner.

Section 7 – Health and Safety Standards

Review the requirements under 3 AAC 306.735.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

7.1. I understand that a marijuana establishment is subject to inspection by the local fire department, building inspector, or code enforcement officer to confirm that health or safety concerns are not present. mS

7.2. I have policies regarding health and safety standards (including: ensuring a person with an illness or infection does not come into contact with marijuana or marijuana product; good hygienic practices; cleaning and maintenance of equipment and the premises; pest deterrence; chemical storage; sanitation principles; and proper handling of marijuana and marijuana product) and will take all reasonable measures and precautions to ensure that they are met or exceeded. mS

7.3. I have policies to ensure that any marijuana or marijuana product that has been stored beyond its usable life, or was stored improperly, is not salvaged and returned to the marketplace. mS

7.4. I have policies to ensure that in the event information about the age or storage conditions of marijuana or marijuana product is unreliable, the marijuana or marijuana product will be handled in accordance with 3 AAC 306.735(d). mS

Answer "Yes" or "No" to each of the following questions:

	Yes	No
7.5. Adequate and readily accessible toilet facilities that are maintained and in good repair and sanitary condition are clearly indicated on my Form MJ-02: Premises Diagram.	☐	☑
7.6. Convenient handwashing facilities with running water at a suitable temperature are clearly indicated on my Form MJ-02: Premises Diagram.	☐	☑

7.7. If you answered "No" to either 7.5 or 7.6 above, describe how toilet and/or handwashing facilities are made accessible, as required by 3 AAC 306.735(b)(2):

We will utilize the residence at 3900 N. Sierra st. we will have a shop sink in the garage with hot and cold running water, as well as a full bathroom in the basement level of the house. We will have full access during our normal operating hours

Section 8 – Transportation and Delivery of Marijuana and Marijuana Products

Review the requirements under 3 AAC 306.750.

8.1. Describe how marijuana or marijuana product will be prepared, packaged, and secured for shipment. Include a description of the type of locked, safe, and secure storage compartments to be used in vehicles transporting marijuana or marijuana product:

After marijuana has completed every phase of curing and test results have come back with approval to sell, the product will be packaged in accordance with standards in 3 AAC 306.750. Packages will be placed in locked, secure storage in the building. When ready to sell, packages will be removed from inventory and a transportation manifest will be generated and accompany the shipment at all times. Once the driver has made sure all appropriate paperwork is completed, he will remove the package from locked storage in the building and transfer it to a steel "Tuff Box" that will be bolted to the steel substructure of the vehicle. This box will have a tamper resistant barrel lock; this is an underseat storage box which will aid in keeping it discreet.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

8.2. The marijuana establishment from which a shipment of marijuana or marijuana product originates will ensure that any individual transporting marijuana shall have a marijuana handler permit required under 3 AAC 306.700. MS

8.3. The marijuana establishment that originates the transport of any marijuana or marijuana product will use the marijuana inventory tracking system to record the type, amount, and weight of marijuana or marijuana product being transported, the name of the transporter, the time of departure and expected delivery, and the make, model, and license plate number of the transporting vehicle. MS

8.4. The marijuana establishment that originates the transport of any marijuana or marijuana product will ensure that a complete printed transport manifest on a form prescribed by the board must be kept with the marijuana or marijuana product at all times during transport. MS

8.5. During transport, any marijuana or marijuana product will be in a sealed package or container in a locked, safe, and secure storage compartment in the vehicle transporting the marijuana or marijuana product, and the sealed package will not be opened during transport. MS

8.6. Any vehicle transporting marijuana or marijuana product will travel directly from the shipping marijuana establishment to the receiving marijuana establishment, and will not make any unnecessary stops in between except to deliver or pick up marijuana or marijuana product at any other licensed marijuana establishment. MS

8.7. When the marijuana establishment receives marijuana or marijuana product from another licensed marijuana establishment, the recipient of the shipment will use the marijuana inventory tracking system to report the type, amount, and weight of marijuana or marijuana product received. MS

8.8. The marijuana establishment will refuse to accept any shipment of marijuana or marijuana product that is not accompanied by the transport manifest. MS

Section 9 – Signage and Advertising

9.1. Describe any signs that you intend to post on your establishment with your business name, including quantity, dimensions, graphics, and location on your establishment (photos or drawings may be attached):

We do not plan on any exterior signage (other than "Restricted Area" and "No Loitering") at this time for security reasons.

9.2. Describe any advertising you intend to distribute of your establishment. Include medium types and business logos (photos or drawings may be attached):

Other than our labels and business cards, we will not actively advertise. We will use our attached logo for our business cards and labels.

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

Signature of licensee

Notary Public
SHARON G. CRUZ
State of Alaska
My Commission Expires Sept . 1, 2020

Notary Public in and for the State of Alaska

Matthew Shelton

Printed name of licensee

My commission expires: 09/01/2020

Subscribed and sworn to before me this 3RD day of MAY, 2018.

Received by AMCO 05.03.18

LICENSE 17692 - SAMPLE LOGO

mr. happy farms, llc

AMCO Received 11/13/2018