Alcohol and Marijuana Control Office
550 W 7th Avenue, Suite 1600
Anchorage, AK 99501
marijuana.licensing@alaska.gov
https://www.commerce.alaska.gov/web/amco
Phone: 907.269.0350

Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan

What is this form?

An operating plan is required for all marijuana establishment license applications. Applicants should review **Title 17.38** of **Alaska Statutes** and **Chapter 306** of the **Alaska Administrative Code.** This form will be used to document how an applicant intends to meet the requirements of those statutes and regulations. If your business has a formal operating plan, you may include a copy of that operating plan with your application, but all fields of this form must still be completed per 3 AAC 306.020(c).

What must be covered in an operating plan?

Applicants must identify how the proposed premises will comply with applicable statutes and regulations regarding the following:

- Control plan for persons under the age of 21
- Security
- Business records
- Inventory tracking of all marijuana and marijuana product on the premises
- Employee qualification and training
- Health and safety standards
- Transportation and delivery of marijuana and marijuana products
- Signage and advertising

Applicants must also complete the corresponding operating plan supplemental forms **(Form MJ-03, Form MJ-04, Form MJ-05,** or **Form MJ-06)** to meet the additional operating plan requirements for each license type.

Section 1 – Establishment & Contact Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Denali Industries, LLC	**MJ License #:**	23144		
License Type:	Limited Marijuana Cultivation Facility				
Doing Business As:	Denali Farms				
Premises Address:	5300 N Infinite Rd, A1				
City:	Wasilla	**State:**	Alaska	**ZIP:**	99654

Mailing Address:	PO Box 200132				
City:	Anchorage	**State:**	Alaska	**ZIP:**	99520

Designated Licensee:	Bradley Bartlett		
Main Phone:	907-862-2376	**Cell Phone:**	
Email:	brad@denalidispensaries.com		

AMCO Received 10/17/2019

Section 2 – Control Plan for Persons Under the Age of 21

2.1. Describe how the marijuana establishment will prevent persons under the age of 21 from gaining access to any portion of the licensed premises and marijuana items:

The entire cultivation premises will be designated a restricted access area. Signs will be posted at every entryway stating, "Restricted Access Area" "Visitors Must be Escorted" as well as signs stating "No one under 21 years of age allowed." Additionally, signs stating "Video and Audio Surveillance in progress." will be placed around the facility. These cameras will be visible throughout the facility. Additionally, signs stating "Video Surveillance in progress." will be placed around the facility. Continuous monitoring to deter unauthorized individuals and underage individuals from attempting to enter premises will be ongoing. The outside door will always remain in a locked position. The entry door to the outside will be equipped with door sensors triggering alarms. If triggered, both an audible alarm as well as an electronic notification to the third party off-site monitoring center as well as to the licensees and general manager's mobile phones. Any visitors to the facility, with the exception of law enforcement, AMCO Enforcement or other duly authorized individuals, must be pre-arranged with either a licensee, or member of the management team. Continued on page 11 ..

Section 3 – Security

Restricted Access Areas (3 AAC 306.710):

3.1. Describe how you will prevent unescorted members of the public from entering restricted access areas:

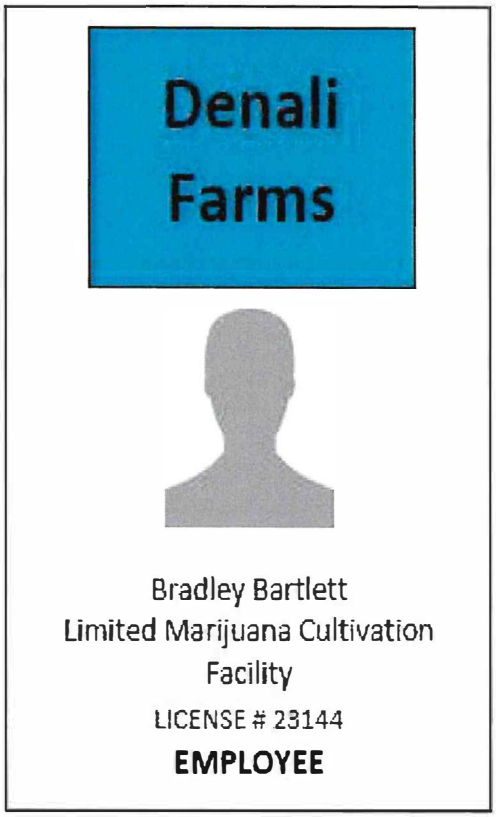
The entire cultivation facility will be designated as a restricted access area with signage posted on and around the building stating "Restricted Access Area: Visitors Must Be Escorted" as well as signs stating, "Video and Audio Surveillance In Progress". Video surveillance cameras will be visible throughout the facility as well as around the exterior perimeter of the building to continuously monitor the premises and to deter unauthorized individuals from attempting to access the premises. There will be one main entrance for employees and an emergency exit. Both of which will remain locked at all times and will require a key code to unlock. The door will also be equipped with a door sensor, connected to the security alarm system, that will be triggered if an attempted intrusion occurs. If triggered, both an audible alarm as well as an electronic notification to the third party off-site monitoring center as well as to the licensee's mobile phones will be sent. All employees will be required to clearly display on their person an employee ID badge bearing their photograph at all times while on the licensed premises. Employees will also be required to either keep their marijuana handler permit on their person during working hours or filed on-site. All visitors will be required to sign in to the visitor log and clearly display on their person a visitor badge at all times while on the premises for easy identification of authorized personnel.

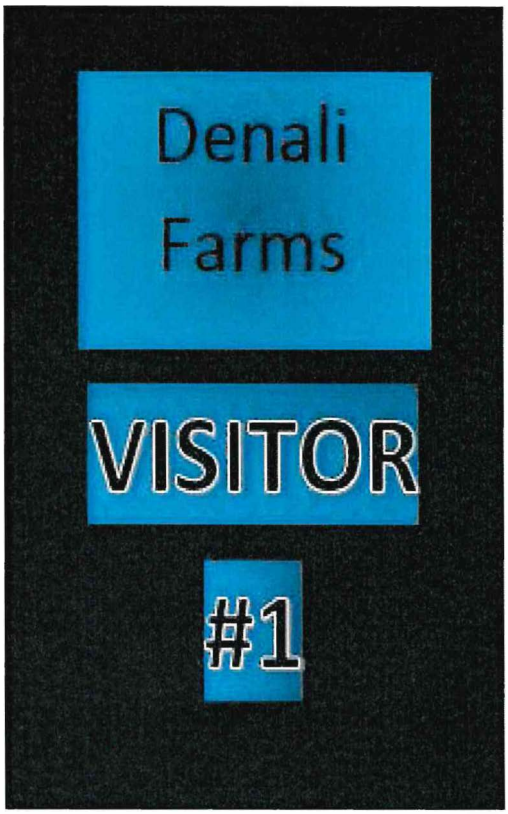
3.2. Describe your recordkeeping and processes for admitting visitors into and escorting them through restricted access areas:

Visitors to the facility, aside from emergency personnel, Borough officials, agents of the MCB or local law enforcement, must be pre-approved and pre-scheduled by either a licensee or designated manager before access to the facility will be granted. Once a visitor has been properly approved and scheduled, they will be directed to enter through the designated entrance of the facility where they will be met by either a licensee or designated employee. The visitor will be asked to produce a valid form of government issued, photo identification proving they are at least 21 years of age and confirming their identity. The visitor will then sign into the visitor log recording their full name, date, time in and out of the facility, the purpose for the visit and any behavioral or other issues the supervising licensee/designated employee deems necessary. The visitor will be given a visitor badge to be clearly displayed on their person for the duration of the visit. A licensee or employee will escort and actively supervise visitors at all times, never to exceed a ratio of 5 visitors per licensee/designated employee. When the visit is complete, all visitors must return their visitor badge and promptly exit the premises. All Visitor logs will be stored as official business records and be readily available to AMCO and enforcement upon request.

AMCO Received 10/17/2019

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





Security Alarm Systems and Lock Standards (3 AAC 306.715):

3.4. Exterior lighting is required to facilitate surveillance. Describe how the exterior lighting will meet this requirement:

Exterior lighting will be positioned against the building and perimeter, and evenly distributed throughout the property. The facility plans to affix commercial LED lighting to all sides of the licensed premises to keep the area well lit and allow the outside surveillance cameras to record individuals up to twenty (20) feet from all entry points to the building. The lighting fixtures will be positioned at an inaccessible height with sturdy housings to deter vandalism and common obstructions such as; tress, posts, people, etc. The LED lights will be extremely bright to maximize visibility and deter crime. The exterior lighting will be checked regularly by a licensee or designated employee to ensure that all lights are fully operational and each mount is positioned for optimum recording clarity and to deter unauthorized presence on the premises.

AMCO Received 10/17/2019

3.5. An alarm system is required for all license types that must be activated on all exterior doors and windows when the licensed premises is closed for business. Describe the security alarm system for the proposed premises, explain how it will meet all regulatory requirements, and outline your policies and procedures regarding the actions to be taken by a licensee, employee, or agent when the alarm system alerts of an unauthorized breach:

Denali Farms will be installing an approved third party monitoring alarm system that will have 24 hours a day, 7 days a week monitoring. The monitoring system will be capable of detecting any unauthorized intrusion or activity, and able to notify local law enforcement if necessary. Licensees will also have access to the cameras and alarm system on their cell phones. The alarm system will be tested every six (6) months to ensure the equipment is working properly. In the case of an unauthorized intrusion or attempted intrusion, the alarm system will send an automatic, electronic alert to both licensees and local law enforcement. Denali Farms will have motion detectors to monitor all areas of the building during closed business hours. Each morning a licensee or designated employee, whomever is the first to arrive, will be responsible for disabling the alarm system and examining all security cameras and tapes to ensure they are operating correctly. The last licensee or employee to leave the facility each night will be responsible for activating all over night security devices, and making sure to lock all doors. The licensees and employees shall protect and preserve any evidence or area where the breach occurred, restricting access to the area and not disturbing anything until law enforcement arrives. Once law enforcement deems it safe to do so, a licensee or designated employee will enter and assess the facility, look for any damages or theft, and then allow all employees to re-enter the facility. In the event of an unauthorized breach, AMCO and Enforcement will be notified via email within 24 hours.

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

Owners, employees, visitors and other individuals will be held to a zero-tolerance policy on the diversion of marijuana. The electronic tracking system will be used to ensure diversion of marijuana does not occur throughout the normal processes of the cultivation facility. Marijuana will be entered into the system and tracked throughout the cultivation, packaging, testing, disposal and selling process. If the tracking system shows potential diversion of product, authorized personnel will initiate an investigation that will include: talking to employees on shift, assessing last login to the system and product in question, notifying the Marijuana Control Board and reviewing video feed. In addition to the above, authorized personnel will randomly check video feed for potential diversion (minimum of 1 x per week), will supervise all visitors, and if diversion is suspected, require them to remain in the building until law enforcement arrives.

3.7. Describe your policies and procedures for preventing loitering:

Signs will be posted stating a clear message that "No Trespassing" or "No Loitering" is permitted, and that area is video monitored 24/7. Video surveillance of the exterior areas will be available to employees inside the facility. Standard policy is to notify law enforcement of any violation these regulations or of any suspicious activity. Anyone caught loitering will be asked to leave. If they will not leave voluntarily, law enforcement will be contacted immediately to deal with the situation. In any event that law enforcement is contacted, AMCO and enforcement will be notified electronically within 24 hours.

You must be able to certify the statement below. Read the following and then sign your initials in the box to the right: Initials

3.8. I certify that if any additional security devices are used, such as a motion detector, pressure switch, and duress, panic, or hold-up alarm, to enhance security of the licensed premises, I will have written policies and procedures describing their use. K

AMCO Received 10/17/2019

Video Surveillance (3 AAC 306.720):

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

3.9. The video surveillance and camera recording system for the licensed premises covers each restricted access area, and both the interior and exterior of each entrance to the facility.

3.10. Each video surveillance recording: is preserved for a minimum of 40 days, in a format that can be easily accessed for viewing (consistent with the Alcohol & Marijuana Control Office's approved format list); clearly and accurately displays the time and date; and is archived in a format that does not permit alteration of the recorded image.

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

3.12. Surveillance recording equipment and video surveillance records are housed in a designated, locked, and secure area or in a lock box, cabinet, closet or other secure area where access is limited to the licensee(s), an authorized employee, and law enforcement personnel (including an agent of the Marijuana Control Board).

3.13. Describe how the video cameras will be placed to produce a clear view adequate to identify any individual inside the licensed premises, or within 20 feet of each entrance to the licensed premises:

All security cameras will be positioned in such a manner as to get the most identifiable view of anyone within 20 feet of their line of sight at each entrance and along the exterior and interior of each Restricted Access Area. Cameras will be placed at a height of 12 feet to insure unobstructed viewing of all product, plants and persons insuring all are captured on a maximum clear sight picture. Cameras will be installed in growing, trimming and processing areas, curing and designated waste processing area to insure 360-degree coverage of the secure areas.

3.14. Describe the locked and secure area where video surveillance recording equipment and original copies of surveillance records will be housed and stored, and how you will ensure the area is accessible only to authorized personnel, law enforcement, or an agent of the Marijuana Control Board. If you will be using an offsite monitoring service and offsite storage of video surveillance records, your response must include how the offsite facility will meet these security requirements:

All surveillance recording equipment will be stored in a secured, locked cabinet. The Cabinet will only be accessible by authorized personnel. Data will be stored on the security system's DVR for a minimum of forty (40) days, and will include a time and date stamp. In case of a pending criminal, civil, or administrative investigation, the data has the ability to be uploaded on a separate hard drive to maintain records longer. The security system will be accessible by authorized individuals only, to ensure there will be no data tampering. All recordings will be available to AMCO, AMCO enforcement and local law enforcement upon request.

AMCO Received 10/17/2019

Section 4 – Business Records

Review the requirements under 3 AAC 306.755. All licensed marijuana establishments must maintain, in a format that is readily understood by a reasonably prudent business person, certain business records.

4.1. I certify that the following business records will be maintained and kept on the licensed premises: Initials

a. **all books and records necessary to fully account for each business transaction conducted under my license for the current year and three preceding calendar years** *(records for the last six months must be maintained on the licensed premises; older records may be archived on or off-premises)*; AC

b. **a current employee list setting out the full name and marijuana handler permit number of each licensee, employee, and agent who works at the marijuana establishment;** AC

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

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

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

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

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

h. **accurate and comprehensive inventory tracking records that account for all marijuana inventory activity from seed or immature plant stage until the retail marijuana or retail marijuana product is sold to a consumer, to another marijuana establishment, or destroyed;** AC

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

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

4.2. A marijuana establishment is required to exercise due diligence in preserving and maintaining all required records. Describe how you will prevent records and data, including electronically maintained records, from being lost or destroyed:

All business and surveillance records will be stored in a locked cabinet located in Flower room 3. Daily data back-ups of all product tracking and surveillance data will ensure continuity of daily operations in the event of an equipment failure. Electronic video storage is password protected to prevent any alterations. The security system will generate a daily open/close report by user. All systems are programmed with password lockout protection. The security cabinet housing all supporting security and camera equipment will be under 24/7 video surveillance in the licensed facility. Additional back ups will be stored on local hard drives and on company computers. All business and regulatory documents, recordings, surveillance, logs, and communications will be stored at the facility, separate from all storage of marijuana products. Only ownership, management, and authorized agents will have access to the secured surveillance and record storage cabinet.

AMCO Received 10/17/2019

Section 5 – Inventory Tracking of All Marijuana and Marijuana Product

Review the requirements under 3 AAC 306.730. All licensed marijuana establishments must use a marijuana inventory tracking system capable of sharing information with Metrc to ensure all marijuana cultivated and sold in the state, and each marijuana product processed and sold in the state, is identified and tracked from the time the marijuana is propagated from seed or cutting, through transfer to another licensed marijuana establishment, or use in manufacturing a marijuana product, to a completed sale of marijuana or marijuana product, or disposal of the harvest batch of marijuana or production lot of marijuana product.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

5.1. My marijuana establishment will be using Metrc, and if any other tracking software is used, it will be capable of sharing information with Metrc. AC

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

5.3. My marijuana establishment will use registered scales in compliance with AS 45.75.080 (Weights and Measures Act), as required by 3 AAC 306.745. AC

Section 6 – Employee Qualification and Training

Review the requirements under 3 AAC 306.700. All licensees, and every employee or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or a marijuana product, or who checks the identification of a consumer or visitor, must obtain a marijuana handler permit from the board before being licensed or beginning employment at a marijuana establishment.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

6.1. All licensees, and each employee or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or marijuana product, or who checks the identification of a consumer or visitor, shall obtain a marijuana handler permit from the board before being licensed or beginning employment at the marijuana establishment. AC

6.2. Each licensee, employee, or agent who is required to have a marijuana handler permit shall keep that person's marijuana handler permit card in that person's immediate possession (or a valid copy on file on the licensed premises) when on the licensed premises. AC

6.3. Each licensee, employee, or agent who is required to have a marijuana handler permit shall ensure that that person's marijuana handler permit card is valid and has not expired. AC

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

The proposed establishment will require all licensees, agents, or any other employee associated with it, to hold current Alaska marijuana handler permits. Copies of all employee permits will be kept in a physical form at the proposed premises. All expiration dates will be noted and calendared for employee recertification prior to their expiration. All employees will be kept current as to any change in regulation from AMCO, as well as to any industry changes. This will be done monthly at meetings between Licensees and employees. Additional training will also be made available to all employees through media, legal articles, periodicals of trade and updated handler's recertification tests as they become due for recertification etc.

AMCO Received 10/17/2019

Section 7 – Health and Safety Standards

Review the requirements under 3 AAC 306.735.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

7.1. I understand that a marijuana establishment is subject to inspection by the local fire department, building inspector, or code enforcement officer to confirm that health or safety concerns are not present. AC

7.2. I have policies regarding health and safety standards (including: ensuring a person with an illness or infection does not come into contact with marijuana or marijuana product; good hygienic practices; cleaning and maintenance of equipment and the premises; pest deterrence; chemical storage; sanitation principles; and proper handling of marijuana and marijuana product) and will take all reasonable measures and precautions to ensure that they are met or exceeded. AC

7.3. I have policies to ensure that any marijuana or marijuana product that has been stored beyond its usable life, or was stored improperly, is not salvaged and returned to the marketplace. AC

7.4. I have policies to ensure that in the event information about the age or storage conditions of marijuana or marijuana product is unreliable, the marijuana or marijuana product will be handled in accordance with 3 AAC 306.735(d). AC

Answer "Yes" or "No" to each of the following questions:	Yes	No
7.5. Adequate and readily accessible toilet facilities that are maintained and in good repair and sanitary condition are clearly indicated on my Form MJ-02: Premises Diagram.	☐	☑
7.6. Convenient handwashing facilities with running water at a suitable temperature are clearly indicated on my Form MJ-02: Premises Diagram.	☑	☐

7.7. If you answered "No" to either 7.5 or 7.6 above, describe how toilet and/or handwashing facilities are made accessible, as required by 3 AAC 306.735(b)(2):

Restroom facilities are located in the attached private area of the cultivation facility.

Section 8 – Transportation and Delivery of Marijuana and Marijuana Products

Review the requirements under 3 AAC 306.750.

8.1. Describe how marijuana or marijuana product will be prepared, packaged, and secured for shipment. Include a description of the type of locked, safe, and secure storage compartments to be used in vehicles transporting marijuana or marijuana product:

After marijuana has been harvested and processed, a sample will be taken from each batch and sent for testing. While results are pending, batch will be "quarantined" until it is deemed acceptable by the testing facility. Marijuana product will be packaged in a variety of ways. All labeling on all packaging will meet the standards as required for cultivators. All marijuana product slated to leave the facility will be placed into a durable, tamper-evident METRC packaging prior to transport. The shipment will be accompanied by the appropriate manifest, and will be verified by the licensee or designated agent before the shipment is permitted to leave. Continued on page 11 ..

License #_23144_

AMCO Received 10/17/2019

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

8.2. The marijuana establishment from which a shipment of marijuana or marijuana product originates will ensure that any individual transporting marijuana shall have a marijuana handler permit required under 3 AAC 306.700. [AC]

8.3. The marijuana establishment that originates the transport of any marijuana or marijuana product will use the marijuana inventory tracking system to record the type, amount, and weight of marijuana or marijuana product being transported, the name of the transporter, the time of departure and expected delivery, and the make, model, and license plate number of the transporting vehicle. [AC]

8.4. The marijuana establishment that originates the transport of any marijuana or marijuana product will ensure that a complete printed transport manifest on a form prescribed by the board must be kept with the marijuana or marijuana product at all times during transport. [AC]

8.5. During transport, any marijuana or marijuana product will be in a sealed package or container in a locked, safe, and secure storage compartment in the vehicle transporting the marijuana or marijuana product, and the sealed package will not be opened during transport. [AC]

8.6. Any vehicle transporting marijuana or marijuana product will travel directly from the shipping marijuana establishment to the receiving marijuana establishment, and will not make any unnecessary stops in between except to deliver or pick up marijuana or marijuana product at any other licensed marijuana establishment. [AC]

8.7. When the marijuana establishment receives marijuana or marijuana product from another licensed marijuana establishment, the recipient of the shipment will use the marijuana inventory tracking system to report the type, amount, and weight of marijuana or marijuana product received. [AC]

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

Section 9 – Signage and Advertising

Review the requirements under 3 AAC 306.770.

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

Denali Farms will not have any signs on the outside of the facility with the company name or logo on it.

AMCO Received 10/17/2019

Form MJ-01: Marijuana Establishment Operating Plan

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

Denali Farms plans to utilize the following media types:
- Radio Ads
- Magazines
- Social Media Platforms
- Newspaper Ads

*All advertising will contain the AMCO warning statements verbatim.

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

Signature of licensee

Andrew Campbell

Printed name of licensee

AIMEE ROCUSH
My Commission
NOTARY PUBLIC
Expires 08-29-2023
STATE OF ALASKA

Aimee Rocush

Notary Public in and for the State of Alaska

My commission expires: 8/29/2023

Subscribed and sworn to before me this 11 day of October 2019.

AMCO Received 10/17/2019

(Additional Space as Needed):

2.1 Continued: 2.1: Visitors will be required to produce a valid, government issued, photo ID proving they are at least 21 years of age before being allowed to enter the premises. Any individual that does not produce said ID will be informed to exit the property immediately and that law enforcement will be contacted for back up if they do not comply promptly.

3.6 Continued: Denali Farms will also restrict access to restricted areas where marijuana or cash are present as well as will provide information pertaining to the consequences of breaking the policy. Consequences include notifying law enforcement, immediate termination, visitor access removal and prosecution of crimes.

8.1 Continued: Preparing, packaging, and labeling of marijuana will comply with all regulatory requirements as described in 3 AAC 306.345. Special procedures will be in place to maintain sanitation when packaging the marijuana. The maximum quantity of marijuana per package being sold to licensed manufacturing facilities and retail stores will not exceed five (5) pounds, and registered scales will be used when weighing marijuana. Each of the required statements, as described in 3 AAC 306.475, will be included on all marijuana labels. All marijuana packaging must be uniform with labels secure and prominently displayed. Only packaging products expressly approved by either a licensee or designated employee may be used. Only usable marijuana will be packaged at the facility in a specified packaging/labeling area. If the usable marijuana is being packaged for retail sale at a retail store, the standard unit will not exceed one (1) ounce. 3 AAC 306.470. Prior to transport: a manifest will be created through METRC and amounts will be verified while loading the transport vehicle. During Transport: All marijuana that is placed in the transport vehicle will be in a secured locked container or compartment. In the event that the proposed facility's planned transport vehicle is not available, a third party marijuana contract transportation/ security company will be utilized. Denali Farms will ensure that anyone transferring marijuana or marijuana product carries a valid marijuana handlers card. During transport, Denali Farms will ensure that the driver of the delivery vehicle will not be making any unnecessary stops unless there is an emergency.

AMCO Received 10/17/2019