

## Department of Commerce, Community, and Economic Development

ALCOHOL AND MARIJUANA CONTROL OFFICE 550 West 7th Avenue, Suite 1600 Anchorage, AK 99501 Main: 907.269,0350

July 2, 2021

Dylanne R. Macomber, Co-Owner/Manager Ronald Eads, Co-Owner Fairbanks Analytical Testing, LLC 1521 STACIA ST STE A FAIRBANKS AK 99701

## Hand Delivered

Re: Notice of Revocation of Two-Months of Suspended Time & Notice of License to Operate Suspension for Two-Months.

Dear Dylanne Macomber & Ronald Eads:

As you know, Fairbanks Analytical Testing ("FAT") was audited on May 18-19, 2021 by the Alaska Department of Environmental Conservation Environmental Health Laboratory ("EHL"). This audit was conducted as part of the Alaska Cannabis Laboratory Oversight Program. An "On-Site Evaluation Report" of that audit was produced on May 25, 2021 and provided to FAT. The audit revealed substantial violations of quality control, quality assurance, and testing protocols.

Prior to the May 18-19, 2021 audit, FAT as the Respondent, agreed as part of a Mediated Settlement Agreement that:

[a] future probation violation(s) is conditioned upon an error(s) and/or violations(s) found in an audit described above or for failure to timely respond to audit information request within thirty calendar days. Further, it is understood by the parties that Respondent's failure to respond and/or correct an error/violation found in an audit within thirty calendar days will act as a "trigger-point" for a probation violation. Additionally, it is understood by the parties that this provision encompasses all applicable

cannabis regulations and the Cannabis Testing Laboratory Compliance Document that has been adopted by the Board via regulation.<sup>1</sup>

As of June 25, 2021, FAT is in violation of the terms of probation as outlined in the "Stipulated Mediated Settlement Agreement," and associated Order adopted by the Marijuana Control Board on May 6, 2021. The Mediated Settlement Agreement included the following in the Decision and Order:

[t]he Board will suspend Respondent's license to operate its testing facility for two months. The Board will fully suspend this license suspension during this probationary period set forth above subject to the terms and conditions set forth below.<sup>3</sup>

FAT has failed to timely respond to audit information requests and report findings within thirty calendar days. Likewise, FAT has failed to correct errors/violations detailed in the audit report within thirty calendar days. FAT's submittals towards responding to the audit report have been incomplete. Additionally, a systemic troubling admission by FAT in the corrective action report root cause analysis for audit finding #8 is identifying staff as "Insubordinate/not listening to Management." While this document further notes "Employment at FAT Labs has ended . . .", presumably that of the staff identified as insubordinate, the past operational impact of this admission cannot be overlooked. This aspect is potentially one source of the uncertainty surrounding the defensibility and reproducibility of impacted data reported by FAT.

FAT's failure to timely respond to audit information requests, report findings, and FAT's failure to correct errors/violations detailed in the audit report within thirty calendar days constitute violations of FAT's probation. Accordingly, as a result of these probation violations, Fairbanks Analytical Testing, LLC - License 15124 suspension of a two-month license suspension is hereby revoked, and the two-month suspended time is imposed pursuant to the Mediated Settlement Decision and Order.<sup>4</sup>

<sup>&</sup>lt;sup>1</sup> In the matter of Fairbanks Analytical Testing, LLC d/b/a Fairbanks Analytical Testing, Respondent. April 15, 2021/May 6, 2021. OAH No. 20-0973-MCB; Agency Reference No. AM20-720 at ¶3 pg. 2.

<sup>&</sup>lt;sup>2</sup> See generally, OAH No. 20-0973-MCB.

<sup>&</sup>lt;sup>3</sup> OAH No. 20-0973-MCB at Proposed Decision and Order ¶3 pg. 1.

<sup>&</sup>lt;sup>4</sup> OAH No. 20-0973-MCB at ¶5 pg. 2.

Fairbanks Analytical Testing's license to operate is suspended as of <u>NOON on Friday</u>, <u>July 9, 2021</u>, for a period of two months; until Noon, Thursday, September 9, 2021.

Respectfully,

ALCOHOL & MARIJUANA CONTROL OFFICE

By: Glen Klinkhart Executive Director

GEK/rjh