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

Alaska Marijuana Control Board

# Form MJ-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:** | HS Enterprises LLC | **MJ License #:** | 17176 | | |
| **License Type:** | Retail Marijuana Store | | | | |
| **Doing Business As:** | State of Mind Cannabis Company | | | | |
| **Premises Address:** | 33508 Lincoln Ave, #C | | | | |
| **City:** | Seward | **State:** | Alaska | **ZIP:** | 99664 |

| | | | | | |
|---|---|---|---|---|---|
| **Mailing Address:** | 33508 Lincoln Ave, #C | | | | |
| **City:** | Seward | **State:** | Alaska | **ZIP:** | 99664 |

| | | | |
|---|---|---|---|
| **Designated Licensee:** | David W. Hettick Sr | | |
| **Main Phone:** | 907-831-1053 | **Cell Phone:** | 907-362-1877 |
| **Email:** | stateofmindcannabis@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:**

State of Mind Cannabis Company will refuse entrance to any person who does not produce a valid photo identification showing that person is twenty-one (21) years of age or older. A valid form of identification includes: (1) an unexpired, unaltered passport, (2) an unexpired, unaltered driver's license, instruction permit or identification card of any state or territory if the United States, the District of Columbia, or a province of Canada; and (3) an identification card issued by a federal or state agency authorized to issue a driver's license or identification card. At no time will a person under the age of twenty-one (21) years of age be permitted to remain on the premises. If at any time an employee suspects that a person is under twenty-one (21) years of age the employee will refuse access and have the individual escorted off the premises. All employees will request government issued identification from all customers and will thoroughly examine each ID before allowing entrance into the retail store. In addition to passing the marijuana handlers card course, employees will be trained to spot the inconsistencies of a forged identifications. They will be given an ID guide to help them recognize ID's from other states and countries. Signage will be posted at the main entry door way stating, "No one under twenty-one (21) years of age allowed". The sign will be twelve (12) inches long and twelve (12) inches wide and the letters will be on half inch in height in high contrast to the background of the sign.

## 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:**

The facility will be equipped inside and outside with 24 hours a day 7 days a week video surveillance system and exterior security lights. The restricted access area will be clearly marked. Access will only be granted to employees and licensees and signage will be displayed on the entrance to each restricted access area indicating that members of the public are not allowed access. At least one employee will always be present behind the counter, ensuring customers do not enter the restricted access area behind the counter. All visitors must be pre-approved by either of the owners. Restricted areas will always be locked. Back up keys will be granted to managers and the owners only. Proper signs according to 3 AAC 306.710 "Restricted access area, Visitors must be escorted", will be posted on each restricted access area entrance.

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

A record log for visitors will be kept in the authorized access area. This log will have details on the visitors' name, ID/DL number (confirming age of twenty-one (21) years of age and older, date, time, and authorized persons name escorting them. The escort will then assign them a visitor badge. The badge number will be noted in the visitor log. The visitors will always remain with the escort. If the visitors have personal issues to attend to the authorized visit will end and the will be escorted out of the authorized area. Furthermore, per 3 AAC 306.710 (b) the number of visitors per escort will be limited to 5 persons.



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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:**

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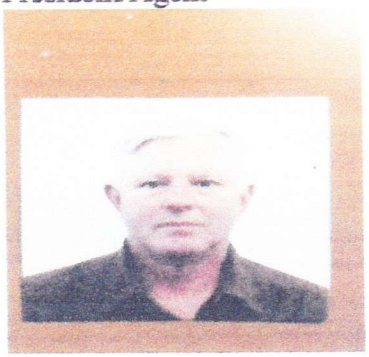
CANNABIS CO.

David Hettick Sr.
President/Agent



Retail Marijuana Store
License No. 17176
MJ Handler Permit No. 16949

**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:**

Exterior lights will be installed against the building, 6 HID lights in front and 2 on the exterior door in the back, in order to keep the premises, signs, and doors and to ensure video surveillance cameras are capable of recording individuals within 20 feet from any entry point to the facility. Light fixtures will be installed in such a way to deter vandalism and common obstructions. The licensees or designated employee will inspect exterior lighting frequently to ensure proper functionality and position for optimal recording and to deter criminal activity on the premises.



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**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:**

During business hours motion activated sensors and video surveillance will be active. During the period of closing the business exterior entry points will be alarmed to include glass break sensors that will be continuously active. During non-operational hours glass break sensor, motion detectors, exterior lighting and video surveillance will be operational. All video surveillance will be operational 24/7 as well as continuously monitored by 24/7 on site security.
Sensors and cameras work off different systems to protect against equipment failure. All systems intrusions are reported to restricted access employees immediately. Battery powered cameras protect against power loss. The security system alerts members of staff by computer or smart phone prior to law enforcement notification. If an unauthorized breech has occurred a staff member will sound an alarm and call the police if necessary. If breach warrants notifying law enforcement, staff will call 911 for emergencies and the local police department for non-emergencies such as loitering or suspicious activity.
Will notify AMCO per 3AAC 306.715 (e) A marijuana establishment shall notify the Department of Commerce, Community, and Economic Development, Alcohol and Marijuana
Control Office as soon as reasonably practical and in any case not more than 24 hours after any unauthorized access to the premises or the establishment's knowledge of evidence or circumstances that reasonably indicate theft, diversion, or unexplained disappearance of marijuana, marijuana products, or money from the licensed premises.

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

Marijuana will be stored in restricted areas with video surveillance. Products will only be accessible to staff and not given to customers until payment is received and the customer is exiting the premise. No bags, backpacks will be allowed in the areas where cannabis products are kept. Any person caught stealing, including employees, will be held to the full extent of the law. As per 3AAC 306, Regulations for the marijuana control board, specifically in reference to 3AAC 306.730; inventory tracking. If at any time, inventory tracking has discrepancies that can't be explained, the business will close for operations until the discrepancies have been resolved. As per inventory tracking regulations, State of Mind Cannabis Company will keep active tracking up to date with METRC.

**3.7. Describe your policies and procedures for preventing loitering:**

A "No Loitering" sign will be prominently posted on the exterior of the building. Loitering outside the retail store will be met with a request from employees to leave the premises. The loitering individual will be given a verbal warning that law enforcement will be notified if they do not comply. David, Erin or a designated employee will complete a walk around of the facility to look for suspicious activity of people who have no legitimate business being on the property and ask them to leave if sighted. The last resort is to reach out to law enforcement personnel for assistance if needed. In the retail area, an employee will be constantly interacting with customers. If customers no longer have a purpose inside the retail store or display area, employees will politely state that we have a "No Loitering" policy and customers are then asked to leave. The retail store will have a single and secure entrance for all visitors. The entrance and perimeter of the building well be always monitored by security cameras. David and Erin will work with AMCO enforcement and local law enforcement, if necessary, to secure the premises, prevent business practices which could entice or allow loitering, and escort all loitering individuals off the premises as soon as possible. Employees will maintain a regular periodic check around the property to deter any unauthorized persons.

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.**



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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.**

**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.**

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

**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).**

**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:**

Multiple cameras will be used in order to record all areas of the establishment, inside and outside at multiple angles and at a height that will provide a clear, unobstructed view. Cameras will be carefully placed to prevent any blockage from fixtures, posts, display cases, or other equipment. All security cameras will be positioned in such a manner as to get the best facial image of anyone present within the building and within twenty (20) feet of the the exterior entry point. David intends to install the cameras himself as he has past experience doing so. In the event that he needs assistance, he will call LiveWatch support line. The front entrance door of the retail store will have cameras documenting the face of anyone going in or out. All exterior corners of the building will have cameras installed to facilitate monitoring of all activity on each side of the building. The parking lot and entrance will also have video coverage. A failure notification system will be installed to provide audible and visual notification of any failure in the electronic monitoring system. During a power outage all video cameras and recording equipment will be run on emergency power with a battery backup system to ensure that they will continue to operate for at least one (1) hour.

**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:**

All surveillance recording equipment and footage will be stored in the secured cabinet in a locked box like a safe and with the hard drive backups. Business records and data will also be backed up the Cloud to further ensure no loss or destruction of records. The office will be accessible only by David, Erin and employees and the business records will be stored in a locked cabinet only accessible to David and Erin or AMCO enforcement/law enforcement upon request. The security system will only be accessible with a password, so no tampering with data will be possible. Data will be stored on the security system's DVR for a minimum of forty (40) days. Data has the ability to be uploaded to a separate hard drive to maintain records for longer than forty (40) days if there is a pending criminal, civil, or administrative investigation. These recordings will include the time and date stamp, and will be archived in a format that does not permit alteration of the recorded image. Recordings will be available to AMCO and local law enforcement upon request.



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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)*;

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;**

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

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

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

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

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

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;**

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

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

**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 business records, including operational and regulatory documents, recordings, surveillance, financial books, inventory and employment records, logs, manifests, and communications, will be stored on-site in the office. Facility records will be managed by David and Erin in accordance with standard retention policies to ensure that business records are stored in a consistent and searchable manner. Records within the facility will be stored in the office in a locked cabinet, separate from all storage of marijuana products and currency. Only licensees, employees, and AMCO enforcement will have access to the office and only the licensees will have access to the cabinet that houses business records.



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## 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.**

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

**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.**

## 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.**

**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.**

**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.**

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

Initially, David and Erin will be the only employees, but as the company grows, qualified individuals will be given all necessary education and training upon hiring to be proficient in their jobs, as well as a probationary period during which time they will receive training and evaluation. All employees and agents must obtain their marijuana handler permit prior to employment, including David and Erin. Employees will be trained in handling of marijuana and sanitary procedures to ensure the marijuana is kept free from dirt and germs. Employees will also be provided with general security information and learn how to handle security and emergency situations. Each employee will be provided with any written materials generated by the company regarding procedures and State Laws and Regulations.



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## 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.**

**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.**

**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.**

**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).**

| 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):**

N/A

## 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:**

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. There will also be a printed manifest documenting pick up and delivery dates, locations and times as well as the weight, type and amount of marijuana. All of which is tracked by the marijuana tracking system that State of Mind Cannabis Company will be using known as METRC or something similar.
The type of safe that State of Mind Cannabis Company will be using is a steel box located inside the vehicle and is tamper resistant. The steel lock box will not be within direct reach of the driver and the driver is not to deviate from the predetermined route unless in case of serious emergency.



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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.**

**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.**

**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.**

**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.**

**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.**

**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.**

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

## 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):**

State of Mind Cannabis Company will post up to a total of two (2) signs with their business name and logo on it visible to the general public. Each sign will not exceed 4,800 square inches and will be attached to the building or in the store window.



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

Clothing
Bags
Vehicles
Magazines
Newspaper
Weedmaps
Cannabis Apps
Website

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

Signature of licensee

David W. Hettick Sr.
Printed name of licensee

JOHN SCHWENKE NOTARY PUBLIC STATE OF ALASKA

Notary Public in and for the State of Alaska

My commission expires: 3/25/2020.

Subscribed and sworn to before me this 2nd day of April, 2018.



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**(Additional Space as Needed):**

Retail Sales Labels will include all the following clearly and easily displayed on every product.

Business Name: State of Mind Cannabis Company
License Number: 17176
Strain:
Batch/Lot Number:
Gross Weight:
Net Marijuana Weight:
Packaging Date:
Expiration Date:
THC: (% or mg depending on whether it's a product or flower).
Alaska Safety Warning: As per 3 AAC 306.345. Packaging and labeling "Marijuana has intoxicating effects and may be habit forming and addictive."; (B) "Marijuana impairs concentration, coordination, and judgment. Do not operate a vehicle or machinery under its influence."; (C) "There are health risks associated with consumption of marijuana."; (D) "For use only by adults twenty-one and older. Keep out of the reach of children."; (E) "Marijuana should not be used by women who are pregnant or breast feeding.".

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