



**Marijuana Control Board
Meeting Minutes
July 10-12, 2019
907 Terminal Street (FNSB Assembly Chambers)
Fairbanks, Alaska**

● **ADMINISTRATION**

9:00 am

A. Call to Order

B. Roll Call

Board Members Present

*Mark Springer, Chair, Rural Member
Loren Jones, Public Health Member
Nick Miller, Industry Member
Christopher Jaime, Public Safety Member*

Staff Present

*Erika McConnell, Director
John Church, Occupational Licensing Examiner*

Counsel Present

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.*

D. Approval of the May 1-3, 2019 Meeting Minutes

TAB 1

*Loren Jones moves to approve the May 1-3 meeting minutes.
Nick Miller seconds the motion.
None opposed, motion carries.*

● **BOARD GOVERNANCE**

9:02 am

Harriet Milks summarizes the purpose of the 'Board Governance' section of the agenda for the new board member and as a refresher for the rest of board.

Loren Jones states that he has been involved in his community's on-site consumption discussion.

Christopher Jaime indicates he does not have a conflict.

Nick Miler reports no changes.

Mark Springer indicates he does not have a conflict.

● **PUBLIC TESTIMONY**

9:06 am

Public testimony is limited to issues not on this agenda and that are not proposed regulations. Written comments may also be submitted to the board for review during its next regular meeting via marijuana@alaska.gov. The call-in number is 1-800-315-6338, code 69176#.

Brandon Emmett, President of Alaska Marijuana Industry Association, is present to discuss their interest in supporting parents in the workplace and to urge the board to have more consistency when approving products. He also would like the board to work on the transportation issues to allow for more efficient movement of product. Finally, he discusses the hard tax floor as a future topic of concern as the industry matures.

Loren Jones states that he agrees with Brandon Emmett's assessment that the MCB should be more consistent with their product approvals.

Mark Springer asks that Brandon Emmett and the AMIA bring forward suggestions regarding "umbrella" ingredients for products and transportation concerns to AMCO staff for consideration during evaluation of the regulations projects that are currently open related to these subjects.

Barret Goodale, Cultivation Manager for Good Cannabis, is present in person to testify regarding concerns about the changes to METRC and how they require weight to be reported. He believes that the industry should be involved/consulted on these changes.

Mark Springer has questions regarding if the change was announced by METRC.

Erika McConnell indicates that typically a notice is sent out by METRC but that she cannot verify that a notice was sent for this particular matter. She states that she will look into the issue.

Jana Weltzin, JDW Associates, is present in person to testify regarding how the amount of THC in product is determined. 3 AAC 306.355 contradicts statute because high THC content products sold in legal amounts under statute go over the maximum THC limits set in regulation.

● **RECIDIVISM REDUCTION FUND**

9:21 am

- A. Alysa Wooden, Program Coordinator, Community Reentry, Division of Behavioral Health, DHSS**

Alysa Wooden, Program Coordinator for DHSS, is present in person to discuss the Recidivism Reduction Fund and Community Reentry programs, the work that is done with individuals returning from incarceration, and the effects the programs have on the community.

B. Department of Corrections

Laura Brooks, Division Operations Manager for Health and Rehabilitation Services, via phone, discusses the issues facing the Department of Corrections and substance abuse in the state. She indicates that there is a lack of substance abuse facilities/programs in the state. They, as a program, have been working with other agencies using the funds gathered from marijuana tax to help facilitate outreach to this vulnerable population. Mark Springer and Laura Brooks discuss the costs and what agencies assist in the payments for the Vivitrol shot.

● **AMCO COUNSEL PRESENTATION**

9:47 am

A. Harriet Milks, Assistant Attorney General, Department of Law

Harriet Milks is present to summarize the history of the marijuana laws in Alaska, the 2014 ballot initiative, and how the laws and regulations were established in the state.

Break at 10:21am. Return at 10:32am.

● **TAX PRESENTATION**

10:32 am

TAB 2

A. Jana Weltzin, JDW, LLC

Mark Springer notes to the audience that the MCB has no control over the tax rate.

Jana Weltzin, JDW LLC, is present to discuss the information provided in Tab 2 regarding the taxation of marijuana in Alaska and the issues that faces the industry in regards to the 'inflexible' tax floor. She speaks to the taxation methods of other legal states.

Loren Jones comments that he believes the industry should look to the fishing industry for examples of how they are taxed, and the benefits they get from paying those taxes.

● **PACKAGING AND LABELING PRESENTATION**

10:57 am

TAB 3

A. Jim Dyer, JKD Brands

Jim Dyer, owner of JKD Brands, is present to discuss the packages used in the market, the labeling requirements of Alaska and the best practices for the industry as set out in Tab 3 using an updated powerpoint presentation.

● **DIRECTOR BRIEFING**

11:26 am

TAB 4

A. Director's Report

Erika McConnell summarizes Tab 4. She requests clarification from board on whether 'post marked' counts as a renewal being submitted to the office on time.

Mark Springer ask how many licensees are affected by this question.

Erika McConnell indicates that there are only a handful of licensees that this is affecting at this time.

Loren Jones expresses concerns regarding the renewal applications being submitted online while payments generally have to be delivered in person or via mail.

Mark Springer states that he would be interested in knowing other state agencies regarding the 'post marked' concern.

Erika McConnell states that she does not know the policy of other agencies but that she believes that they would be governed by the relevant statutes. She states that the interpretation of this matter should be clarified through regulation. She mentions that there was previous board discussion regarding the meaning of the word "application" and the need to specify what the meaning of that word is for matters such as posting of the application or public notice; she believes that this matter could be wrapped into this project.

Loren Jones moves to open regulation project on 3AAC 306.035(a).

Christopher Jaime seconds the motion.

Erika McConnell asks if the board wishes to expand the motion to include the examination of the matter of the word "application" as well.

Loren Jones amends his motion to include resolving the discrepancies regarding the use of the word "application".

Christopher Jaime agrees to the amendment.

None opposed, motion is carried.

Erika McConnell provides an update on the issue of the definition of "recreation or youth center" and recommends opening a regulation project to establish a clearer definition. Her recommendation to the board is to address the matter through regulation. A project was opened regarding this matter previously but 'died' and did not get finalized. This matter continues to arise as a concern.

Loren Jones states that if a regulation project is opened to define recreational or youth facilities then a look should be taken at the distances set in regulation and statute to give more clarity to local communities and licensees.

Loren Jones moves to open a regulation project regarding the definition of recreational or youth facilities and to reexamine separation distances required.

Nick Miller seconds the motion.

Nick Miller and Loren Jones volunteer to serve on a sub-committee.

Mark Springer approves the formation of a sub-committee.

None opposed, motion is carried.

Erika McConnell summarizes the issue of license 10071 Vern's Wicked Weed and their failure to receive an inspection before the July meeting; no inspection has been performed but part of the delay was due to the applicant not being able to be credentialed into Metrc and that matter was resolved today. She states that the applicant may not be aware that he is being considered at this time.

The applicant, Jeremy Erickson, is not present in person or via phone.

Loren Jones moves to extend deadline for the license to receive an inspection (to become active-operating) to September 1st 2019.

Nick Miller seconds the motion.

None opposed, motion is carried.

Erika McConnell notes that it is her hope to have all the regulations projects together for review at the September meeting.

Erika McConnell summarizes the remaining items in her report provided in Tab 4.

Nick Miller and Erika McConnell confirm that, regarding the 'postmarked' renewal deadline, the board has determined that the requirement to avoid the late fee is that the applications are postmarked by the deadline (July 1 due to June 30 being a Sunday) for this renewal cycle.

Mark Springer states that he would like to recognize the work and efforts of the Director and that he personally thanks her. He states that as the chair he would entertain a motion that the board has full confidence in the Director and that they appreciate the job she is doing.

Loren Jones so moves.

Nick Miller seconds the motion.

None opposed, motion is carried.

Erika McConnell, Director, thanks the board for their support.

B. Draft Data Use Agreement with Department of Health and Human Services

TAB 5

Jessica Filley, Epidemiologist with DHHS, is present to answer any questions regarding the data use agreement and to discuss her role within DHHS.

Nick Miller asks how the data would be aggregated.

Jessica Filley indicates that the data would be broken up differently depending on the situation. If it was a location where there are limited number of marijuana establishments they would not report that data separately.

Mark Springer asks if this data would be available to the public in some way such as public accessibility or through records requests.

Harriet Milks indicates that it would but that any requests would have to be reviewed by the Department of Law to ensure there isn't sensitive personal information being disclosed.

Harriet Milks requests to table this to a later point so that legal counsel for both parties have a chance to review the edited agreement.

The board agrees to table consideration until Friday, July 12, 2019.

Break for lunch at 11:58am. Back at 1:08pm.

A. Enforcement Supervisor's Report

TAB 6

James Hoelscher is present via phone to summarize Tab 6. He indicates that the office is in the process of recruiting a new investigator and student interns. He addresses the concerns of advertising on mailers or coupons that do not have warning labels included or are included on the back of the advertisement.

Mark Springer states that he believes that the warnings should be on the front of the advertising.

Nick Miller states that as long as the warning labels are included, even if it is on the back, then they should not limit licensee's ability to market.

James Hoelscher states that, according to past interpretations by the Board, the warnings should be large enough to be read and included on the front of the advertisement.

Erika McConnell agrees with James Hoelscher that the warnings should be prominent.

Loren Jones notes that most other substances that are controlled and require warning labels are regulated on a federal level.

Mark Springer asks if there is still an advertising committee and regulations project currently ongoing.

Erika McConnell confirms that there is an open project and the committee can look into this issue as well.

Loren Jones moves to approve enforcements current interpretation for advertising requirements including the requirement that the warning be on the front of the advertisement.

Christopher Jaime seconds the motion.

Nick Miller votes no and Mark Springer, Loren Jones and Christopher Jaime vote yes.

Motion carries 3-1.

James Hoelscher requests clarity from the board regarding whether licensees are able to advertise in the newspaper or on vehicles since they may end up in restricted areas.

Loren Jones notes that he understands that newspapers with marijuana ads may or may not end up in areas that the board does not approve of but that there are no established rules about it and it would be extremely difficult to enforce. He believes the 1,000 foot limit applies to a building or signage on a building.

Mark Springer states that as long as the advertisement or signage does not have marijuana depicted and does not implicitly state that marijuana is the product, it does not need to have warnings.

James Hoelscher indicates that any mention of marijuana product must have warnings, per regulation.

Erika McConnell notes that there is a regulation project open currently regarding advertising and this issue can be more expanded on during that project. She notes that she would not like the board to make any determination on the matter of car signs until the regulation project has looked at the issue.

James Hoelscher moves on to recommend a regulation project to better understand 3 AAC 306.355, limits on quantity sold as there are some conflicting regulations based on THC amounts. Notes that 7

grams (one ounce) of high THC concentrate violates the THC limit that is currently in place. He requests the board clarify what the limit applies to.

Nick Miller moves to open a regulation project to examine 3 AAC 306.355 Limits on quantity sold.

Christopher Jaime seconds the motion.

None opposed, motion is carried.

B. Notices of Violation Issued and Licensee Responses

TAB 7

James Hoelscher asks for clarification on a fine schedule for NOV's and whether or not responses are required for NOV's. In 3 AAC 306.805(d) it states that the marijuana licensee "may respond orally or in writing". For alcohol if an NOV is not responded to, another NOV is issued for not responding to the board.

Mark Springer questions whether stating "must" or "shall" would violate the 5th amendment.

Harriet Milks does not believe that changing the language would violate the 5th amendment.

James Hoelscher summarizes the NOV's in Tab 7. He mentions Alaska Blooms, LLC receiving an NOV for exceeding the quantity in 3 AAC 306.355 as an example of how licensees can market for future purchases without violating regulations.

James Hoelscher moves on to discuss Latitude 62 who was issued an NOV for trying to move product through the airport. He notes that to date AMCO has not received a response from the licensee.

Mark Springer agrees that in this case there should have been a response given the violation.

● LICENSING BRIEFING

2:15 pm

A. Licensing Report

TAB 8

Mikal Milton, Records and Licensing Supervisor, present via phone summarizes the information provided in Tab 8.

Break at 2:19pm. Return at 2:36pm.

● REGULATIONS

2:36 pm

A. Public hearing on Fine Schedule Proposal

Trevor Haynes, General Manager of Good LLC, is present in person to testify against the proposed fine schedule, he believe that the fines would decrease self-reporting, cause undue harm to licensees, and overburden the industry.

Lisa Cotes, co-owner of Urban Extracts, is present in person to testify against the proposed fine schedule. She has concerns with the METRC transfer program and does not believe that these types of errors should be fined.

Barret Goodale, Cultivation Manager for Good Cannabis, is present in person to testify against the proposed fine schedule. He agrees with the previous testimony regarding the clerical errors dealing with

the METRC system and how the fine schedule would decrease self-reporting. He believes a work group should be established to examine fines.

Loren Jones states that he does not disagree with the sentiment but that as a board member he does not want to have to spend time discussing with licensee whether an odor violation was properly given. He states that the fine schedule gives the board some recourse regarding people that violate statute or regulation.

Jana Weltzin, JDW LLC, is present in person to testify that this new fine schedule is improved but thinks the schedule needs some more work. She asks if the fine money would be eligible to pay off AMCOs debt to the Legislature.

Erika McConnell states that she is unsure.

Jana Weltzin states that she believes the length of time for looking at repeat offenders should be one year instead of three, that the monetary fines seem excessive, she has concerns about first time punishments for selling to minor, and that she has questions about the process of the appeal.

Erika McConnell clarifies that there is an appeal process available or, if the licensee does not want to appeal, that they need to respond in writing and pay the fine.

Ryan Sunset, Owner of East Grip in Kenai, testifies via phone that the revisions are improved but that changes are still needed particularly in regards to suspending a license.

Sam Hatchlee, representative of Tanana Herb Company, is present to testify against the fine schedule but acknowledges that AMCO enforcement needs some recourse to penalize bad actors. They would like to see a working group created to look at the schedule.

Erika McConnell clarifies for all listeners that NOVs are not issued upon receiving a complaint, but that enforcement will go out to verify the violation before any actions are taken.

Public comment is closed at this time.

Nick Miller states that he does believe some of the fines are stiff and do not allow flexibility to allow for mistakes versus malicious intent. He would like to see more work done before moving forward with a vote.

Mark Springs states that he does agree that clerical errors concerns are legitimate and agrees that some of the fine for first time violations are too steep. Specifically he notes the NOVs for failure to display handler's card vs failure to maintain handler permits on person/premises could be split apart.

Loren Jones indicates that as he has served on the last two committee that have worked on this issue that he will not be serving on a new committee. He has concerns about fines/penalties becoming too lenient. He believes that progression in the fine schedule is important to ensure repeat offenses are reduced.

Erika McConnell states that there is no automatic, linear progression for penalties for repeat offenders. It would depend on a number of factors.

Loren Jones asks Harriet Milks two questions: if the board could put the fine schedule out for comment and have a working group at the same time, and could the board put the schedule up for public comment for 45 days, convene a working group, and bring the comments and working group document back to the full board for review.

Harriet Milks confirms that the board could do either. She also states that there are some drafting inconsistencies that may not necessitate putting it back out for public comment, but that they could be addressed at the same time as this extended public comment period.

Loren Jones moves to put the Regulation Project “Fine Schedule” (Tab 9) back out for 45-day of public comment and then convene a working group to evaluate those comments and report back to the board.

Nick Miller seconds the motion.

None opposed, motion is carried.

Mark Springer asks the director if any of the other regulations matters are so urgent that they will suffer from being pushed to the end of the agenda and possibly not considered if time becomes prohibitive.

Erika McConnell confirms that there are none that are so urgent they cannot be considered at a later time.

Mark Springer entertains a motion to move tabs 10-14 to just above public testimony on the agenda. No one objects.

The board agrees consider Tab 23 at this time.

[● BOARD CONSIDERATION]

B. License 17692:

Licensee:

License Type:

Premises Address:

Local Government:

For Consideration:

Mr. Happy Farms LLC

Mr. Happy Farms LLC

Limited Marijuana Cultivation Facility

3900 N Sierra Street

Wasilla, AK 99654

Matanuska-Susitna Borough

Proximity to school ground

TAB 23

Erika McConnell summarizes Tab 23.

Jana Weltzin, legal counsel for the licensee, is present to provide information regarding the proximity of the license to the school grounds. States that the property abutting the property where the license premises is located is undeveloped.

Loren Jones states that the Community Council argues that there are trails that lead through the woods to the school. Also states that the definition says to the outer boundary of the school which would include property owned by the school regardless of development.

Kerry Shelton, spouse of licensee, states that they were in contact with Mat-Su Borough and AMCO throughout the construction of the building about the proximity to the school and that issues were not raised during that time.

Erika McConnell reads the definition for “school ground” and believes that AMCO staff would not have responded in such a way.

Kerry Shelton states that they would not have liquated their retirements before taking such a step without having talked to relevant agencies.

Mark Springer indicates that if the licensee were able to create a new parcel the two would then not be abutting.

Kerry Shelton states that they are only leasing the building on the property that is owned by the other owner.

Sam Hansen, board member for North Lake Community Council, via phone testifies that the school does use the area for recess or other activities and does not believe that the license should be allowed.

Mark Springer asks if Sam Hansen has been in the woods and if she has seen the building from the lot.

Sam Hanson indicates that she has not been there but is concerned that the school will not be able to build on the lot without then violating the distance requirements. Notes that the licensees did not notice the neighbors or the community council.

Peggy France, Co-owner of Naked Herbalist, via phone testifies that if this license is pulled that the AMCO Board should grant some leniency to move their operations over the course of 1-3 years.

Matthew Shelton, majority owner of Mr. Happy Farms LLC, via phone to speak in support of the application and state that there are no pedestrian routes through the woods, just game trails.

Sam Hansen states that she attended the last North Lakes Community Council and they approve a letter of support for not allowing this license to continue. Due to missing the requirement for submitting comments in time to be added to the board packet the letter was not included.

Loren Jones has questions about the process of protests and whether or not the board is the first to look at compliance issues or is the borough/city the first. Is the corrective answer to go to the borough first?

Erika McConnell states that since it was a limited cultivation facility a conditional use permit would not be required and the borough did not protest the license. Notes that the reason that the application is back before the MCB is because AMCO was not aware of the close proximity to the school when the application was brought before the board previously.

Harriet Milks states that the MCB could look to define “pedestrian route” due to the number of trails that are in the state. Notes that this issue will likely come up again.

Mark Springer asks if Director McConnell has any issue with the chronological process involved or if she believes any tried to deceive the office or the board.

Erika McConnell states that she would not make an allegation that anyone tried to deceive the board or office. Notes that staff is unclear with regards to some situations due to a lack of direction from the board.

Loren Jones believe the prudent action would be no action currently until more work can be done towards better define the issues.

● **NEW MARIJUANA HANDLER PERMIT EDUCATION COURSE PROVIDER APPLICATIONS 4:02 pm**

A. MHCP 032:	Alaska Marijuana Handler Permit Training	<u>TAB 9</u>
Applicant:	Rserving	

Nick Miller moves to approve the new Marijuana Handler Permit Education Course MHCP 032. Loren Jones seconds the motion.

Jesse Daw, Rserving employee, via phone speaks to the qualifications of Rserving and states that the offices are located in South Dakota.

Mark Springer discusses with the representative the qualifications of the designers of the course.

None opposed, motion is carried.

● **MARIJUANA HANDLER PERMIT EDUCATION COURSE – THREE YEAR REVIEW**

Loren Jones states that he had difficulty identifying information in the Tabs and couldn't tell if any changes were made to the courses he questions if the board can renew all of them with a single motion to save time.

Erika McConnell indicates that the board could take all the courses at once but notes that it is important for the board to evaluate these courses to ensure they are compliant.

Nick Miller notes that Tab 18 has not responded to the renewal and they should not be included with the group.

Tabs 16-21 are considered below.

A. MHCP 002:	Alaska Marijuana Handler Certification Course	<u>TAB 10</u>
Applicant:	Dollynda Phelps	
Initial Board Approval:	April 27, 2016	
B. MHCP 003:	Alaska Marijuana Handler Certification Training	<u>TAB 11</u>
Applicant:	Marijuana Handlers	
Initial Board Approval:	April 27, 2016	
C. MHCP 005:	Alaska Marijuana Handlers Permitting Course	<u>TAB 12</u>
Applicant:	Sunnybrook Group, LLC	
Initial Board Approval:	April 27, 2016	
D. MHCP 006:	Cannabis Handler and Marijuana Professional Certification Course	<u>TAB 13</u>
Applicant:	Serious Circus	
Initial Board Approval:	April 27, 2016	

E. MHCP 008: **Marijuana Handler Permit Instruction** **TAB 14**
Applicant: Ronda Marcy DBA Cannabis Industries
Initial Board Approval: April 27, 2016

F. MHCP 009: **Marijuana Handler's Card** **TAB 15**
Applicant: Kimberley Kole
Initial Board Approval: April 27, 2016

Loren Jones moves to approve the courses listed in Tabs 16, 17, 19, 20, & 21. (MHCP 002, MHCP 003, MHCP 005, MHCP 008 and MHCP 009)

Nick Miller seconds the motion.

None opposed, motion is carried.

Loren Jones moves to rescind the approval of MHCP 005. (Tab 18)

Nick Miller seconds the motion.

None opposed, motion is carried.

● **BOARD CONSIDERATION**

4:18 pm

A. License 10577 and 10578: **Alaskan Leaf, LLC** **TAB 16**
Licensee: Alaskan Leaf, LLC
License Type: Standard Marijuana Cultivation Facility and Retail Marijuana Store
Premises Address: 1211 West 36th Avenue, Suite A
Anchorage, AK 99503
Local Government: Municipality of Anchorage
For Consideration: **Appeal of denial of MJ-14 regarding shared marijuana storage space between co-located cultivation facility and retail store.**

Jana Weltzin, legal counsel for applicant, is present to provide information regarding Alaska Leaf and how they are looking to store their product following a robbery. She notes that there is a regulation project that deals with this issue explicitly. She requests to table the issue until such time that public comment can be given regarding the project.

Erika McConnell states that there being a regulation project that would explicitly deny an activity should not be interpreted to mean that the activity is permitted at this time.

Loren Jones agrees that the issue should be tabled at this time. He indicates that there are other licensees that separate their different businesses and restrict access between the businesses.

Jana Weltzin notes that she would like to see co-owned/co-located licenses to be able to store product in the same location.

Loren moves to table the issue till September.

Nick Miller seconds the motion.

None opposed, motion is carried.

Meeting is recessed at 4:31pm. The board will return and then go into executive session tomorrow (July 11th) at 9:00am.

Marijuana Control Board
Meeting Minutes Continued
July 11, 2019
907 Terminal Street (FNSB Assembly Chambers)
Fairbanks, Alaska

● **ADMINISTRATION**

9:00 am

A. Call to Order

B. Roll Call

Board Members Present

Mark Springer, Chair, Rural Member
Loren Jones, Public Health Member
Nick Miller, Industry Member
Christopher Jaime, Public Safety Member

Staff Present

Erika McConnell, Director
John Church, Occupational Licensing Examiner

Counsel Present

Harriet Milks, Assistant Attorney General

● **EXECUTIVE SESSION**

9:02 am

All participants and staff exit the room.

C. Hempfest: Appeal of fine; OAH Case No. 18-0901-MCB

Loren Jones moves to leave executive session.

Nick Miller seconds the motion.

None opposed, motion is carried.

The board exits executive session at 9:15am.

Loren Jones moves to adopt the decision as final authority under the authority of AS 44.64.060(E)(1).

Judicial review of this decision may be obtain by filing an appeal to the Alaska Superior Court in accordance with AS 44.62.560, within 30-days of the date of distribution of this decision.

Nick Miller seconds the motion.

Mark Springer summarizes the decision regarding a fine levied against a non-licensee, Nikki Raapana, for "public consumption of marijuana" because she communicated to Hempfest attendees that marijuana consumption could occur in the over 21 area of the festival which was determined to be a public area and therefore violated AS 17.38.040. The judge's recommendation is for a \$100 fine for public consumption.

None opposed, motion is carried.

● **ONSITE CONSUMPTION ENDORSEMENT APPLICATIONS**

9:17 am

A. License 18187 :	The Fairbanks Cut, LLC	<u>TAB 17</u>
Licensee:	The Fairbanks Cut, LLC	
Premises Address:	188 Bentley Trust Road, Suite A Fairbanks, AK 99701	
Local Government:	City of Fairbanks; Fairbanks North Star Borough	

***Nick Miller moves to approve the onsite consumption endorsement for license 18187.
Christopher Jaime seconds the motion.***

Lily Bosshart and Craig Aglietti, owners of Dankorage and The Fairbanks Cut, are present in person to speak regarding the application.

Mark Springer asks if the lease grants the ability to have onsite consumption on the premises.

Lily Bosshart indicates that the lease has been amended to include allowance for onsite consumption and describes the layout of the area where onsite would occur outside.

Mark Springer asks if the locality allows smoking.

Craig indicates that the borough originally did not approve of onsite consumption but has since reversed its decision to allow onsite consumption. Lily notes that Fairbanks does not have a smoke free ordinance like the Municipality of Anchorage.

Mark Springer asks about the products that they are looking to offer for consumption in the onsite area.

The licensees indicate they would only be offering flower at this time.

Mark Springer asks about the distance to the nearest buildings and if they have looked into possible effects on their ventilation system.

The licensees state that the nearest building is 349 feet away from the front of their building. They note that they have notified the nearby businesses of their intent to offer onsite consumption.

Loren Jones indicates that the Directors memo states that the building is not freestanding as there is a construction firm sharing the premises.

Lily Bosshart states that they believe they meet the definition of freestanding a building. She notes that the construction firm is held by the owners of the building and they are aware of the onsite consumption intention. Onsite consumption will only occur during specific hours (5pm-12am weekdays; 12pm-12am weekends) when the construction business is closed.

Erika McConnell states that previously the board had indicated that a situation similar to this was not allowed due to it not meeting the definition of freestanding.

The licensees assert that according to the current definition of freestanding in statute, they meet the requirements. They point out that the definition does not include sole occupancy and state that they believe the current regulations are too restrictive as written.

Mark Springer asks Harriet Milks if the board has authority to interpret statute other than the marijuana statute (i.e. clean air statute).

Harriet Milks confirms that she does believe that in this instance the board does have that ability since it relates directly to subject matter that the board regulates.

Mark Springer states that in his strict interpretation of the definition of freestanding the applicant meets the requirements.

Loren Jones reads out sections of AS 18.35.301.

Mark Springer notes that the applicants are not intending to allow smoking inside.

Loren Jones points out the windows or vents in the pictures provided with the application and states that he has concerns about whether the building is truly "freestanding". He states that the applicant accommodating the other occupants by having the hours of consumption only occur during the construction company's non-business hours supports his belief that the building is not freestanding.

The applicants state that such a restrictive interpretation will not allow for actual onsite consumption to occur.

Christopher Jaime states that he concurs with Loren Jones' interpretation of freestanding

Nick Miller states that he believes that the applicant does meet the freestanding requirements and since the smoking is not occurring inside he does not see an issue with it.

Loren Jones questions the applicants regarding any plans to increase security or to help control traffic.

The applicants indicate that the only product allowed to be opened in the onsite consumption area will be .5 gram and 1 gram packages. Anything larger must be placed in car or left with budtender, any other packages being opened will result in the individual being asked to leave. The applicants and the board discuss the specifics regarding how this policy will work.

**Mark Springer and Nick Miller vote yes; Loren Jones and Christopher Jaime vote no.
Motion fails 2-2.**

Erika McConnell explains the steps that the applicants can take now that the board has denied the application.

● APPLICATIONS FROM PREVIOUS MEETINGS

9:31 am

A. Previous Board Action Taken

Erika McConnell indicates that Tabs 26 and 27 have received a lift of protest and no longer need to be heard. New regulations allow the board to not deny a license if there is a conditional protest and they can now be approved with delegation.

Jana Weltzin, legal counsel for all the Tabs except 26 & 27, is present to testify in favor of extending the abeyances.

- 1. License #10254:** **AlaskaSense, LLC** **TAB 18**
 Licensee: AlaskaSense, LLC
 License Type: Retail Marijuana Store
 Premises Address: 217 East 4th Avenue, Suite D
 Anchorage, AK 99501
 Local Governments: Municipality of Anchorage
For Consideration: Request to extend abeyance timeframe.

*Loren Jones moves to approve the application for license 10254 with delegation.
 Nick Miller seconds the motion.
 None opposed, motion is carried.*

- ~~**2. License #15814:** **Tanana Herb Company, LLC** **TAB 19**
 Licensee: Tanana Herb Company, LLC
 License Type: Retail Marijuana Store
 Premises Address: 1200 Well Street
 Fairbanks, AK 99701-2835
 Local Governments: City of Fairbanks; Fairbanks North Star Borough
For Consideration: Request to extend abeyance timeframe.~~

Protest Lifted-Not Considered

- ~~**3. License #16091:** **Tanana Herb Company, LLC** **TAB 20**
 Licensee: Tanana Herb Company, LLC
 License Type: Marijuana Concentrate Manufacturing Facility
 Premises Address: 1200 Well Street
 Fairbanks, AK 99701-2835
 Local Governments: City of Fairbanks; Fairbanks North Star Borough
For Consideration: Request to extend abeyance timeframe.~~

Protest Lifted-Not Considered

- 4. License #17053:** **4th Ave Cannabis Company** **TAB 21**
 Licensee: Barely Legal, Inc
 License Type: Retail Marijuana Store
 Premises Address: 1036 E. 4TH Ave.
 Anchorage, AK 99501
 Local Governments: Municipality of Anchorage
For Consideration: Request to extend abeyance timeframe.

*Loren Jones moves to approve the application for license 17053 with delegation.
 Nick Miller seconds the motion.
 None opposed, motion is carried.*

- 5. License #17409:** **Kine Co** **TAB 22**
 Licensee: Kine Co. LLC
 License Type: Standard Marijuana Cultivation Facility
 Premises Address: 12749 W. Westen Dr.
 Houston, AK 99694

Local Governments: City of Houston; Matanuska-Susitna Borough
For Consideration: Request to extend abeyance timeframe.

***Loren Jones moves to approve the application for license 17409 with delegation.
Nick Miller seconds the motion.
None opposed, motion is carried.***

6. License #18702: Cold City Cannabis TAB 23
Licensee: Tundra Farms 2 Inc.
License Type: Retail Marijuana Store
Premises Address: 1210 E 70th Ave. #1
Anchorage, AK 99518
Local Governments: Municipality of Anchorage
For Consideration: Request to extend abeyance timeframe.

***Loren Jones moves to approve the application for license 18702 with delegation.
Nick Miller seconds the motion.
None opposed, motion is carried.***

7. License #18704: Tundra Farms TAB 24
Licensee: Tundra farm 1 Inc.
License Type: Standard Marijuana Cultivation Facility
Premises Address: 1210 E 70th Ave. #1
Anchorage, AK 99518
Local Governments: Municipality of Anchorage
For Consideration: Request to extend abeyance timeframe.

***Loren Jones moves to approve the application for license 18704 with delegation.
Nick Miller seconds the motion.
None opposed, motion is carried.***

8. License #18706: Tundra Farms TAB 25
Licensee: Tundra farm 1 Inc.
License Type: Marijuana Product Manufacturing Facility
Premises Address: 1210 E 70th Ave. #1
Anchorage, AK 99518
Local Governments: Municipality of Anchorage
For Consideration: Request to extend abeyance timeframe.

***Loren Jones moves to approve the application for license 18706 with delegation.
Nick Miller seconds the motion.
None opposed, motion is carried.***

Break at 10:03am. Meeting returns at 10:12am.

Mark Springer asks Harriet Milks to discuss the board's ability and authority to ask a wide range of questions so that the new board member Christopher Jaime understands the board's discretion in this matter.

Harriet Milks confirms that the board has the job to protect the best interests of the public; if there are questions that the board has regarding applications that relate to public health, public safety, public welfare, or the adherence of the application or applicant to statute or regulation, the board may ask them. She reminds the board that everything said by the board goes on the record and would be part of the administrative record if the matter went before an administrative law judge.

B. Tabled

1. License 10074: ~~88 Double Happiness, LLC~~ **TAB 26**
Licensee: ~~88 Double Happiness, LLC~~
License Type: ~~Standard Marijuana Cultivation Facility~~
Premises Address: ~~2905 Tanglewood Drive~~
~~Anchorage, AK 99517~~
Local Government: ~~Municipality of Anchorage~~
For Consideration: ~~Reconsideration of license denial.~~

The applicant is not present at this time via phone or in person, consideration is held until he is present. See consideration below.

2. License #14359 **Tip Top, LLC** **TAB 27**
Licensee: Tip Top, LLC
License Type: Retail Marijuana Store
Premises Address: 233 East 5th Avenue, Suite 1
Anchorage, AK 99501
Local Government: Municipality of Anchorage
For Consideration: **New license application; applicant has not been present at meetings.**

Nick Miller moves to approve the new license application for 14359 with delegation.
Loren Jones seconds the motion.

Nick Coltman, applicant, is present in person to testify regarding the application and speak to the steps they have taken to start construction of a new building on 5th Avenue.

The applicant discusses their experience and business plan with the board, and clarifies that there are no current plans for onsite consumption.

None opposed, motion is carried.

3. License 17316: **Arctic Delights** **TAB 28**
Licensee: 7107 Ventures, LLC
License Type: Marijuana Product Manufacturing Facility
Premises Address: 530 W 72nd #1
Anchorage, AK 99518
Local Government: Municipality of Anchorage
For Consideration: **Products tabled at May 2019 meeting.**

Jana Weltzin, legal counsel for licensee, is present to speak to the products in Tab 35.

Nick Miller moves to approve all new products listed in Tab 35 with delegation. (Arctic Brownie Delight, Arctic Delights Chocolate Chip Cookie Bites, Arctic Delights Signature Meltaway's, Arctic Pot Rocks, Arctic Tea Delight, Cannabis Simple Syrup, Delighted Drops, Infused Cannabis Butter, Infused Cannabis Coconut Oil, Lucky Gummies, and Tincture.)

Loren Jones seconds the motion.

Brian Thorpe, licensee, via phone is available to answer questions from the board.

Jana Weltzin summarizes the products that are up for board approval.

Loren Jones asks questions regarding product "Arctic Pot Rocks" and how the licensees are planning to test the product. He asks if while the licensee is trying to determine a way to test the product if this runs up against the test/retest issue with METRC.

Brian Thorpe states that testing will be an issue that they will be looking into to ensure it is done accurately.

Erika McConnell confirms that it would run up against the test/retest issue but that the office is working with METRC to possibly allow for retests in certain circumstances.

Jana Weltzin notes that this type of product is currently in production in other legal states but that the applicant has not started making the product yet.

None opposed, motion is carried.

4. License #19624:	Studio 420 AK	<u>TAB 29</u>
Licensee:	420 Enterprises, LLC Co.	
License Type:	Retail Marijuana Store	
Premises Address:	4608 Spenard Road, Suite E Anchorage, AK 99502	
Local Government:	Municipality of Anchorage	
For Consideration:	Municipality of Anchorage protests pending municipal marijuana license and special land use permit; applicant was not present at May meeting.	

Mark Springer asks for a motion on license 19624. No motion is made and he states that they will not be considering the application at this time.

Loren Jones states that the application was tabled at the last meeting and that it was tabled because the applicant was not present.

Erika McConnell states that the board can choose not to act but that it is essentially the same as a denial of the license application. She encourages the board to make a motion in order to provide the applicant and staff with the board's reasons for denial to allow the director to appropriately notify the applicant of their appeal rights.

Mark Springer states that the board chair would entertain a motion to go into executive session with counsel.

Nick Miller moves to go into executive session.

**Christopher Jaime seconds the motion.
None opposed, motion is carried.**

All participants and staff except Legal Counsel Harriet Milks exit the room.

The board goes into executive session at 10:36am. Back in session at 10:47am.

Loren Jones moves to leave executive session.

Nick Miller seconds the motion.

None opposed, motion is carried.

Mark Springer states that as previously indicated the board went into executive session to discuss a matter with counsel which is allowable under the Administrative Procedures Act. He then indicates that the board will move on to the next tab.

The applicant, Abe Spicola, is present in person and asks what the next steps are and why the application is not being heard.

Mark Springer states that a public official in a public body is under no obligation to make a motion on any matter. He asks the applicant to take up further questions with the Director.

5. License #19728:	Cosmic SeaWeed, LLC	<u>TAB 30</u>
Licensee:	Cosmic SeaWeed, LLC	
License Type:	Marijuana Product Manufacturing Facility	
Premises Address:	262 Charles Way Homer, AK 99603	
Local Government:	City of Homer; Kenai Peninsula Borough	
For Consideration:	Product tabled at May 2019 meeting.	

Nick Miller moves to approve the tabled new product "Cannabis Oil" with delegation.

Loren Jones seconds the motion.

Chris Long and C.B. Corey, licensees, are present in person to discuss Tab 37. They state that they also have products under Tab 68 that they request the board consider at this time. They state that this product was tabled.

None opposed, motion is carried.

The board agrees to consider the new products for license #19728 listed in Tab 68 at this time.

[● NEW MARIJUANA PRODUCTS]

B. License 19728:	Cosmic SeaWeed, LLC	<u>TAB 68</u>
Licensee:	Cosmic SeaWeed, LLC	
License Type:	Marijuana Product Manufacturing Facility	
Premises Address:	262 Charles Way Homer, AK 99603	
Local Government:	City of Homer; Kenai Peninsula Borough	

Loren Jones moves to approve the products listed under Tab 68 with delegation. (Cannabis Oil for Vaporization Cartridges- refill, Cosmic special pre-roll, Cosmic Wax – Winterization Wax byproduct, and Topical Cream)

Nick Miller seconds the motion.

Mark Springer indicates that the product “Cannabis Oil” includes an unlisted inert ingredient.

Applicants indicate that the product will be pure cannabis oil and that they will submit a correction to the ingredient list for product “Cannabis Oil”.

Loren Jones states he would like to see warnings for ingestion added to the packaging for product “Topical Cream”.

None opposed, motion is carried.

Applicant for Tab 33 is present via phone at this time.

1. License 10074:	88 Double Happiness, LLC	<u>TAB 33</u>
Licensee:	88 Double Happiness, LLC	
License Type:	Standard Marijuana Cultivation Facility	
Premises Address:	2905 Tanglewood Drive Anchorage, AK 99517	
Local Government:	Municipality of Anchorage	
For Consideration:	Reconsideration of license denial.	

Bernard Souphanavong, applicant, is present via phone available to testify to the application in Tab 33.

Loren Jones moves to reconsider their previous action to deny the license.

Nick Miller seconds the motion.

None opposed, motion is carried.

Loren Jones moves to approve the new license application for license 10074.

Nick Miller seconds the motion.

Loren Jones questions whether the applicant has made a decision on moving forward.

The applicant indicates they have not committed to moving their old business out of the building and moving forward with their cultivation facility.

Mark Springer states that since the applicant is not moving forward at this time then the license should not be left active. He notes that the applicant can come back to apply again in the future.

All opposed, motion fails.

6. License #19877:	Dannys Place	<u>TAB 31</u>
Licensee:	Ronald G Pritchard	
License Type:	Limited Marijuana Cultivation Facility	
Premises Address:	36221 Pine Street Soldotna, AK 99669	
Local Government:	Kenai Peninsula Borough	

For Consideration: Conditions pursuant to 3 AAC 306.060(b); applicant was not present at May meeting.

Loren Jones moves to approve the application for license 19877 with delegation and Kenai Peninsula Borough conditions.

Nick Miller seconds the motion.

Ronald Pritchard, applicant, and Justine Prichard, spouse, are present via phone. They answer board questions regarding experience with cultivation and business plan.

None opposed, motion is carried.

C. Licenses in “Pending Inspection” Status for Over Six Months

TAB 32

The applicant for Item 5 is present in person so it is considered at this time.

5. License #12833: Alaskan Loven It, LLC
Licensee: Alaskan Loven It, LLC
Premises Address: 2908 Kachemak Drive
Homer, AK 99603
Approved by MCB: April 5, 2018
License issued: November 1, 2018

Jana Weltzin, counsel, and Janiese Stevens, applicant, are present to testify to the timeline for moving into active-operating status; they that they are working to become operational by October but that they would like to pad it by a couple of months.

Mark Springer states that the board would look to hear from the applicant in November.

1. License #10014: The Naked Herbalist
Licensee: Peggy S France and Miles S France
License Type: Limited Marijuana Cultivation Facility
Premises Address: 47841 South Crop Circle
Willow, AK 99688
Approved by MCB: October 28, 2016
License issued: January 24, 2017

TAB 33

Peggy France is present via phone but she asks that Miles France be the one to address the board. Miles France, applicant, via phone is available to speak to their timeline for completion. He indicates that the facility is halfway completed and the construction is being financed and completed by himself. He indicates that the inspection should be complete before snowfall.

Mark Springer states that he looks to hear from applicants at November meeting.

2. License #10057: Alaskan Cannabis Outfitters
Licensee: Great White Bear, LLC
License Type: Retail Marijuana Store
Premises Address: 41945 Sterling Highway
Homer, AK 99603
Approved by MCB: April 5, 2017

TAB 34

License issued: November 22, 2017

William Bear, licensee, via phone is available to testify to their timeline for completion and inspection. He believes that they will be ready for an inspection around September 1.

The board agrees to check back regarding the application in September.

3. License #11384:	Green Elephant, LLC	<u>TAB 35</u>
Licensee:	Green Elephant, LLC	
License Type:	Standard Marijuana Cultivation Facility	
Premises Address:	8420 Airport Boulevard, Building B Juneau, AK 99801	
Approved by MCB:	May 15, 2017	
License issued:	July 6, 2017	

Richard Dudas, licensee, is on the phone to testify to their timeline. He indicates they should receive an inspection in the next week or so.

4. License #12817:	Turnagain Horticulture Company
Licensee:	Turnagain Horticulture Company
Premises Address:	524 E 48th Avenue, Unit 2 Anchorage, AK 99503
Approved by MCB:	April 5, 2018
License issued:	July 24, 2018

Erika McConnell informs board that the applicant is in litigation over an eviction at this premises for another license.

Mark Springer and Erika McConnell discuss the seizure of product related to the eviction and Mark Springer states that the board will hold consideration of this matter until the legal process is resolved.

D. Licenses in “Delegated” Status for Approximately One Year **TAB 36**

1. License #12580:	Brown Owl’s Cultivation
Licensee:	Winazar, LLC
License Type:	Limited Marijuana Cultivation Facility
Premises Address:	320 Wright Lane Fairbanks, AK 99712
Local Government:	Fairbanks North Star Borough
Approved By MCB:	September 14, 2017
Pending:	Fire Marshal approval. During February 2019 update, applicant was asked to provide update in May but was not present.

Applicant is not present at this time.

2. License #12680:	Glacier Bay Farms
Licensee:	Carol J. Waldo
License Type:	Standard Marijuana Cultivation Facility
Premises Address:	17 Helms Loop Spur Haines, AK 99827
Approved By MCB:	April 5, 2018

Pending: **Fire Marshal approval. Board requested July update.**

Carol Waldo, licensee, via phone is available to testify to their timeline for inspection and operation, she indicates they are moving forward but have had delays with electronics due to the earthquake.

Mark Springer asks if the licensee would be ready for September meeting.

Carol Waldo indicate they look to be open in October.

Mark Springer states that the board will look for an update at the September meeting.

3. License #12818: **Turnagain Herb Company**
Licensee: AK Provisions Corporation
License Type: Retail Marijuana Store
Premises Address: 524 E 48th Avenue, Unit 3
Anchorage, AK 99503
Approved By MCB: April 5, 2018
Pending: **Municipality of Anchorage protest. Not present in May.**

Applicant is not present at this time. Erika McConnell and Mark Springer state that it appears that this license has the same address as Turnagain Horticulture.

Erika McConnell states that these applicants have been asked to come before the board to discuss their application but not come for the second meeting in a row.

4. License #13864: **Simple House, LLC**
Licensee: Simple House, LLC
Premises Address: 6511 Hemlock Drive
Wasilla, AK 99654
Approved by MCB: April 5, 2018
Pending: **Fire Marshal approval.**

Jana Weltzin, legal counsel for licensee, is present to testify that they are working on getting Fire Marshal approval.

Mark Springer states that the board will look for update at the Nome meeting in September.

5. License #11960: **Last Frontier Joint Operations, LLC**
Licensee: Last Frontier Joint Operations, LLC
License Type: Marijuana Product Manufacturing Facility
Premises Address: 7180 Revilla Road, Suite 100
Ketchikan, AK 99901
Local Government: Ketchikan Gateway Borough
Approved By MCB: May 7, 2018
Pending: **DEC approval.**

Applicant is not present. Consideration moved to September.

6. License #13881: **AlasKind, LLC**
Licensee: AlasKind, LLC

Premises Address: 278 East Bias Drive
Fairbanks, AK 99712-2501
Approved by MCB: May 7, 2018
Pending: Fire Marshal approval.

Applicant is not present. Consideration moved to September.

7. License #14706: Denali Herb Company
Licensee: DHC, LLC
Premises Address: 1328 E Fairview Loop Road, Suite A
Wasilla, AK 99654
Approved by MCB: May 7, 2018
Pending: Fire Marshal approval.

Gregory Stigan, licensee, via phone is available to speak to their Fire Marshal status. He indicates that they have received approval but that the building is still under construction.

Mark Springer indicates they will look for an update at the September meeting.

8. License #13310: AK Cultivations
Licensee: Charles J Campbell & Justin J Bacher
License Type: Limited Marijuana Cultivation Facility
Premises Address: 2611 South Desiree Circle
Wasilla, AK 99654
Approved By MCB: June 14, 2018
Pending: Fire Marshal approval.

Applicant is not present at this time.

9. License #13394: High Flower On King
Licensee: King Street Ventures, Inc.
License Type: Retail Marijuana Store
Premises Address: 9525 King Street, Suite 1
Anchorage, AK 99515
Approved by MCB: June 15, 2018
Pending: Municipality of Anchorage protest.

Considered below.

10. License #13395: High Flower Creations
Licensee: Alaskan Mountain Trails, LLC
License Type: Marijuana Product Manufacturing Facility
Premises Address: 9525 King Street, Suite 3
Anchorage, AK 99515
Approved by MCB: June 15, 2018
Pending: Municipality of Anchorage protest.

Considered below.

11. License #13396: High Flower Farms
Licensee: Alaskan Mountain Trails, LLC

License Type: Standard Marijuana Cultivation Facility
Premises Address: 9525 King Street, Suite 2
Anchorage, AK 99515
Approved by MCB: June 15, 2018
Pending: Municipality of Anchorage protest.

Jana Weltzin, legal counsel for High Flower, is present and indicates that the license is not moving forward due to policies of the Federal government relating to Canadians. They will not be moving forward with the applications for licenses 13394, 13395 and 13396.

12. License #13613: **Puffin AK**
Licensee: RDA Enterprise, LLC
License Type: Retail Marijuana Store
Premises Address: 200 W 68th Avenue, Unit A1
Anchorage, AK 99518
Approved by MCB: June 15, 2018
Pending: Municipality of Anchorage protest

Considered below.

13. License #13614: **Puffin AK**
Licensee: RDA Enterprise, LLC
License Type: Standard Marijuana Cultivation Facility
Premises Address: 200 W 68th Avenue, Unit A2
Anchorage, AK 99518
Approved by MCB: June 15, 2018
Pending: Municipality of Anchorage protest.

Jana Weltzin, legal counsel, is present to speak to the progress of the application, she indicates that the licensee recently had a child which has delayed the project but that they still intend to move forward with the application.

Mark Springer indicates that the Board will look for update in September.

● **LICENSE CONVERSIONS**

10:43 am

A. License #10043: **Alaskan Greenery** **TAB 37**
Licensee: Michael R Liljedahl
Premises Address: 3250 Richardson Highway
Valdez, AK 99686
Local Government: City of Valdez
Current License Type: Standard Marijuana Cultivation Facility
New License Type: Limited Marijuana Cultivation Facility

***Nick Miller moves to approve conversion of license 10043 from a Standard to Limited.
Loren Jones seconds the motion.***

Jana Weltzin, legal counsel for the licensee, is present to speak to Tab 44. She indicates that the licensee does not need the full license and is looking to reduce to the 500 sq. ft. limitation placed on limited cultivation licenses.

Loren Jones asks if a new inspection will be required to ensure that the grow space is limited.

Erika McConnell indicates that enforcement conducts inspections with renewals and whenever a change occurs that enforcement decides necessitates an inspection.

Michael Liljedahl, licensee, is present via phone to answer questions from the board regarding changing from a full to limited. He states that when they first applied the grow space definition wasn't clear to them so they applied for a full license but at this time they only require the space allowed by a limited license.

None opposed, motion is carried.

● **NEW STANDARD MARIJUANA CULTIVATION FACILITY APPLICATIONS**

10:50 am

A. License #20984:	Quintessence Farms	<u>TAB 38</u>
Licensee:	Jack Ventures, LLC	
Premises Address:	8430 Laviento Drive, Suite B Anchorage, AK 99515	
Local Government:	Municipality of Anchorage	
For Consideration:	Municipality of Anchorage conditionally protests pending municipal marijuana license and special land use permit.	

Jana Weltzin, legal counsel for licensee, is present person to speak to Tab 45.

Nick Miller moves to approve the new license application for license 20984 with delegation. Loren Jones seconds the motion.

Nicholas Gelinas and Benjamin English, applicants, are present via phone to answer any questions from the board.

Loren Jones states that the business plan indicates that they will not request ID from AMCO Enforcement. Jana Weltzin and the board discuss whether or not any ID is required from AMCO.

Mark Springer states that the board would like to see an edit that indicates that ID will be required from AMCO Enforcement / the Marijuana Control Board and Law Enforcement. He points out that an enforcement or police badge is still government issued ID.

Loren Jones states that the only thing that will be different is that the enforcement bodies would not need to schedule an inspection or visit.

Mark Springer asks if the licensee plan to offer tours to visitors.

Licensees indicate that they will not be offering tours.

Mark Springer asks about the licensee's experience.

Jana Weltzin states that one of the licensees previously worked for another cultivator.

None opposed, motion is carried.

B. License #21086: **Nugz, LLC** **TAB 39**
Licensee: Nugz, LLC
Premises Address: 9331 Glacier Highway
Juneau, AK 99801
Local Government: City and Borough of Juneau

Jana Weltzin, legal counsel for licensee, is present in person to speak to Tab 46 and answer questions.

Dave Smith, Nugz LLC, is present in person to answer any questions from the board.

Nick Miller moves to approve license 21086 with delegation.

Loren Jones seconds the motion.

Mark Springer ask questions regarding business plan, experience, and the marketplace in Juneau.

None opposed, motion is carried.

● **NEW LIMITED MARIJUANA CULTIVATION FACILITY APPLICATIONS** **11:00 am**

A. License 17548: **Stonewell Cultivation, LLC** **TAB 40**
Licensee: Stonewell Cultivation, LLC
Premises Address: 4255 Murphy Dome Road
Fairbanks, AK 99709
Local Government: Fairbanks North Star Borough

Nick Miller moves to approve license 17548 with delegation.

Loren Jones seconds the motion.

John Jaeger, licensee, is present in person to testify to the application in Tab 47 and answer any questions from the board.

Mark Springer asks about the premises and if it is located on residential property.

John Jaeger states that the premises is a garage attached to the residence.

Mark Springer asks whether there will be kids around.

John Jaeger indicates that he does have a kid on the way and will be working to ensure access is limited to the garage.

None opposed, motion is carried.

B. License 17816: **Talkeetna Traditions LLC** **TAB 41**
Licensee: Talkeetna Traditions LLC
Premises Address: 41010 S Parks Highway
Talkeetna, AK 99676
Local Government: Matanuska-Susitna Borough

Nick Miller moves to approve license 17816 with delegation.

Loren Jones seconds the motion.

Judy and Greg Rider, licensees, via phone are available to speak to the application in Tab 48 and answer any questions from the board.

Mark Springer asks if the premises is located in a garage.

Judy Rider states that they will be using a high tunnel and will only be growing in the summer.

Mark Springer asks the licensees about their experience and business plan.

Loren Jones asks about access to the property, the premises diagram indicates there is an apartment over garage.

Judy Rider states there is not a renter in the apartment at this time.

None opposed, motion is carried.

C. License 18928:	Cannavore, LLC	<u>TAB 42</u>
Licensee:	Cannavore, LLC	
Premises Address:	12561 N. Pettis Drive (Garage)	
	Willow, AK 99688	
Local Government:	Matanuska-Susitna Borough	

Lance Wells, legal counsel, via phone is available to speak to the application in Tab 49.

Nick Miller moves to approve license 18928 with delegation.

Loren Jones seconds the motion.

Patrick Owens, licensee, via phone is available to answer questions from the board.

Mark Springer asks the licensee about their business plan and experience.

Loren Jones indicates that he has concerns about not having water or sanitation facilities on the licensed premises.

None opposed, motion is carried.

Break for lunch at 11:57am. Resumes at 1:09pm.

● NEW RETAIL MARIJUANA STORE APPLICATIONS 1:09 pm

A. License 14416:	The New Company Store	<u>TAB 43</u>
Licensee:	The New Company Store	
Premises Address:	703 Cannery Row	
	Cordova, AK 99574	
Local Government:	City of Cordova	

Jana Weltzin, legal counsel for licensee, is present to speak to the application in Tab 50.

Melina Myers, licensee, via phone is available to answer questions from the board and speak to their business plan.

**Loren Jones moves to approve license 14416 with delegation.
Christopher Jaime seconds the motion.**

Loren Jones asks questions regarding whether the applicant has a cultivation license as the application seems to indicate that a cultivation license has been applied for he also stresses caution advertising or speaking to medical benefits of marijuana.

Mark Springer ask the licensee about the business plan and the applicant's business experience.

None opposed, motion is carried.

B. License 20151:	Alaska Tasty Cannabis, LLC	<u>TAB 44</u>
Licensee:	Alaska Tasty Cannabis, LLC	
Premises Address:	810 E. 6 th Avenue Anchorage, AK 99501	
Local Government:	Municipality of Anchorage	
For Consideration:	Municipality of Anchorage conditionally protests pending municipal marijuana license and special land use permit.	

Lance Wells, legal counsel and applicants Azdren Poshka, and Nazif Limani, via phone are available to discuss the application.

**Nick Miller motions to approve license 20151 with delegation.
Loren Jones seconds the motion.**

Mark Springer asks the applicant about their business plan and experience.

Loren Jones provides questions and some concerns about the size of the premises as shown on the diagram.

Jessica Smith, assistant to Lance Wells, speaks to the premises diagram to explain where the retail will be.

Nick Miller asks if the liquor license is still an issue.

Erika McConnell brings up the issue of an alcohol license being present at the location. A final license cannot be issued until this issue is resolved.

Lance Wells notes that he is aware of the issue and is seeking guidance on how to move forward.

Mark Springer indicates that resolution of the liquor license issue will be included with delegation.

None opposed, motion is carried.

C. License #20561:	Badger Buds LLC	<u>TAB 45</u>
Licensee:	Badger Buds LLC	
Premises Address:	2008 Levado Avenue, Unit A	

Local Government: North Pole, AK 99705
Fairbanks North Star Borough

**Nick Miller moves to approve license 20561 with delegation.
Christopher Jaime seconds the motion.**

Michelle Westlake and Joseph Westlake, applicants, are present in person to discuss the application.

Loren Jones has questions regarding the premises diagram and security that is present; there are multiple doors that give him pause.

The applicants discuss the layout of the premises and the locations of the entrances/exits to the retail store.

Mark Springer questions the licensees about their business plan and experience.

None opposed, motion is carried.

D. License #21066:	Mile High	<u>TAB 46</u>
Licensee:	Kuster's Kreations, LLC	
Premises Address:	910 W. International Airport Road, Suite B Anchorage, AK 99518	
Local Government:	Municipality of Anchorage	
For Consideration:	Municipality of Anchorage conditionally protests pending municipal marijuana license and special land use permit.	

Erika McConnell informs the board that the application has been withdrawn.

E. License #21069:	Wildflower	<u>TAB 47</u>
Licensee:	Three Sisters, LLC	
Premises Address:	158 Alimaq Drive Kodiak, AK 99615	
Local Government:	City of Kodiak, Kodiak Island Borough	

Jana Weltzin, counsel, and Janiese Stevens, applicant, are present to discuss the application.

**Nick Miller moves to approve license 21069 with delegation.
Christopher Jaime seconds the motion.**

Mark Springer questions the licensee about whether they will sell to the military population.

Janiese Stevens states that she does not believe it is her responsibility to ensure individuals that shouldn't smoke don't purchase product.

Loren Jones has questions about the ownership structure and plans for transfers in the future.

Janiese Stevens indicates that a holding company will eventually own this license and Alaska Loven it but the transfer cannot take place until the Alaska Loven It license is active operating.

Erika McConnell states that they could start the transfer since they are active pending inspection.

None opposed, motion is carried.

● **OWNERSHIP TRANSFER APPLICATIONS**

1:40 pm

A. License #10025:	Moose Garden, LLC	<u>TAB 48</u>
Licensee:	Moose Garden, LLC	
License Type:	Standard Marijuana Cultivation Facility	
Premises Address:	32273 Old Nash Road Seward, AK 99664	
Local Government:	Kenai Peninsula Borough	
Transferor:	Budding Alaska, LLC; DBA: Budding Alaska, LLC	
For Consideration:	Kenai Peninsula Borough requests conditions; Department of Labor - Workers' Compensation objects due to non-compliance.	

Nick Miller moves to approve the transfer of license 10025 with delegation and KPB conditions. Christopher Jaime seconds the motion.

Bruce Martin, current licensee, Angela Vinh, Marius Vinh and Andrew Yen, transferees, are present to speak to the application.

Erika McConnell indicates that the compliant notice from Department of Labor- Workers Compensation has been received but it was after the agenda was finalized.

Mark Springer questions new owners regarding their business plan and experience.

None opposed, motion is carried.

B. License #10293:	Fuzzy Monkey	<u>TAB 49</u>
Licensee:	AKGLD, LLC - James Millhouse 50% and Mindy Millhouse 50%	
License Type:	Standard Marijuana Cultivation Facility	
Premises Address:	2612 Eagle Street Anchorage, AK 99503	
Local Government:	Municipality of Anchorage	
Transferor:	AKGLD, LLC - James Millhouse 100%	

Jana Weltzin, counsel, is present in person and James Millhouse, applicant, is present via phone to discuss the application.

Nick Miller moves to approve the transfer of license 10293 with delegation.

Christopher Jaime seconds the motion.

None opposed, motion is carried.

C. License #10864:	Fuzzy Monkey	<u>TAB 50</u>
Licensee:	AKGLD, LLC - James Millhouse 50% and Mindy Millhouse 50%	
License Type:	Retail Marijuana Store	
Premises Address:	2612 Eagle Street Anchorage, AK 99503	
Local Government:	Municipality of Anchorage	

Transferor: AKGLD, LLC - James Millhouse 100%

**Nick Miller moves to approve transfer of license 10864 with delegation.
Christopher Jaime seconds the motion.
None opposed, motion is carried.**

D. License #10933:	Alaska’s Green Light District	<u>TAB 51</u>
Licensee:	AKGLD, LLC - James Millhouse 50% and Mindy Millhouse 50%	
License Type:	Retail Marijuana Store	
Premises Address:	405 E. Northern Lights Blvd Anchorage, AK 99503	
Local Government:	Municipality of Anchorage	
Transferor:	AKGLD, LLC - James Millhouse 100%	

**Nick Miller moves to approve the transfer of license 10933 with delegation.
Loren Jones seconds the motion.
None opposed, motion is carried.**

E. License #12328:	Aurora Blaze, LLC	<u>TAB 52</u>
Licensee:	Aurora Blaze, LLC – Brittany Gitschel 100%	
License Type:	Standard Marijuana Cultivation Facility	
Premises Address:	2693 Arla Street Fairbanks, AK 99709	
Local Government:	Fairbanks North Star Borough	
Transferor:	Aurora Blaze, LLC – Branden Roybal 50% and Brittany Gitschel 50%	

Brittany Gitschel, licensee, via phone is available to discuss the application.

**Nick Miller moves to approve the transfer of license 12328 with delegation.
Christopher Jaime seconds the motion.**

Mark Springer asks the applicants about their business plan and experience.

None opposed, motion is carried.

● LICENSE RENEWAL APPLICATIONS 2:25 pm

A. Notices of Violation Received

1. License #10903:	Momo’s Bakery	<u>TAB 53</u>
Licensee:	JMP, LLC	
License Type:	Marijuana Product Manufacturing Facility	
Premises Address:	2917 Spenard Road, Suite 102 Anchorage, AK 99503	
Local Government:	Municipality of Anchorage	
For Consideration:	Violations of transportation and delivery of marijuana and marijuana products.	

Nick Miller moves to approve the renewal of license 10903 with delegation.

Christopher Jaime seconds the motion.

Peter Eberhardt, licensee, via phone is available to discuss the application and the violation.

Mark Springer questions the licensee about their business operations.

None opposed, motion is carried.

● **OPERATING PLAN CHANGES**

2:28 pm

A. License 10245:	AK Slow Burn Cannabis Outlet	<u>TAB 54</u>
Licensee:	AK Slow Burn Cannabis Outlet, LLC	
License Type:	Retail Marijuana Store	
Premises Address:	2042 E. 3 rd Avenue, Suite A Anchorage, AK 99501	
Local Government:	Municipality of Anchorage	

Jana Weltzin, counsel, is present in person and Lou Weaver, licensee, via phone is present to discuss the application.

Jana Weltzin indicates that the operating plan has been updated to include making their own pre-rolls and adding a deli style sales counter to the store, she states that the premises diagram change has already been approved.

**Mark Springer asks for the boards votes on the proposed operating plan change for license 10245.
None opposed, motion is carried.**

B. License #10271:	Top Hat Concentrates, LLC	<u>TAB 55</u>
Licensee:	Top Hat Concentrates, LLC	
License Type:	Marijuana Product Manufacturing Facility	
Premises Address:	2315 Industrial Blvd., Suite B Juneau, AK 99801	
Local Government:	City and Borough of Juneau	

Jana Weltzin, counsel, is present and summarizes the new packaging that the licensee is looking to use.

Nick Miller moves to approve the operating plan change for license 10271.

Loren Jones seconds the motion.

None opposed, motion is carried.

C. License 10903:	Momo's Bakery	<u>TAB 56</u>
Licensee:	JMP, LLC	
License Type:	Marijuana Product Manufacturing Facility	
Premises Address:	2917 Spenard Road, Suite 102 Anchorage, AK 99503	
Local Government:	Municipality of Anchorage	

Licensee is not present to discuss application at this time. See consideration below.

D. License 12254:	Lady Gray Gourmet Medibles	<u>TAB 57</u>
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Licensee: Lady Gray, LLC
License Type: Marijuana Product Manufacturing Facility
Premises Address: 36322 Pine Street, Suite 1
Soldotna, AK 99669
Local Government: Kenai Peninsula Borough

**Nick Miller moves to approve the operating plan change for license 12254.
Christopher Jaime seconds the motion.**

Jana Weltzin, counsel, and Jamie Grossl, licensee, are present in person.

Erika McConnell brings up concerns about delineating the number and size of servings for the granola and nut products. She states that she believes that the granola should be packaged in individual servings and then the servings could be packaged together for sale.

Jana Weltzin brings up a previously approved product (nut butter) that was approved with multiple servings. She states that this was an attempt to reduce the amount of packaging.

The licensee and counsel discuss serving sizes and packaging of these products with the board.

Erika McConnell indicates that regulations may need to be changed to accommodate products such as this.

Mark Springer asks about opening a regulation project to address the regulation.

Jana Weltzin states that previously the board opened a regulation project in response to another product from Jaimie but no changes were made.

Christopher Jamie indicates that if a project is not opened then he is currently a no vote because it does not meet regulations.

Jaimie Grossl and Jana Weltzin question if they could use a heated mylar bag to break up individual servings.

The board and Erika McConnell indicate that doing so would address the concerns of multiple servings in one package.

Mark Springer asks about the Frozen Goodness product and how that is marked for consumption.

Counsel and licensee indicate that it is by teaspoon similar to other products approved by the board.

**Loren Jones, Mark Springer and Nick Miller vote yes, Christopher Jaime votes no.
Motion is carried 3-1.**

C. License 10903: **Momo's Bakery**
Licensee: JMP, LLC
License Type: Marijuana Product Manufacturing Facility
Premises Address: 2917 Spenard Road, Suite 102
Anchorage, AK 99503
Local Government: Municipality of Anchorage

TAB 63

**Nick Miller moves to approve the proposed operating plan change for license 10903.
Loren Jones seconds the motion.**

Maureen Eberhardt, licensee, via phone is available to discuss the changes to their operating plan.

Mark Springer has questions about the changes to the operating plan and the locks/totes that are being used. He asks if they are transporting through the airport.

Maureen Eberhardt states that they are not transporting product through the airport.

None opposed, motion is carried.

Break at 2:37pm. Back at 2:47pm

E. License 15594:	Cold Creek Extracts	<u>TAB 58</u>
Licensee:	Cold Creek Extracts, LLC	
License Type:	Marijuana Product Manufacturing Facility	
Premises Address:	7801 Schoon St., Unit L & M Anchorage, AK 99518	
Local Government:	Municipality of Anchorage	

**Nick Miller moves to approve the operating plan change for license 15594.
Christopher Jamie seconds the motion.**

Cade Inscho, licensee, via phone is available to speak to the changes to the operating plan.

Loren Jones and the applicant discuss the containers being used.

Cade Inscho clarifies that the syringes will be packaged in plastic 'clam shell' packaging.

Mark Springer asks about residual product left in the syringe.

Cade Inscho indicates that the product can be completely removed so residual product should not be an issue.

None opposed, motion is carried.

F. License 17480:	Tundra Herb Company, LLC	<u>TAB 59</u>
Licensee:	Tundra Herb Company, LLC	
License Type:	Retail Marijuana Store	
Premises Address:	520 W 6 th Avenue, Suite A Anchorage, AK 99501	
Local Government:	Municipality of Anchorage	

Applicant is not present to speak to operating plan change.

Loren Jones states that staff has temporarily approved this change already so he does not see a need to hold up the change.

**Loren Jones moves to approve operating plan change for 17480.
Nick Miller seconds the motion.
None opposed, motion is carried.**

● **NEW MARIJUANA PRODUCTS**

2:53pm

A. License 16767:	AKO Farms, LLC	<u>TAB 60</u>
Licensee:	AKO Farms, LLC	
License Type:	Marijuana Concentrate Manufacturing Facility	
Premises Address:	1210 Beardslee Way Sitka, AK 99835	
Local Government:	City and Borough of Sitka	

Justin Brown, licensee, via phone is available to discuss the new product.

**Nick Miller moves to approve new product "Diamonds".
Loren Jones seconds the motion.**

Mark Springer asks the licensee to describe the product and how it is produced.

Justin Brown explains the process of creating the diamonds for the benefit of the board.

None opposed, motion is carried.

B. License 19728:	Cosmic SeaWeed, LLC	<u>TAB 61</u>
Licensee:	Cosmic SeaWeed, LLC	
License Type:	Marijuana Product Manufacturing Facility	
Premises Address:	262 Charles Way Homer, AK 99603	
Local Government:	City of Homer; Kenai Peninsula Borough	

Considered above with Tab 37.

Regulations are considered at this time due to agenda change made above.

● **REGULATIONS**

2:56 pm

B. Proposed Projects

1. Board Requests

Loren Jones brings up some concerns regarding onsite that were brought up during a Juneau assembly meeting. One of the concerns being whether placing a roof over an outdoor area would be considered "enclosed". He also wants to ensure that there is clarity on what constitutes a concentrate for the purposes of vaping and onsite consumption, he has been informed that bud and flower can be 'vaporized'. He also addresses some 'creative' methods of consumption that the board has not yet considered. Additionally, he expresses concerns that the matter of products that have concentrates infused into them needs more clarity.

Mark Springer states that he agrees that consideration must occur.

Erika McConnell states that there is more work that needs to be done for the onsite consumption clean-up and some of these topic could be address in that project.

C. Drafts for Board Review, Pending Public Comment Opportunity

Item 1, Tab 9 considered above.

1. ~~Fine Schedule~~ TAB 9

~~Status: _____ Revised draft for board consideration
Potential Board Actions: _____ Amend and/or put out for public comment~~

2. Overlapping Premises TAB 10

Status: Initial draft for board consideration
Potential Board Actions: Amend and/or put out for public comment

Erika McConnell summarizes Tab 10.

Harriet Milks leaves the meeting at 3:10pm. Returns at 3:13pm.

Loren Jones notes that he understands the concerns of the industry but notes that he has concerns about allowing shared spaces, he is willing to put it out for public comment.

Erika McConnell and Mark Springer discuss the possible amendment to eliminate “a license operated” from the proposed language in 3 AAC 306.705 (d) to allow for the possibility of different licensees having shared premises space.

**Loren Jones moves to amend the regulation project “Overlapping Premises” as stated above.
Nick Miller seconds the motion.
None opposed, motion is carried.**

**Loren Jones moves to send the amended regulation project “Overlapping Premises” out for public comment.
Nick Miller seconds the motion.
None opposed, motion is carried.**

3. Handler Permit Revocation TAB 11

Status: Initial draft for board consideration
Potential Board Actions: Amend and/or put out for public comment

Erika McConnell summarizes Tab 11.

Mark Springer asks for clarification on when a handler’s permit should be revoked, he worries about employment opportunities for certain individuals who may not be able to be employed elsewhere.

Erika McConnell clarifies the current offenses that restrict the ability of an individual to obtain a handler’s permit, she indicates that this project dealt more with issues like stealing product or allowing minors on premises rather than other criminal concerns.

Loren Jones moves to put regulation project “Handler Permit Revocation” out for public comment.

**Christopher Jaime seconds the motion.
None opposed, motion is carried.**

D. Public Comments Received

1. Tracking and Grading

TAB 12

Status: Public comment period closed June 19, 2019
Potential Board Actions: Vote to adopt; OR
Substantially amend and put out for public comment

Erika McConnell summarizes Tab 12.

Loren Jones asks about the transfer of untested marijuana to manufacturers and states that it moves the onus of testing onto the manufacturer from the cultivator. He has concerns about pre-rolls that have concentrates in them that may not be tested.

Nick Miller states that if the marijuana was not tested then manufacturer would not be able to transfer the product to a retail shop.

Mark Springer states that if marijuana has failed a test the only place that should accept it would be a concentrate manufacturer, he would like to see some language changed.

Erika McConnell reads part of the proposed 3 AAC 306.660 that states that a failed test batch can be used to make “carbon dioxide- or solvent-based extract” and suggests using that language including “concentrate manufacturer or product manufacturer”.

Loren Jones moves to amend to 3 AAC 306.455(c), to add language that untested/failed marijuana can only be used for certain concentrates (carbon dioxide- or solvent-based extracts) and that it must pass all required tests after processing.

**Nick Miller seconds the motion.
None opposed, motion is carried.**

Erika McConnell asks if this would be a substantial amendment.

Harriet Milks indicates that this would not be a substantial amendment.

Loren Jones moves to accept the regulation project “Tracking and Grading” as amended.

**Nick Miller seconds the motion.
None opposed, motion is carried.**

2. Testing Oversight

TAB 13

Status: Public comment period closed June 19, 2019
Potential Board Actions: Vote to adopt; OR
Substantially amend and put out for public comment

Erika McConnell states that Steve Crupi from DEC may be available on the phone (he is not), she indicates that DEC may be anticipating this matter being heard tomorrow.

Mark Springer states that Tab 13 is tabled until July 12, 2019.

3. On-site Consumption Clean-up

TAB 14

Status: Public comment period closed June 19, 2019
Potential Board Actions: Vote to adopt; OR
Substantially amend and put out for public comment

Erika McConnell summarizes Tab 14 and requests for clarity for how the board would like to define 'freestanding'.

Loren Jones indicates that he believes the definition of freestanding should include single occupancy; he realizes this interpretation may be restrictive but he believes that was the original intent.

Nick Miller has concerns that writing the definition so narrow would limit the local government's ability to comment or write their own ordinances; he would like to see some middle ground reached.

Loren Jones states that he does not feel that either interpretation is taking out the local government's ability to narrow what is allowed. He states that he is uncomfortable with allowing each local government to independently interpret 'freestanding'.

Mark Springer asks Harriet Milks what authority the board has to define a term in a different title of the statute.

Harriet Milks explains the authority delegated to the board to define 'freestanding', she notes that the board has the ability to make their own interpretation for the purposes of their regulation due to the fact that they are citing the definition in the other title and clarifying, not changing the definition. The board has the ability at this time to work within the current definition to help define what goes on inside the freestanding building as related to the business(es) located in the building.

Erika McConnell notes that Title 18 states that there is no smoking in building, but that it does allow for smoking if the building is freestanding, she notes that the legislature passed the legislation with specific circumstances under which the board could allow for smoking.

Harriet Milks states that it could be beneficial to look at the legislative history to see if there was a debate regarding what constitutes freestanding.

Christopher Jaime indicates that to him freestanding means single occupancy.

Mark Springer notes that the Fairbanks Cut proposal was for an outdoor area which would be part of the licensed premises but not part of the building proper.

Harriet Milks indicates that smoking is allowed outside but there are restrictions regarding how close the smoking area can be to windows or ventilation systems.

Loren Jones moves to send the project back to staff to amend the motion based on the discussion that has occurred.

Nick Miller seconds the motion.

Mark Springer states that the definition should include a requirement that the entrance to the premises not be through another business.

Nick Miller states that he believes ownership of the property should be considered when defining freestanding, he states that under his interpretation a strip mall would not be considered freestanding. He sees a freestanding building as one property owner.

Erika McConnell asks for clarification, as the construction of a strip mall does not depend on the ownership within the structure.

Nick Miller states that the ownership is what matters, if the strip mall is held by a single owner and isn't touching another building, it would be "freestanding".

Loren Jones agrees with Harriet Milks that there may be evidence in the legislative history as to what was meant by freestanding and states that he reads the definition in the original legislation that indicates that the ownership in the building is a separate consideration from the construction.

None opposed, motion is carried.

Meeting is recessed at 4:11pm.

Marijuana Control Board
Meeting Minutes Continued
July 12, 2019

● **ADMINISTRATION**

8:59 am

A. Call to Order

B. Roll Call

Board Members Present

Mark Springer, Chair, Rural Member
Loren Jones, Public Health Member
Nick Miller, Industry Member
Christopher Jaime, Public Safety Member

Staff Present

Erika McConnell, Director
John Church, Occupational Licensing Examiner

Counsel Present

Harriet Milks, Assistant Attorney General

● **REGULATIONS**

9:00 am

D. Public Comments Received

2. Testing Oversight

TAB 13

Status: Public comment period closed June 19, 2019
Potential Board Actions: Vote to adopt; OR
Substantially amend and put out for public comment

Steve Crupi and Kelly Snyder, DEC Environmental Health, via phone are available to discuss Tab 13.

Erika McConnell gives a summary of Tab 13. She gives a breakdown of the process of testing facilities inspections and discusses the contract that the Board previous had with A2LA, an outside organization. She states that there was a legislative project to work with DEC to move testing oversight into their jurisdiction but that matter is not being pursued. Instead, staff is working with DEC to help work closely with DEC in regulation and testing.

Steve Crupi discusses the standard laboratory practices that DEC is looking to define through their compliance document. He notes some of the problems that they are seeing with testing facilities. He also states that some of the public comments that have been received have been helpful and they would like to update their compliance document.

Mark Springer agrees that he should be allowed to update the document.

Erika McConnell states that she believes the changes discussed by Steve Crupi would require additional public comment.

Harriet Milks states that she is looking at the proposed changes and states that she agrees that the changes are substantial enough to require additional public comment.

Erika McConnell states that another option for the board would be to allow Steve Crupi to amend his document and then to put it out for public comment. At that juncture, public comment would be finished before the next board meeting.

Mark Springer asks if there is a motion on this matter.

Loren Jones states that when a document such as a manual or federal law is adopted by reference, when those parent organizations change the original document, the referencing regulation doesn't go back out for regulation changes related to the original document changing. He asks Harriet Milks to explain the difference between those situations and the one at hand that requires them to put it back out for public comment. He finds the board to be simply adopting a lab operation manual that could be updated by the parent organization at any time.

Harriet Milks states that for this particular document it is important for the licensees and prospective licensees that will be affected by these new requirements have a chance to speak to the changes because they will need to follow the procedures outlined in the document. She states that when the state adopts a document by reference, it is the version of the document that is in place when the regulation adopts it that counts. When the document changes, the regulations will need to be updated. This is also the case for many other types of agencies where the document referenced dictates policies or guidelines that the licensees or professionals must follow.

Mark Springer asks why they can't reference the documents latest version rather than referencing the version at the time of adoption. He states that there are standards and practices that state agencies such as the state hospitals follow that are documents adopted by reference, he asks if the hospitals need to republish when the standards and practices documents are changed.

Harriet Milks states that the Administrative Procedures Act states that when a document is adopted by reference it must be a specific version; if the document is updated, the regulation must be updated.

Loren Jones compares these changes to a situation in another division where a document was adopted by reference. It adopted a specific standards document that was significantly changed within the course of several years. His division struggled with how to keep the public noticed regarding the changes to the standards document. He states that at times, Federal regulations have been adopted by reference by using the term "current iteration" to include any changes. He finds that in the current situation when the regulations project changes they will only need to state that they are adopting the current version of the manual (specifically dated) and not take comment on the specifics of the manual document. He is uncomfortable with the idea that there will need to be a regulations change every time this document is amended.

Harriet Milks states that the board may be creating a problem that does not yet exist; at this time Steve Crupi is only asking for time to amend this current document. When the regulation is adopted, it will need to reference a specific version of the compliance document that, if edited, will necessitate a change in regulation. She states that other programs post notice to their licensees and interested parties online letting them know that the referenced document is frequently changing and providing a link.

**Loren Jones moves to send regulation project “Testing Oversight” back to staff for editing to allow DEC to finalize the manual and bring back to the board for review.
Christopher Jaime seconds the motion.**

Erika McConnell asks for clarification regarding the motion, if the board wishes the project to go out for public comment after revision.

Loren Jones states that he has not included putting it back out for public comment at this time. However, he states that if the changes by DEC are considered ‘substantial’ and necessitate the project going back out for public comment that he adds that step to his motion.

None opposed, motion is carried.

● **DIRECTOR BRIEFING Continued from 7/10/2019.** 9:25 am

C. Draft Data Use Agreement with Department of Health and Human Services **TAB 5**

Erika McConnell explains that Harriet Milks and the DHHS legal counsel requested some changes. She summarizes some of the changes in the document, she does not find any of the changes to be major (commas have been added and some portions have been moved). A new version of the agreement has been provided to the board with the larger changes being highlighted in yellow.

Mark Springer looks forward to the reports that will come from this agreement; he finds METRC to be an untapped resource up until now based on how much usable information is there. He states that the DHHS reports will be on the record when presented by the board.

Loren Jones moves to adopt the Data Use Agreement with Department of Health and Human Services as amended and direct the Director to sign it.

Nick Miller seconds the motion.

None opposed, motion is carried.

● **MARIJUANA MAILBOX** 9:30 am **TAB 62**

All correspondence received in the marijuana@alaska.gov inbox from April 13 – June 21, 2019.

Erika McConnell indicates that IT and staff have not been able to access the shared email boxes.

● **PUBLIC TESTIMONY** 9:32 am

Public testimony is limited to issues not on this agenda and that are not proposed regulations. Written comments may also be submitted to the board for review during its next regular meeting via marijuana@alaska.gov. The call-in number is 1-800-315-6338, code 69176#.

No comments.

● **BOARD COMMENTS** 9:33 am

Christopher Jaime thanks the board for the first hand lesson on how a meeting runs and looks forward to the next board meeting.

Loren Jones thanks staff for their work and applauds their efforts, he looks forward to getting clarification on some issues.

Nick Miller thanks staff for their work, with fewer applications coming through hopes to look at regulations moving forward.

Mark Springer also thanks the staff for their work he notes some of the standout issues on the agenda and is happy to see so many limited cultivators and operators succeeding. He also applauds that the NOV list is relatively limited and no criminal charges are included.

● **NEXT MARIJUANA CONTROL BOARD MEETING**

9:43 am

Agenda deadline for September 11-13 meeting: **August 23, 2019**

All applications must be deemed complete and all other information for inclusion in the board's packets must be received by the deadline.

● **ADJOURN**

9:45 am