

## Department of Commerce, Community, and Economic Development

ALCOHOL AND MARIJUANA CONTROL OFFICE 550 West 7th Avenue, Suite 1600 Anchorage, AK 99501 Main: 907.269.0350

## **MEMORANDUM**

TO: Marijuana Control Board DATE: November 13, 2019

FROM: Erika McConnell, Director RE: Alaska Loven It, LLC #12833, Standard

Cultivation Facility

Alaska Loven It, LLC is a standard marijuana cultivation facility owned by Alaska Loven It, LLC, a limited liability company in good standing owned by Dan Coglianese 50% and Janiese Stevens 50%.

The applicant originally came before the board on January 24, 2018. The board denied the application because the applicant was growing plants in the facility before board approval and the City of Homer had protested the application for that reason.

On April 5, 2018, the board reconsidered and approved the license with delegation. The City of Homer lifted its protest on May 17, 2018. All delegated items were resolved, the license was issued on November 1, 2018, and the license status was changed to "Active-pending inspection." The facility was "created" in Metrc on November 9, 2018. The licensee has not contacted AMCO to request an inspection.

The licensee was before the board on July 11, 2019, to explain why they have been in active-pending inspection status for so long. The minutes indicate Ms. Stevens stated that they are working on becoming operational by October but that they would like to pad it by a couple of months. The board requested a report at this November meeting.

As explained in the bullet points below, the licensee has been planting and growing plants in the facility since March of 2019. Ultimately, between March 4 and today, the licensee has planted 606 plants that were later reported as destroyed. While the notes in Metrc indicate that the plants died, AMCO is unable to confirm this, as there has been no inspection of the facility and no inspection of camera coverage or implementation of the requirement to maintain surveillance video. AMCO also has no knowledge of what happened to the plant waste. This is not an accusation of wrong doing, but a statement that AMCO has no way to determine what is happening in the facility.

In addition, the licensee is currently growing 389 plants in the vegetative phase and 20 clones that are not yet tagged and tracked.

AMCO became aware of planting activity at this facility in September. On September 11, 2019, Investigator Bankowski attempted to contact Mr. Coglianese, but as Mr. Coglianese's voicemail box was full, Investigator Bankowski was unable to leave a message.

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Investigator Bankowski traveled to Homer on September 18. He attempted to contact Mr. Coglianese by phone and by email on September 18, but got no response to either attempt. The facility was located behind a closed drive gate. He attempted contact again on September 19 but received no response.

During the week of September 23, 2019, Mr. Coglianese called AMCO and spoke to Investigator Hamilton, inquiring about a different license where he is currently employed. Investigator Hamilton asked Mr. Coglianese about the status of Alaska Loven It. Mr. Coglianese stated that he has not requested inspection yet because of problems with investors, and he hopes to be ready soon. He stated that he has been continually cutting back his plants to 18 inches so that he would remain in compliance with pre-inspection standards.

The purpose of allowing cultivation licensees to bring plants into their facility before inspection is to allow them to establish the mother plants, clones, and seeds they will have by "immaculate conception" upon starting in the legal market, and to allow AMCO Enforcement to confirm this and, for limited cultivation, the size of the grow before issuing the license. Licensees are expected to move their plants in shortly before requesting inspection, not seven months before an inspection is even contemplated. The allowance is not for the licensee to grow multiple batches of marijuana prior to being issued the license, prior to having camera coverage, and prior to otherwise operating within the statutory and regulatory environment.

The individuals associated with this license have <u>again</u> demonstrated that they do not understand the rules and regulations of the commercial marijuana program, and are willing to push the envelope by growing hundreds of plants for months in a facility <u>for which they do not have a license</u>. After initial denial, the board decided to give these individuals a second chance, but they have abused the system yet again. I recommend that the board reconsider its approval of April 5, 2018, and deny license #12833.

## Licensee's history of growing plants at the facility, starting March 4, 2019:

- On March 4, 2019, the licensee created the 13 plant batches in Metrc, planting 415 clones in those plant batches. Some of the clones are entered as destroyed on May 14, 2019, and the remaining clones were reported destroyed on October 29, 2019.
- On May 14, 2019, the licensee created eight plant batches, planting 104 clones in those plant batches. All 104 plants were reported destroyed on October 29, 2019.
- On September 22 and 23, the licensee created 21 plant batches in Metrc. Eight plant batches had a total of 31 plants that were started from seed. Of those 31, five were destroyed, and the remaining 26 were tagged and moved to the vegetative phase on October 29, 2019. Thirteen plant batches contained 371 clones planted. Of those, 39 plants were reported destroyed on October 29, 2019, 20 remain untagged, and 312 plants were tagged and moved to the vegetative phase on October 29, 2019. (Metrc shows 21 plant batches of 21 plants each, all called "Fritz Fire." Notes in Metrc state, "Accidentally created 21 batches of 21 plants instead of just 1 batch of 21 plants. Destroying all per METRC personnel over the

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phone and starting from scratch." The 21 referenced batches are not counted in the statistics presented here, but do show in the Metrc reports attached to this memo.)

- On October 29, 2019, five plant batches were created in Metrc, with 92 clones in those plant batches. Forty-three of the clones were reported destroyed on the same day as planting with the note "error." The remaining 49 plants were tagged and moved to the vegetative phase on the same day they were planted (October 29).
- On November 7, 2019, two plant batches were created in Metrc, with two clones (one taken from a plant that was planted on September 23, 2019) planted. Both were immediately tagged and moved to the vegetative phase.

Attachments: #12833 All Plant Batches

#12833 All Plants





































