Alcohol and Marijuana Control Office
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Anchorage, AK 99501
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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:	Arctic Hydroponics, LLC	**MJ License #:**	19279		
License Type:	Standard Marijuana Cultivation				
Doing Business As:	Arctic Hydroponics, LLC				
Premises Address:	47256 South Brookestar's Circle Suite A				
City:	Willow	**State:**	Alaska	**ZIP:**	99688

Mailing Address:	189 E Nelson Ave Box 143				
City:	Wasilla	**State:**	Alaska	**ZIP:**	99654

Designated Licensee:	Kenneth Champ		
Main Phone:	907-715-6333	**Cell Phone:**	907-715-6333
Email:	kenny_champ@yahoo.com		

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OCT 01 2019

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:

All visitors to the facility will need to demonstrate via appropriate identification that they are over 21 years of age before being allowed to access the facility. Anyone without identification and/or under the age of 21 may not enter the facility. Valid identification includes: state or federal driver license, passport, or any other form of identification deemed appropriate by state law or regulation. Signage stating that no one under 21 years of age is permitted will be displayed.

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:

A coded keypad is in place for security on the doors to limit access. It is the applicant's preference that all visitors will call ahead and establish an appointment time before visiting the facility. All outside doors to the facility will remained locked at all times, and all restricted access areas will be secure and under surveillance, so entry to the facility by an unescorted visitor will not be possible, and anyone entering a restricted access area will be on camera. Video surveillance will record all entries, exits, and rooms with the facility. Upon arrival, an employee escort will request identification from the visitor, confirm that the visitor is over 21 years of age, enter information in the visitor log, and issue a visitor badge to the visitor. Each visitor will be escorted by an employee, who will remain with the visitor for the duration of their visit. No employee will escort more than five visitors at a time. The visitor policy shall apply to all facility visitors including, but not limited to, contractors, wholesale purchase customers, and delivery/transportation drivers.

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

Upon arrival, visitors will be screened and issued a visitor badge. An employee escort will request identification from the visitor, complete the visitors log, and issue a visitor badge. Information on the visitor log includes name, date of birth, current date and time in/out, email address, phone number, purpose for visit, and the employee escort name. Visitors are required to wear badge at all times. The employee escort is required to remain with the visitor and is responsible for recording the time the visitor leaves and retrieving the visitor badge. Copies of the visitor log will be made regularly and maintained with the company's books and records.

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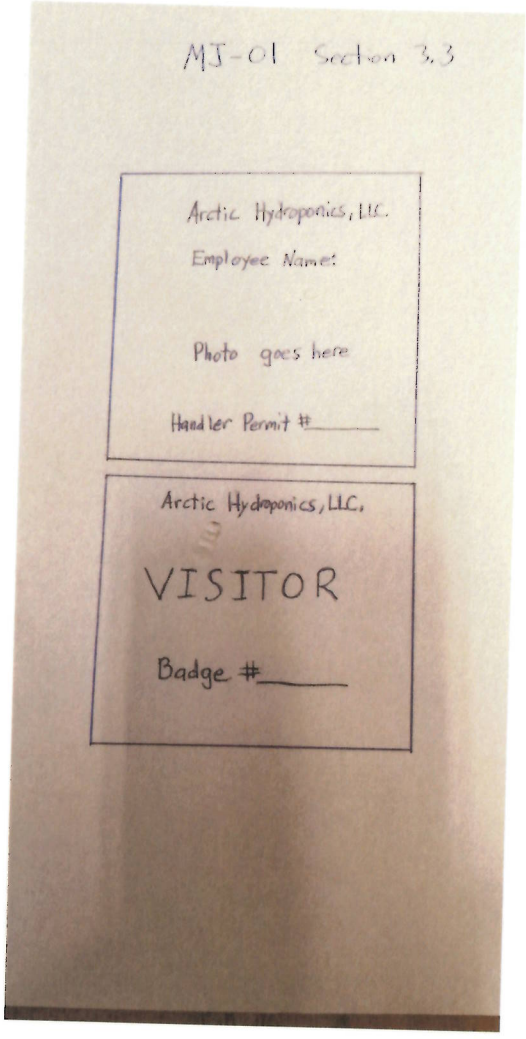
3.3. Provide samples of licensee-produced identification badges that will be displayed by each licensee, employee, or agent while on the premises, and of visitor identification badges that will be worn by all visitors while in restricted access areas:



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:

Commercial-type lighting will be provided at all facility exits and entrances as well as on each side of the buildings. Some of the lighting may be motion sensitive and other lighting may remain on at all times. Security cameras will be IR capable, and the field of view will cover the approach to each exterior door.

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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:

All doors to the facility have alarms (there are no windows in the facility). Alarms will be monitored by motion sensor/IR cameras. The security system is comprised of a main control panel with panic functions for fire, emergency and medical. Motion detection cameras will be in all rooms and cover all doors and windows. Interior and exterior alarms will be in place. Any unauthorized entry when the system is armed will trigger the alarm and alert the security company which will notify law enforcement.

Alarms will be engaged by an employee when the facility is closed every day, and disengaged upon opening. In the event of an alarm trigger/security breach while the facility is staffed, employees will assess situation and take appropriate action, including de-escalation, evacuation if possible, and immediately contacting law enforcement. If it is safe to do so and if the situation allows, employees will remain at the facility to assist law enforcement or emergency personnel. If facility is vacant and the alarm is tripped, law enforcement will be immediately notified and the licensee or authorized agents will return to facility to assist emergency personnel and verify safety of the establishment.

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

All marijuana products on premise will only be handled by licensee, employees, or agents designated by licensee. All will have required marijuana handler permit. All marijuana product on premise will be logged in and tracked in accordance with METRC or any other seed to sale tracking system required by state regulators. Employees will be trained on the seriousness and consequences of diversion and will be trained on how to spot potential diversion. The tracking system and recorded weights of product should detect any change to marijuana supply and irregularities, so action can be immediately taken. The facility will be under constant video surveillance, with cameras running 24/7 365 days a year indoors and outdoors, and recordings will be stored for a minimum of 40 days. Should any diversion be suspected, a review of the surveillance tapes will aid in identification of perpetrator and the matter will be referred to AMCO and law enforcement for additional investigation. If diversion is determined to have occurred, AMCO enforcement and other law enforcement agencies will be notified. All employees including bags, backpacks, purses, may be subject to random search as a part of a condition of employment. Furthermore, employees will place all personal belongings into a separate locker when coming to work.

3.7. Describe your policies and procedures for preventing loitering:

Signs will be posted stating no loitering and no trespassing is permitted and that the area is video monitored 24/7. Authorities will be notified of any trespassers, loitering, or suspicious activities.

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. MC

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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. NC

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. NC

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

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). NC

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 (indoor and outdoor) used at the licensed premises will be high-definition and mounted at a sufficient height (approximately 8 to 12 feet off the ground) so as to allow for nighttime and low-light viewing and recording, and to allow for facial identification of individuals in view of the cameras.

Cameras will be placed outdoors near all entrances and exits to and from the facility, so as to allow for clear monitoring within 20 feet of each entrance/exit. This includes entrances/exits of the building structures that are on the licensed premises as well as the entrance/exit to the fence surrounding the licensed premises. Additionally, because this facility has restricted access areas that are outdoors (the area within the fence line surrounding the buildings), additional cameras will be placed outdoors so as to monitor all activity within these outdoor restricted access areas as well.

Indoor cameras will be placed inside all physical structures on the licensed premises so as to allow for clear viewing and recording of all activities within the restricted access areas (i.e., within each room of each structure, except for the bathroom).

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 video surveillance will be stored in a digital format on a local device and backed up on a hard drive. Storage will be sized to maintain a minimum of 40 days of recording and a digital backup of all data. The server rack will consist of a wall mountable, locked cabinet containing all surveillance recording equipment. The room where surveillance equipment is stored will be locked at all times and will only be accessible by licensee and certain designated employees.

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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)*; KC

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;** KC

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

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

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

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

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

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;** KC

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

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

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 records are kept on premise in a locked file, cabinet or safe. These records are available for inspection upon request. These records include but are not limited to: a current employee list and handlers card information, contact information for vendors, video surveillance, and alarm system, records on advertising and marketing, visitor logs, tax records, sales information, premise diagram and transportation records. Digital records will be backed up at the end of each business day.

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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. KC

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

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. KC

Section 6 – Employee Qualification and Training

Review the requirements under 3 AAC 306.700. All licensees, and every 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. All licensees, and each 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. KC

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. KC

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. KC

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

Licensee, employees and agents will be kept current as to any change in regulation from AMCO, law enforcement (state, local, or federal), as well as to any general industry changes. This will be done monthly or bi-monthly at meetings with current employees. Applicable information from media, legal articles, trade publications, and other relevant sources will be provided to employees and staff. Legal counsel will be consulted by management for updates on changes or developments regarding AMCO and the Alaska marijuana industry.

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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. KC

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. KC

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. KC

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). KC

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):

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:

For all transportation of marijuana, the licensee will create a METRC transfer manifest that will have copies filed and stored on premises as official business records. In order to comply with 3 AAC .306. 750, each trip manifest will include the following information: strain name, type of product, batch number of products, amount/weight of product, name of transporter (who will have their marijuana handers card on them), time of departure and expected delivery time, and make, model and license number of transporting vehicle. Before being transported, marijuana products will be placed in a sealed package/container, in a locked storage compartment within the transport vehicle. No products will be directly visible. Transport vehicles will travel directly between destinations without making any unnecessary stops and a printed trip manifest will be on board with the driver at all times and affixed to the outside of the container. All marijuana packaging will be uniform with labels secured and prominently displayed. The facility will use certified scales in compliance with Alaska Weights and Measures Act. All usable materials sold to any marijuana establishment will be labeled with the name and license number assigned to the marijuana, the date the marijuana was packaged, the net weight, quantity and serving size of the usable marijuana product, test results and the date of expiration if perishable. In accordance with 3 AAC 306.475 the packaging will contain the required warning statements on the packaging.

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OCT 01 2019

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. KC

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. KC

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. KC

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. KC

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. KC

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. KC

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

Section 9 – Signage and Advertising

Review the requirements under 3 AAC 306.770.

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

Signs will not be used at this facility.

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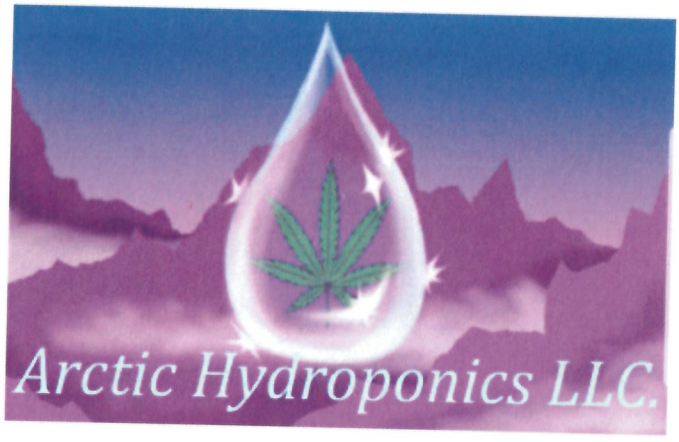
9.2. Describe any advertising you intend to distribute for your establishment. Include medium types and business logos (photos or drawings may be attached):

Advertising may consist of local Alaska trade magazines, social media, branded merchandise such as clothing, cups and other related branding mediums, website, business cards, and stickers. Adverting may be in collaboration with local retailers. Advertising would reflect the name of business, address, phone number, email address and company logo.



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

Signature of licensee

Kenneth Champ
Printed name of licensee

SHANNON MOORE
My Commission Expires
NOTARY PUBLIC
Aug 20, 2022
STATE OF ALASKA

Notary Public in and for the State of Alaska

My commission expires: 8/20/2022

Subscribed and sworn to before me this 30 day of September, 20 19.

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