



**MEMORANDUM**

**TO:** Marijuana Control Board

**DATE:** June 16, 2021

**FROM:** Glen Klinkhart, Director

**RE:** Director's Report

**PERSONNEL:**

I am pleased to announce we have filled two of our most critical AMCO staff positions, Program Coordinator and Local Government Specialist.

The new Program Coordinator, Rick Helms, comes to AMCO with many years of experience in security/public safety as well as civil and criminal law. His presence has already had a positive impact on the AMCO team, and we are excited to have Mr. Helms in the office. Rick will be primarily interacting with the marijuana side of the house and will be working to help solve long term issues with testing, laboratories, and working groups. He has already begun to tackle several of the larger ongoing needs of the office including putting together a historical record of fines and settlements all of which will be extremely important as the MCB and AMCO move into a fine schedule for community-based enforcement.

We did not have to look very far to find an exceptional candidate to be our new Local Government Specialist. Jacqlene Drulis has been a licensing examiner with the AMCO office for over four years now. She is very qualified to make this position her own and to help licensees navigate the often-complex processes that go with alcohol and marijuana applications. Our hope is to have her working with local government, the industry, and advocacy groups to create new (and old) ways of helping applicants, the public, and the staff. She will be spending the next month or two training her two examiner replacements before she can be fully vested in the position, however we are very excited to see the positive impact she will have on the office and the licensees.

**TELEWORK:**

As of June 1, 2021, the entire AMCO Anchorage office staff have returned to the office. We had a "soft opening" of the front counter in Anchorage several weeks ago and successfully assisted numerous licensees and applicants safely and efficiently.

Change is not easy and coming back into the office will be a challenge for everyone however the staff has been exemplary in working together to make a successful transition back into the offices. Once the entire staff has acclimated to being back, I have directed the supervisory team to look at ways to potentially integrate some teleworking processes for some AMCO positions. I see some real benefit for some positions to be able to have the flexibility to work from home, however we will need to make sure that any process is thoughtful and assures the mission of the board can be successfully supported.

**ENFORCEMENT/INVESTIGATIONS:**

I am happy to report to the board the entire AMCO Enforcement Team from across Alaska met in-person for the first time since the outbreak of COVID19 when they held several days of in-person meetings and training in Anchorage. All of the enforcement officers went through the new Enforcement Policies and Procedures. Additionally, each of officer completed and passed their firearms qualification tests and First Aid recertifications (including myself!).

As part of the enforcement priorities set by the board there have been several ongoing investigations where the AMCO Enforcement Team has been partnering with other Alaskan law enforcement agencies to produce good results including in one case where we worked in partnership with the Anchorage Police Department and the SOA Office of Special Prosecution (OSPA). After an exhaustive investigation and several undercover buys, we obtained search warrants and obtained additional evidence in the case. The investigation culminated with a SOA Grand Jury handing down a felony indictment against a non-marijuana-licensee who was falsely portraying himself as a legitimate marijuana sales and delivery service.

**AMCO 2020 BUDGET:**

As the AMCO budget ends June 30<sup>th</sup> our budget and spending for the past 12 months looks good. We underspent our budget which was mostly due to vacant positions throughout the year and reduced expenditures (i.e. travel, telephone). We had some loss with revenue on the alcohol side due to the waivers and permits, however we may still collect our budget authorization. On the marijuana side we are just now collecting for renewals however we anticipate collecting our budget authorization for the next fiscal year.

**MARIJUNANA INVENTORY CONROL TRACK SYSTEM RFP:**

Some people may not be aware that the contract with METRC for providing the statewide marijuana tracking system was set to expire next month. By state rules we were forbidden to extend the METRC contract and the SOA mandated it had to go out to competitive bid. To do so AMCO and SOA procurement had to put together a group to write a Request for Proposal (RFP) along with all of the requirements necessary for a successful bidder to win the contract. I wish to personally thank the staff for their contribution to the RFP. Additionally, a special “thank you” goes out to AMIA President Lacy Wilcox for accepting our offer and for being willing to also sit on the RFP committee. This was designed to help ensure the industry was part of this important contracting process. Although I had some very real concerns about what would happen if we were to switch to some unknown or untested inventory control system, today I am pleased to

announce that on June 10, 2021, METRC, LLC was awarded the contract by the SOA as the provider of the AMCO Marijuana Inventory Control Tracking System.

**BOARD MEETING MINUTES & RECORDINGS:**

Just a reminder that all Marijuana Control Board meeting minutes and audio recordings are now online and available for the public to access. Each set of meeting minutes and audio recordings is saved with the meeting documents in their respective meeting date.

<https://www.commerce.alaska.gov/web/amco/MCBMeetingDocuments>

**NEXT MEETING:**

The next Marijuana Control Board meeting is scheduled for August 18<sup>th</sup> and 19<sup>th</sup>, 2021 in Nome, Alaska.

*Glen Klinkhart*

Director

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