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:	DENALI FIRE BLACK LLC	**MJ License #:**	14073		
License Type:	STANDARD CULTIVATION				
Doing Business As:	DENALI FIRE				
Premises Address:	6209 MIKE ST STE 2C				
City:	ANCHORAGE	**State:**	Alaska	**ZIP:**	99518

Mailing Address:	500 W INTERNATIONAL AIRPORT RD STE F				
City:	ANCHORAGE	**State:**	Alaska	**ZIP:**	99508

Designated Licensee:	ELI LEHRMANN		
Main Phone:	907-440-4047	**Cell Phone:**	907-440-4047
Email:	eslehrmann@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:

Signage will be posted at the facility entrance, as well as both overhead doors, stating "**No one under 21 years of Age allowed**". All visitors will be pre-approved and pre-scheduled. Access to the facility is provided through one door and all visitors will be required to be screened, checked/signed-in by a licensee, manager or authorized employee. All visitors will be required to present a valid, government issued, photo ID indicating they are at least 21 years of age. Any visitor not able to produce a valid ID will be asked to leave the premises immediately. All approved visitors will be logged in the facility's Visitor Log, maintained by Management.

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 not be open to the public and will remain locked at all times. The entire facility will be designated as a restricted access area and will be equipped with an alarm system installed by the Licensees and monitored by a third party security company. The exterior of the facility will be equipped with outdoor lighting to ensure the 24 hour video surveillance system can capture individuals approaching the facility and keep signage visible to the public. Posted signs will reflect "Restricted Access Area. Visitors Must Be Escorted". Signage will be prominently displayed and state that the premises is secured, monitored and that visitors must be escorted. All visitors to the facility must be pre-approved and pre-scheduled by Management, Licensees or Approved Staff.

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

Visitors who have been pre-scheduled and pre-approved by the management/licensees, will be the only visitors allowed access to the facility, other than AMCO Enforcement. All visitors will enter through the front entrance door and provide their valid government issued photo ID and sign into the visitor's log. The log will record the visitor's name, date, time in and out of the facility and the purpose of the visit. Visitors will be given a visitor's badge to be displayed for the duration of the visit and to be returned upon exiting the facility. The designated employee will escort and actively supervise visitors at a 5:1 ratio during the entire visit. Visitor's will not be allowed to remain on the premises when the scheduled visit has concluded.

All visitors will sign into the visitor's log indicating their name, date, time in and out of the facility and purpose of the visit. The visitor's log will be stored as an official business record and will be made available to law enforcement and AMCO Enforcement. The company's business records will be stored in the office/online, with access limited to the licensees and management.

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:

Exterior lights will be installed against the building, 2 HID lights in front and 1 on the exterior door in the back, in order to keep the premises, signs, and doors lit 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 thwart 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.

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:

The facility staff will install the security alarm system and contract with a third party security company to maintain the security alarm system. The alarm system will utilize motion detectors to monitor for intrusions in all areas of the facility during non-business hours and will include sensors on the two exterior doors, Overhead doors and window. An electronic alert will be automatically sent to the security company and the licensee and law enforcement will contacted if/when necessary. Licensees, management and authorized employees will be trained on the use of the alarm system. As the company grows and they hire other employees, they will be trained on the use of the alarm system as well.

The alarm system will be activated on the two exterior doors, Overhead doors during non-business hours. Any attempted intrusion will trigger an electronic notification to the security company and a text message to the licensees/management who will then contact law enforcement if/when necessary.

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

Video surveillance cameras will continuously monitor all marijuana storage, cultivation, processing, packaging, office and surveillance equipment areas. Internal inventory counts will be performed monthly and kept as business records, and will be made available to AMCO, and Enforcement upon request. A zero tolerance policy will be implemented and reinforced by the company through mandatory employee training to recognize and report any diversion or inversion of marijuana. The licensees/management will report any theft of marijuana to local law enforcement, AMCO Enforcement and update METRC accordingly. Only the licensees, management and designated employees will have access to marijuana storage and to the office.

3.7. Describe your policies and procedures for preventing loitering:

The exterior of the facility will remain well lit, with 24 hour video surveillance. "No Loitering" signs will be prominently posted around the property as well as signage stating that the premises is under video surveillance. Management will periodically monitor the property for loitering/unauthorized individuals by performing routine walk-arounds of the property. The loitering individuals will be told to vacate the premises immediately or law enforcement will contacted. Any visitors at the facility will be asked to leave the premises once the visit has ended.

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. EL

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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. EL

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. EL

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

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). EL

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:

Exterior surveillance cameras will be placed to record all entry points (the two exterior doors) to the facility, marijuana storage areas, the office and surveillance equipment areas and marijuana growing and processing areas. Cameras will be inspected frequently for proper functionality and positioning to ensure ability to identify the faces of individuals inside the facility and within 20 feet of any entry point. Video surveillance recording equipment will run on emergency power for at least 1 hour in the event of a power outage.

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:

Video surveillance recording equipment and business records will stored in the secured office only accessible by the licensees and management, and law enforcement or an agent of AMCO. The security system will be password protected to prevent data tampering, and recorded data will be stored for a minimum of 120 days as official business records. Recordings will be date and time stamped and archived in a format that prevents alteration of the recording image.

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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)*; EL

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;** EL

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

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

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

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

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

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;** EL

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

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

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 will be stored in the secured office and backed up to the cloud in real-time to prevent loss or destruction. Only the licensees, management and authorized employees will have access to the office and the locked cabinet where business records and surveillance equipment are stored. The facility's business records will be managed by the licensees and management, in accordance with standard retention policies to ensure that business records are stored in a consistent and searchable manner.

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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. EL

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

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. EL

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. EL

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. EL

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. EL

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

All licensees, management and employees will be required to obtain an AMCO issued marijuana handler permit before employment can begin and will be responsible for keeping the permit in good standing at all times while employed with the facility. All employees will also be required to attend a training course taught by the facility management. Training will include marijuana industry topics, safety, customer care, legal issues, state and federal laws and regulations. Employees will be educated on quality control, inventory control, sanitation, opening and closing, cultivation techniques and best practices, and security. Employees will be trained on how to use the inventory tracking system and how to interact with visitors while in production. Employees will be provided with a general security training and learn how to handle security and emergency procedures. The state and local marijuana regulations and laws will be posted in the facility.

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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. EL

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. EL

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. EL

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). EL

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:

A transport manifest will be generated to accompany all shipments of marijuana, including those merely walked over to the co-located retail store or manufacturing facility also owned by Eli and Raquel, and will be stored as a business record. The manifest will include the strain name, batch number, weight, name of the transporter and handler's ID, time of departure and expected delivery, and the make, model, and license plate of the transporting vehicle. The transport vehicle will travel directly between destinations without making any unnecessary stops, and marijuana will be sealed in not more than five (5) pound containers inside a locked storage compartment within the vehicle for wholesale transactions and up to one ounce containers for re-sale by retailers without re-packaging. At no time during transit will marijuana be visible outside the vehicle. The shipping container will have a label stating that a licensed testing facility has tested each batch in the shipment, and list: (1) the date of final testing; (2) the cannabinoid potency profile, expressed as a range of percentages that extends from the lowest percentage to highest percentage of concentration for each cannabinoid listed from every test conducted on that strain of marijuana from the same marijuana cultivation facility within the last three months; (3) a statement listing the results of microbial testing; and (4) a statement listing the contaminants for which the marijuana was tested, including molds, mildew, filth, herbicides, fungicides, and harmful chemicals. Any packaging done at the facility will be performed in an area specifically set aside for packaging and monitored with 24 hour surveillance. Packaging will be uniform with labels secure and prominently displayed. The facility will use certified scales in compliance with the Alaska Weights and Measures Act, and will maintain registration and inspection reports at the facility. After employees package marijuana they will be placed in sanitized, air-tight containers, labeled with all compliant labeling information, and given a barcode for the inventory control system. Plastic packaging will be heat-sealed without an easy-open tab, dimple, corner, or flap. Packaged marijuana will be stored in a secured area until ready for transport. All packaging will be inspected, accepted or rejected, and recorded in the log, and the on site manager will check all final packages to ensure that they will secure marijuana from contamination and not impart toxic or deleterious substances. Labels will include: (1) the name and license number of the cultivation facility; (2) the date the marijuana was harvested; (3) the harvest batch number assigned to the marijuana; (4) the date the marijuana was packaged; (5) the net weight and the quantity of usable marijuana packaged in a standard of measure compatible with the inventory tracking system; (6) a complete list of all fungicides, and herbicides used in the cultivation of the marijuana.

License # 14073

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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. EL

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. EL

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. EL

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. EL

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. EL

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. EL

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

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):

The facility will not post any signs to the cultivation facility will the business name on it.

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Form MJ-01: Marijuana Establishment Operating Plan

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

The facility will not advertise to the public, but rather only to licensed manufacturers and retail stores, via email or in person.

DENALI FIRE

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
JOHN MARTIN
State of Alaska
My Commission Expires June 8, 2021

J. Martin
Notary Public in and for the State of Alaska

ELI LEHRMANN
Printed name of licensee

My commission expires: 06/08/2021

Subscribed and sworn to before me this 14th day of August, 2019.

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