



Marijuana Control Board
Meeting Minutes
May 15, 2019
Telephonic

● **ADMINISTRATION**

8:30 am

A. Call to Order

B. Roll Call

Board Members Present via Phone

Mark Springer, Chair, Rural Member

Loren Jones, Public Health Member

Nick Miller, Industry Member

Christopher (Chris) Jaime, Public Safety Member

Staff Present

Erika McConnell, Director

Mikal Milton, Records and Licensing Supervisor

Counsel Present via Phone

Harriet Milks, Assistant Attorney General

C. Approval of Agenda

Loren Jones moves to approve the agenda

Nick Miller seconds the motion.

None opposed, motion carries.

● **APPLICATIONS FROM PREVIOUS MEETINGS**

8:32 am

A. License #18735:

Licensee:

License Type:

Premises Address:

Local Governments:

Alaskabuds, LLC

Alaskabuds, LLC

Retail Marijuana Store

660 Third Avenue, Suite B

Bethel, AK 99559

City of Bethel

TAB 1

Nick Miller recuses himself from consideration and voting regarding license 18735 for financial interest. The chair agrees; allows recusal.

Loren Jones moves to approve license 18735 with delegation.

Mark Springer clarifies that a second is not needed because there are only 3 voting members for this tab.

Nick Miller, as applicant, is present via phone to discuss his application. He summarizes his application and answers board questions regarding the status of the conditional use permit and the status of the Fire Department approval.

None opposed, motion carries.

Nick Miller returns to the meeting as a board member.

B. License #19616:	Buds Below Zero	<u>TAB 2</u>
Licensee:	Nangiaqtuuvik, LLC	
License Type:	Retail Marijuana Store	
Premises Address:	4326 Laura Madison Street Barrow, AK 99723	
Local Governments:	City of Utqiagvik; North Slope Borough	
For Consideration:	Objection received.	

Robert Kaleak, applicant, and Jessika Smith, counsel, are present via phone to discuss the application.

Nick Miller moves to approve with delegation.

Chris Jaime seconds the motion.

Mark Springer explains to Chris Jaime what delegation means.

Applicant answers board questions regarding the changes made to the premises to address the board's concerns brought up in the previous meeting, status of remodel (which has not begun), parking, planning permit from the city, ownership, experience, desire to open a business in Utqiagvik, "coat room" that opens into the utility room (it will be locked or available to staff), the future cultivation area being problematic, and consultant or management services attained (Jackie Swan, familiar with the cannabis industry, will be an employee).

Loren Jones asks Harriet Milks about the Barrow codes regarding the allowed retail, he reads the code and asks if the kief, shatter, and wax count as products that are not allowed to be sold in Utqiagvik.

Harriet Milks states that she believes that those items count as "products" which would be prohibited.

Loren Jones states that his concern is that the business can only sell bud or flower. He is concerned that the applicant will have difficulty accessing the product and whether or not the business model will be able to hold up. He asks the applicant if he believes that selling bud and flower is a viable business.

Applicant states that he finds it to be sustainable; he plans on selling small but he wants to continue to work with the community and operate as dictated by the community.

Erika McConnell exits the meeting at 8:55 am.

Chris Jaime asks if the local community provides a conditional permit for this type of business.

Mark Springer confirms that most communities will allow this by providing a use permit. However, there are some local governing bodies that hold approval until they receive approval from the Marijuana Control Board.

Counsel answers board questions regarding the status of the Utqiagvik fire marshal approval (not yet submitted).

Nick Miller expresses that he appreciates the change in diagram and he tells the applicant that this is a difficult business but he wishes them luck.

Mark Springer asks the applicant how familiar with the black market in Utqiagvik is at this time.

The applicant confirms that the black market is extensive.

Mark Springer states that the applicant should keep in mind that there will be stiff competition against the black market especially with the requirements placed on legal operators by the city. He hopes that this works out for the applicant but that this is not a business mowing lawns, it is a difficult business.

The applicant confirms that he understands the difficulties, and that there is community support for his establishment.

Chris Jaime states that he wants to vote yes but he is concerned about the additional approvals.

Mark Springer explains that these items are usually resolved in delegation.

Harriet Milks also explains delegation, the board only meets a few times a year but because applications occur all year, there may be approvals not yet received due to the schedule. The application may be approved with delegation but that the license does not issue the license until all approvals are received.

**Loren Jones, Mark Springer, and Chris Jaime vote no, and Nick Miller votes yes.
Motion fails 3-1.**

Applicant asks about the reason for denial.

Mark Springer states that his largest concern is economic viability based on the constraints placed by the city, and the hesitation of the zoning authority to approve the application seems odd.

Counsel asks about the difference between this and a SLUP from the muni.

Mark Springer states that this is a non-prejudicial no vote and that he can come back with a new application at any time. He asks that the applicant go to the Local Government and work with them.

Applicant asks if he can move to table the motion and Board Chair explains that he cannot make a motion.

Loren Jones references 3AAC 306.080 denial of application and states that the notice of denial will provide the applicant with their appeal rights. For the record, his major concern is the viability of the business. He was concerned that the local option will likely change with marijuana as it has with alcohol. He appreciated the work on the premises diagram but still has concerns. He reminds the applicant of the opportunity to appeal.

Applicant states that he is opposed to the denial that is being based on the local government process that is not complete.

Mark Springer states that the applicant may provide this information to the director in the informal conference and then the formal hearing before the board. At that time there will be opportunity for the applicant to provide additional information.

Applicant and board discuss the procedures again.

Mark Springer states that the board is a discretionary board. The door is not closed to this applicant.

Harriet Milks states, to the counsel, that once the letter is received regarding the informal conference, she would be involved and at that time denial can be discussed.

● **OPERATING PLAN CHANGES**

9:14 am

A. License #10512:	Southeast Alaska Laboratories, LLC	<u>TAB 3</u>
Licensee:	Southeast Alaska Laboratories, LLC	
License Type:	Marijuana Testing Facility	
Premises Address:	5450B Jenkins Drive Juneau, AK 99801	
Local Governments:	City and Borough of Juneau	

Nick Miller moves to approve the operating plan change.

Chris Jaime seconds the motion.

The proposed new scientific director, Ryland Buller, and applicant Jessica Dreibelbis are present via phone.

Mark Springer asks the scientific director to summarize his experience.

Ryland Buller summarizes his experience as listed in Tab 3 and answers board questions regarding professional engineering registration (not received or usually issued to chemical engineers), knowledge of laboratory apparatus, testing procedures for THC, handlers card (attained), testing for contaminants, consultant status at the existing lab, and what his duties at Alaska Brewing Company were.

None opposed, motion carries.

● **BOARD COMMENTS**

9:32 am

None.

● **NEXT MARIJUANA CONTROL BOARD MEETING**

Next meeting is July 10-12, 2019, in Fairbanks. All applications must be deemed complete and all other information for inclusion in the board's packets must be received by **June 21, 2019**.

● **ADJOURN**

9:33 am