CORRESPONDENCE

From:	Marijuana Licensing (CED sponsored)
To:	"markpowell@aspi.us.com"
Cc:	Marijuana Licensing (CED sponsored)
Subject:	Incomplete Application- Ak Gold, LLC license #18945
Date:	Wednesday, January 23, 2019 3:39:00 PM
Attachments:	18945 Incomplete Application Letter.pdf image001.png

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Hello,

Your application has been reviewed, and attached is correspondence regarding corrections, additional documents, and/or resubmittals that need to be addressed.

Please make sure to read the entire letter. If the submitted corrections are not found to be complete, your application will be returned to you in accordance with 3 AAC 306.025(e)(1), and you will need to file a new application and pay a new fee should you wish to continue pursuing licensure. Essentially, we will accept corrections one time within your 90-day deadline period. Feel free to call or email if you need clarification on any items from the Incomplete Letter.

Please let me know if you need any of the documents I have for this application. I want to make sure you receive this email and incomplete letter attached first.

Please send any documents/correspondence to marijuana.licensing@alaska.gov

Thank you,

Jacqlene Drulis
Occupational Licensing Examiner
Alcohol & Marijuana Control Office
550 West 7th Avenue, Suite 1600
Anchorage, Alaska 99501

THE STATE of ALASKA
GOVERNOR MICHAEL J. DUNLEAVY

Department of Commerce, Community, and Economic Development

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

January 23, 2019

AK Gold, LLC
DBA: AK Gold, LLC
Via email: markpowell@aspi.us.com

Re: Limited Marijuana Cultivation Facility #18945

Dear applicant,

The AMCO Office has reviewed the documents submitted for the proposed marijuana establishment license referenced above. This letter is notice under 3 AAC 306.025(e)(2) that your application is incomplete and additional items are needed to complete the application. The additional items that need correction or resubmittal are listed below—please be sure to read the entire letter. **Please note that if the corrections and/or additional documents submitted in response to this letter are not found to be complete, your application will be returned to you in accordance with 3 AAC 306.025(e)(1), and you will need to file a new application and pay a new fee should you wish to continue pursuing licensure.**

- **Online Application**
  - Based on the phone correspondence with Mark Powell concerning the address of the proposed marijuana cultivation facility, I have rolled your application back to "New" status so the address can be updated. An updated Public Notice and Advertisement Template will generate which you will need as part of your corrections outlined below. Once you make these corrections to the Online Application, please send an email notifying me that you have done so, so that I may update the application status.

- **MJ-00 Application Certifications**
  - Section 1: please correct the premises address on all three MJ-00's.
  - Page 3: on all three MJ-00's, the last two initialed statements contradict each other. Please re-read the last two statements and correct accordingly. As long as the statement does not apply to you, you would want to remove your initials from the second to last statement.

- **MJ-01 Operating Plan**
  - Page 1, Section 1: please correct the premises address.
  - Page 2, Section 3.1: please expand upon how you will prevent unescorted members of the public from entering restricted access areas. For example, according to 3 AAC 306.710 Restricted Access Areas, each entrance to a restricted access area must be marked by a sign that says "Restricted access area. Visitors must be escorted."
  - Page 2, Section 3.2: please expand upon your processes for admitting visitors into and escorting them through restricted access areas. For example, any visitor to the restricted access area must obtain a visitor identification badge before entering the restricted

access area. Additionally, a marijuana establishment shall limit the number of visitors to not more than five visitors for each licensee, employee, or agent of the licensee who is actively engaged in supervising those visitors. Furthermore, Section 3.2 says, "See additional space", but the section with the additional space is about diversion of marijuana, section 3.6. Please correct accordingly.
  - Page 3, Section 3.3: please include the name of the establishment on the sample badges.
  - Page 4, Section 3.5: please expand upon your answer 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.
  - Page 4, Section 3.7: what actions will you take when loiterers do not want to comply?
  - Page 9, Section 9.1: please describe the quantity and dimensions of the signs that you intend to post on your establishment.

- **MJ-02 Premises Diagram**
  - Page 1, Section 1: please correct the premises address.
  - There was no Diagram 3 included with your MJ-02. If Diagram 2 is the same as Diagram 3, then, either, label Diagram 2 to say, Diagram 2 and 3; or provide Diagram 3 with your MJ-02.
  - Diagram 1:
    - It appears that the doors are colored brown; please include this in your Key.
    - I see that there is a red label in your Key for the Restricted Access Areas, but I do not see the red in your diagram; additionally, I do not see an outline for the Licensed Premises.
      - Outline/shade the entire perimeter/area of the proposed licensed premises AND restricted access area (use separate colors and labels, and provide a legend/key).
        - Note- the bathroom can be a part of the licensed premises, but it should not be designated as the restricted access area because restricted access areas need cameras, and bathrooms should not have cameras.
  - Diagram 2: it is my understanding that the other buildings on the property have a different address than the cultivation facility. Please make this clear on your diagram by providing a statement or something similar.

- **MJ-04 Cultivation Supplemental**
  - Page 1, Section 1: please correct the premises address.
  - Page 2, Section 4.1: please provide the overall square footage that the marijuana cultivation facility intends to be under cultivation in your answer; in general, the amount under cultivation does not include the curing area.
    - Additionally, a limited marijuana cultivation facility must have fewer than 500 square feet under cultivation. This box on the MJ-04 is to describe what is outlined on the MJ-02 and it must be very detailed and easily decipherable. For example, it seems as though the calculations are approximated, such as, 21' 6" and 21' for the blooms rooms, etc; approximations are not preferred, especially for limited cultivation facilities. If you are not using all of the canopy space of the grow/bloom rooms, then please specify; provide a more detailed answer that is congruent with the diagram from MJ-02.

- Page 3, Section 4.4: this answer was left blank; please provide an answer in this space.
- Page 5, Section 7.3: please expand upon your answer to include that the marijuana cultivation facility shall segregate the entire batch from which the testing sample was selected until the marijuana testing facility reports the results from its tests.
- Page 6, Section 8.1: For the sample label provided, the warning statements must be word for word as written in the regulations. Be very specific and make sure that they are verbatim. Some of your statements are correct, but the others are incorrect. Please correct accordingly. Here is an example of the wording in the regulations:
  (1) Marijuana has intoxicating effects and may be habit forming and addictive.
  (2) Marijuana impairs concentration, coordination, and judgment. Do not operate a vehicle or machinery under its influence.
  (3) There are health risks associated with consumption of marijuana.
  (4) For use only by adults twenty-one and older. Keep out of the reach of children.
  (5) Marijuana should not be used by women who are pregnant or breast feeding.
- Page 6, Section 8.2: For the sample label provided, instead of saying, "Same as above", if you are going to provide the warning statements, please make sure that they are verbatim.

- **MJ-07 Public Notice Posting Affidavit**
  - Section 1: please correct the premises address.
  - Once you have updated your online application as mentioned above, under Online Application, you will need to post the updated Public Notice at both, the location of the proposed premises and another conspicuous location for five days.
  - I will need a new MJ-07 completed and signed in front of a notary.

- **MJ-08 Local Government Notice Affidavit**
  - Section 1: please correct the premises address.
  - Section 2: please include the Title of the LG Official.
  - Once you have updated your online application as mentioned above, under Online Application, you will need to re-notify the local government by submitting to them the updated Public Notice.
  - I will need a new MJ-08 completed and signed in front of a notary.

- **MJ-09 Statement of Financial Interest**
  - Section 1: please correct the premises address on all three MJ-09's.

- **Publisher's Affidavit**
  - You will need to do a one-time correction advertisement to show the corrected address. Once the application has been rolled back and corrected, take the updated Advertisement Notice to a newspaper of regular circulation and advertise a one-time correction ad. Then, please submit a new Publisher's Affidavit with a copy of the newspaper clipping.
  - Additionally, I noticed that there was a typo/mistake on your first publisher's affidavit which would have required a one-time corrections ad. The regulatory reference should have been 3 AAC 306.400(a)(2), not 3 AAC 306.400(a)(1). Just make sure that you use the updated Advertisement Notice and that the newspaper publisher does not have a typo before they publish the ad.

- **Proof of Possession for Proposed Premises**
  - I will need proof of right to possession for the LLC. I know you submitted a quitclaim deed, but we need proof that the LLC has the right to the proposed premises.
  - If you are going to provide a commercial lease, the lease must be a legally binding lease with the correct physical address, and it should include the following:
    - An acknowledgment from the landlord/lessor that the premises will be used as a marijuana establishment, and
    - A disclaimer that the landlord/lessor may not take possession of or remove marijuana from the premises, and AMCO will be contacted in the event that this is necessary.

- **Entity Documents**
  - Please submit an updated Operating Agreement with the correct address, with all of the members listed, and signed by all of the members; and any other applicable corrections needed throughout the Operating Agreement.

- **Applicant's Residency**
  - Edna, Mark, and Shonda, will you be applying for the Permanent Fund Dividend this year? If so, is it possible that you can do it right away, and then let me know? If not, then please also let me know.

It is very important that you submit the above corrections and/or documents in a timely manner so that AMCO staff has adequate time to review the corrections and/or additional documents which must be found to be complete within 90 days of the date of this letter.

Respectfully,

Jacqlene Drulis, Occupational Licensing Examiner
For,
Erika McConnell, Director
marijuana.licensing@alaska.gov

From: Marijuana Licensing (CED sponsored)
To: markpowell@aspi.us.com
Cc: Marijuana Licensing (CED sponsored)
Subject: Incomplete Application- Ak Gold, LLC license #18945
Date: Friday, February 01, 2019 12:06:15 PM
Attachments: image001.png

Good afternoon,
Thank you for the corrections. Everything appears to be in order, except for a few additional items (there is no need to re-notarize your forms unless you prefer to do so):
*Note- Please get your corrections in by 4 pm today to be considered for the February 20-22, 2019 Board Meeting. Additionally, if you are unable to get your corrections in by today at 4 pm, the following meeting is May 1-3, 2019.

- **MJ-02: Premises Diagram**
  - Diagram 1:
    - It is difficult to see the red restricted access areas on the diagram, probably from scanning the document. Additionally, it does not appear that the office is included in the restricted access area. The office does not necessarily have to be included, but anywhere that marijuana is stored, must be a restricted access area, and I see that there is storage in the office. Since labeling the storage area is a requirement for the MJ-02, I assumed that that storage area is marijuana storage.
      - So, please make the red restricted access area clearer; AND, either, include the office in the restricted access area, OR, move the marijuana storage to the restricted access area.

- **MJ-04: Cultivation Supplemental**
  - Page 3, Section 4.6: Management has enacted a new policy, and instead of dealing with this on the back end of this process, I was hoping to tackle it now since there are other corrections needed to this form. I could not find Avid 0.15 ec on the list of approved pesticides in the state of Alaska. Am I missing it somewhere? If not, then please provide a proposed product/products that is/are on DEC's list of approved pesticides in the state of Alaska found at the following link: https://dec.alaska.gov/commish/marijuana/
  - Page 6, Sections 8.1 and 8.2: I cannot deem your application complete until the requested corrections are received. I see that you made most of the corrections to the warning statements; however, they are still inaccurate. The warning statements must be word for word as written in the regulations. I have bolded, underlined, and highlighted in red the errors below.
    - For the warning statement of, "Marijuana has intoxicati**on** effects and may be habit forming and addictive", please correct it to say, "Marijuana has intoxicating effects and may be habit forming and addictive."
    - For the warning statement of, "Do not operate a vehicle or machinery under **it** influence", please correct it to say, "Do not operate a vehicle or machinery under its influence."

- **Residency**
    - Please contact the Permanent Fund Dividend Division concerning Ms. Beuhler's residency, then follow up with me with the resolution. This does ***NOT*** need to be done today in order to deem your application complete. But, if this is not resolved by the date of the Board meeting, then the Board may or may not Table the application based on the residency being pending.

I hope this makes sense. Feel free call me or email marijuana.licensing@alaska.gov.

Respectfully,

Jacqlene Drulis
Occupational Licensing Examiner
Alcohol & Marijuana Control Office
550 West 7th Avenue, Suite 1600
Anchorage, Alaska 99501