



Agenda Statement

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Title: Approval of Standard Marijuana Cultivation Facility License - DKW Farms, LLC, License #11234

Sponsors:

Indexes:

Code sections:

Attachments: 1. DKW Farms License Application.pdf, 2. DKW Farms Notification of License Application.pdf, 3. DKW Farms LLC Initial Inspection 5 25 17.pdf, 4. DKW Farms LLC 2nd Inspection 6 20 17.pdf, 5. Email from State of Alaska Marijuana Control Board re DKW Farms.pdf

Date	Ver.	Action By	Action	Result
7/5/2017	1	City Council	approved	Pass

ITEM TITLE:

Approval of Standard Marijuana Cultivation Facility License - DKW Farms, LLC, License #11234

SUBMITTED BY: Sheri Pierce, MMC, City Clerk

FISCAL NOTES:

Expenditure Required: [Click here to enter text.](#)
Unencumbered Balance: [Click here to enter text.](#)
Funding Source: [Click here to enter text.](#)

RECOMMENDATION:

None.

SUMMARY STATEMENT:

The City has received notification from the State of Alaska Marijuana Control Board of the approval of an application from DKW Farms, LLC. to operate a standard marijuana cultivation facility located at 4271 Richardson Hwy, Valdez, Alaska. The City of Valdez has 60 days to file a protest to the issuance of the license. The deadline to file is July 15.

The city was notified of this application on May 1st and the City Clerk submitted the application to the Community Development Department and the Valdez Police and Fire Departments for their recommendation. The Community Development Department has no objection due to the fact that the location of the facility is in compliance with the local zoning ordinance.

Police Chief Hinkle and Fire Chief Raynor conducted an inspection of the facility on May 24th. At that time, the facility was not compliant with the regulations necessary to operate (see memo from Chief

Hinkle attached). Since this is the first time the Local Regulatory Board (city council) has been asked to approve a license application which was and is not compliant at the time of inspection by the police department, I emailed the State of Alaska with questions regarding the process. The marijuana control board representative answered that the city has the option of protesting the license under the condition that Mr. Dunning obtain all of the local building permits required, or pass local inspection. Or, the local regulatory board can choose to not file a protest, and rely on the State to send an inspector to the facility prior to issuing a license to operate.

On June 20th, Chief Hinkle conducted another inspection and Mr. Dunning had the required surveillance cameras installed and operational. The required ventilation system was not operational. Mr. Dunning stated he is continuing to work on this system. (see report from Chief Hinkle dated June 30th as attached).

I have attached the email correspondence with the State of Alaska for your review. The council has the option of approving the license with no protest, or protest with the stipulation that the protest is rescinded upon the applicant meeting all of the requirements to operate the facility. Mr. Dunning will be present to answer any questions regarding his facility.