

# GANJERY, LLC

1580 Nursery Way Suites B-C & P-Q

APN: 508-242-042

## PLAN OF OPERATIONS

### MICROBUSINESS

- **Manufacturing (Non-Volatile Extraction)**
- **Distribution**
- **Retail**

**PLN-2019-15574**

**C12-0000347-LIC**

**Agent:**

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### **APPLICANT & PARCEL INFORMATION:**

The applicant, Ganjery, LLC, is applying for a modification to PLN-2019-15574. This modification would be to operate a Microbusiness at 1580 Nursery Way in McKinleyville, APN# 508-242-042. Ganjery has an existing permit from Humboldt County Planning Division to operate a microbusiness with the retail portion in Suite B-C on the parcel and Distribution portion in Suite P-Q. Ganjery has secured an Annual Microbusiness License (C12-0000347-LIC) from the Department of Cannabis Control (DCC) which is valid through March 29, 2025; a copy is included in this application package.

The parcel is 2.7 Acres zoned C-2-N (Community Commercial - Noise Impact) and is currently the home of multiple small businesses including North Coast Appliance and Northern California Pet Supply & Grooming. The premises will consist of two (2)- double suites. Suite B-C will include the Retail and Manufacturing activities, while Suite P-Q will include all Distribution, select manufacturing, and administrative activities.

Now that Ganjery LLC is applying to modify the existing Microbusiness license, we respectfully request that this application continue to be considered as a "Support Facility", assisting other commercial cannabis operators to enter the marketplace, and ask to have this application fast tracked.

## **PROJECT SUMMARY:**

Ganjery LLC is applying to modify permit PLN-2019-15574 from Humboldt County Planning Division to commercially operate a Microbusiness at 1580 Nursery Way Suite B-C, P-Q. The proposed microbusiness activities are Manufacturing (Type 6 Non-volatile extraction), Distribution, and Retail-Storefront. The intention of this application is to obtain a permit modification to operate with the Type 6 Non-volatile extraction, along with the existing retail storefront and distribution activities. The manufacturing activities would take place in a portion Suite B-C (separated from the Retail activities), and a portion of Suites P-Q (alongside the Distribution activities).

The ultimate goal for Ganjery is to modify the existing Type-12 Microbusiness license from the Department of Cannabis Control.

## **NEW CONSTRUCTION/TENANT IMPROVEMENTS**

NO construction or improvements are necessary.

## **DESCRIPTION OF MANUFACTURING ACTIVITIES**

### ***General***

Ganjery manufacturing division is proposing to conduct Non-volatile extraction activities in a portion of Suite B-C and infusion activities in Suite P-Q. Ganjery manufacturing division will use raw cannabis to produce both inhalable and edible cannabis products. This would occur within Suite B-C units of the property in a separate enclosed area adjacent to the retail storefront portion of the microbusiness. Infusion activities (Infused Prerolls) will be conducted within Suite P-Q in an enclosed area adjacent to Distribution. All incoming deliveries from an external Licensee will be received in the shared Distribution/Manufacturing "Shipping & Receiving" area located in the back of Suite P-Q. Cannabis and cannabis products being brought into the manufacturing area of Suite B-C will exclusively be from the Distribution or Manufacturing areas of Suite P-Q, and will do so through the shared Retail/Manufacturing "Receiving Area" in the back of Suite B-C.

### ***Inventory Procedures***

Ganjery manufacturing division will be responsible for maintaining strict inventory records of all incoming and outgoing cannabis material. An employee of Ganjery manufacturing division will assume the title of "Inventory Manager" and will uphold inventory protocol and maintain records. The records will include information about incoming raw material and manufactured cannabis products and information about outgoing manufactured cannabis batches.

Incoming raw material and manufactured cannabis products recordkeeping would include:

- The Cultivator licensee's name and license number (Chain of custody paperwork will be retained separately)
- The date of entry into the storage area of Ganjery's manufacturing facility.
- The date of sampling by a licensed testing lab employee for each manufactured batch. (Results will be retained separately as well as within the State Track and Trace system)
- The unique identifiers and batch number associated with the batch.
- A description of the cannabis goods with enough detail to easily identify the batch.
- The weight of or quantity of units in the batch.
- The best-by, sell-by, or expiration date of the batch, if any.

### ***Storage and tracking***

Ganjery manufacturing division shall ensure that all cannabis goods batches are stored separately and distinctly from other cannabis goods batches within the manufacturing areas. Ganjery manufacturing division shall ensure a label with the following information is physically attached to each container of each batch:

- The type or common name of the cannabis or cannabis products contained therein;
- The UID assigned to the cannabis or cannabis products;
- The ingredients of the cannabis products, including a list of any allergens present, if any
- The net weight or count of the cannabis or cannabis products.
- The best-by, sell-by, or expiration date of the batch, if any.

### ***Quality control Procedures***

Ganjery manufacturing division will maintain quality control procedures at the manufacturing facility. This includes temperature and humidity control in all storage areas. All products will be stored separately based on product type and batch in appropriate areas.

After the manufacturing process is complete and the product has been assigned a batch number it will be transported by foot to Ganjery distribution division located in Suite P-Q to go through final finished packaging and recorded into the state Track and Trace System.

Each batch of finished product will be stored in the distribution facility until sampled by a third party for the testing of potency, residual solvents, chemical contaminants and biological pathogens. Results will then be used to determine potency (cannabinoid content), terpene content and ensure overall product safety.

Products will be securely stored onsite in the distribution facility until ready for transportation to a retailer or another distributor. This process is further explained in the Description of Distribution Activities.

### ***Manufacturing Security Plan***

Ganjery manufacturing division shall maintain a commercial burglar alarm monitoring system. Ganjery manufacturing division and retail division (Unit B-C) will have a separate point of access with an access code specific for their areas. Only owners, employees and other authorized personnel of Ganjery will have access to the security code required for entry.

Ganjery manufacturing division will prevent access to the manufacturing area by unauthorized persons and protect the physical safety of employees by:

- Establishing physical barriers to secure perimeter access and all points of entry into the premises by locking primary entrances with commercial grade, non-residential door locks, and securing any secondary entrances including windows, roofs, or ventilation systems;
- Installing a real-time security alarm system operated by Advanced Security to notify and record incident(s) where physical barriers have been breached;
- Establishing an identification and sign-in/sign-out procedure for authorized personnel, suppliers, and visitors;
- Maintaining the premises such that visibility and security monitoring of the premises is possible; and
- Establishing procedures for the investigation of suspicious activities.

Other Security measures and protocols are outlined in the Facility/Premises Security Plan later in this document.

## **DESCRIPTION OF DISTRIBUTION ACTIVITIES**

### ***General***

As part of the Microbusiness, Ganjery engages in Distribution activities. Ganjery distribution division activities occur in Suite P-Q. Suite P-Q has existing features that are ideal for distribution activities such as an overhead door and the ability for vehicles to enter/exit the unit. All proposed activities will be conducted in accordance with state regulations and our operating procedures.

### ***Inventory Procedures***

Ganjery distribution division will have strict inventory management procedures. The Ganjery distribution division will utilize unique identifiers (UID) pursuant to Section 26069 of MAUCRSA to organize products, secure packaging, and record Chain of Custody information consisting of:

- The licensee receiving the product (Ganjery distribution division).
- The transaction date(s).
- The licensee from which the product originated, including the associated unique identifier.

All products will be recorded, weighed and, if needed, separated into "batches" prior to lab testing. Cannabis flower batches will be separated into "harvest batches" that are determined by variety, cultivation area, date of harvest and/or 50-pound batch (maximum size). Manufactured cannabis products will be separated into "manufactured cannabis batches" based on product type.

Ganjery distribution division will utilize the State-wide electronic database (METRC) containing the electronic shipping manifests to facilitate the administration of the track and trace program, which shall include, but not be limited to, the following information:

- The variety and quantity or weight of products shipped.
- The estimated times of departure and arrival.
- The variety and quantity or weight of products received.
- The actual time of departure and arrival.
- A categorization of the product.
- The license number and the unique identifier issued by the licensing authority for all licensees involved in the shipping process, including, but not limited to, cultivators, manufacturers, distributors, and dispensaries.

### ***Storage and tracking***

Ganjery distribution division shall ensure that all cannabis goods batches are stored separately and distinctly from other cannabis goods batches within the distributor's area. Ganjery distribution division shall ensure a label with the following information is physically attached to each container of each batch:

- The type or common name of the cannabis or cannabis products contained therein;
- The UID assigned to the cannabis or cannabis products;
- The ingredients of the cannabis products, including a list of any allergens present, if any
- The net weight or count of the cannabis or cannabis products.
- The best-by, sell-by, or expiration date of the batch, if any.

**Quality control Procedures**

Ganjery distribution division will maintain quality control procedures at the facility. This includes temperature and humidity control in all storage areas. All products will be stored separately based on product type and batch in appropriate areas. All products stored at Ganjery distribution division will be separated into specific areas:

Material	METRC Location	Physical Location
Bulk Flower (untested)	Production Storage	*East Shelf* in Production Storage Room
Bulk Flower (tested)	Production Storage	*West Shelf* in Production Storage Room
Bulk Fresh Frozen	Production (Distro)	*Walk-in Freezer* in Caged Area
Bulk Rosin	Production (Distro)	*Walk-in Freezer* in Caged Area
Packaged Rosin (untested)	Production (Distro)	*Walk-in Freezer* in Caged Area
Untested Prerolls	Production (Distro)	*Testing Shelf* in front of *Walk in Freezer* in Caged Area
Packaged Rosin (tested)	Storage Distro	*Stand up Freezer* in Caged Area
Packaged Flower	Storage Distro	*West Shelves* in Caged Area
Finished Prerolls	Storage Distro	*East Shelves* in Caged Area
Trade Samples	Storage Distro	*Desk Shelf* in Caged Area
Cannabis Waste/Expired Product	"Quarantine"	*South Shelf* in Caged Area

**Lab testing**

A licensed laboratory will provide testing services to Ganjery distribution division for all in house and out of house products. After taking physical possession of a cannabis goods batch, and ensuring that the batch size from which the sample is taken meets the requirements outlined by the DCC, the Ganjery distribution division will contact a licensed testing laboratory and arrange for a laboratory employee to come to the distributor's licensed premises to select a sample for laboratory testing. This licensed laboratory employee will collect a representative sample of each batch of cannabis products based on protocol outlined by the DCC.

An employee of Ganjery distribution division shall be physically present to observe the laboratory employee obtain the sample of cannabis goods for testing and shall ensure that the increments are taken from throughout the batch. The sampling will be video recorded with the batch number stated at the beginning of the video and a visible time and date indication on the video recording footage. After the sample has been selected, both the Ganjery employee and the laboratory employee shall sign and date the chain of custody form, pursuant to DCC regulations, attesting to the sample selection having occurred. No employee of Ganjery distribution division will assist the laboratory employee nor touch the cannabis goods or the sampling equipment while the laboratory employee is obtaining the sample.

The lab will conduct testing at its licensed facility and return the results to Ganjery distribution division. Ganjery distribution division will obtain results VIA mail or Email from the licensed lab and verify test results before any product is distributed. If and when Ganjery distribution division receives a certificate of analysis stating that the sample meets specifications required by law.

Before transporting the cannabis goods to one or more retailers, and employee of Ganjery distribution division shall ensure the following:

- The certificate of analysis the distributor received from the testing laboratory is the certificate of analysis that corresponds to the batch.
- The label on the cannabis goods is consistent with the certificate of analysis regarding cannabinoid content and contaminants required to be listed by law.
- The packaging complies with applicable packaging laws including, but not limited to, Business and Professions Code section 26120 of MAUCRSA.
- The packaging is tamper evident. "Tamper evident" means a one-time-use seal is affixed to the opening of the package, allowing a person to recognize whether or not the package has been opened;
- The weight or count of the cannabis batch comports with that in the track and trace system. A distributor shall use scales as required by the Act; and
- All events up to this point have been entered into the track and trace system.

### ***Packaging/labeling***

Ganjery distribution division will package and label cannabis and manufactured cannabis products for retail as long as the packaging and labeling is done in pursuant to Section 26120 of MAUCRSA. The cannabis and manufactured cannabis products may come from other licensed operators or from Ganjery manufacturing division.

### ***Transportation Procedures***

Prior to transporting cannabis goods, Ganjery distribution division shall generate an invoice and a shipping manifest (through the Track and Trace system) for the sale of cannabis goods to any licensee. The following conditions will be met during any and all deliveries:

- Cannabis goods transported by Ganjery's distribution division will only be transported inside of a vehicle or trailer and will not be visible or identifiable from outside the vehicle or trailer.
- Cannabis goods will be locked in a box, container, or cage that is secured to the inside of the vehicle or trailer.
- While left unattended, Ganjery's distribution division vehicles and trailers will be locked and secured. Ganjery distribution division will not leave a vehicle or trailer containing cannabis goods unattended in a residential area or parked overnight in a residential area.
- Ganjery distribution division shall have a vehicle alarm system on all transport vehicles and trailers. Motion detectors, pressure switches, duress, panic, and hold up alarms may be used at the discretion of Ganjery.
- All packages and containers holding cannabis goods will not be tampered with, or opened, during transport.
- Ganjery distribution division will only travel between licensees shipping or receiving cannabis goods and its own licensed premises when engaged in the transportation of cannabis goods.
- Ganjery distribution division will ensure that, except for Cannabis accessories and branded merchandise/promotional materials; non-cannabis goods will never be transported with cannabis goods.

Ganjery distribution division will provide the following required transport vehicle information to the DCC:

- Proof of ownership or a valid lease for any and all vehicles and trailers that will be used to transport cannabis goods.
- The year, make, model, license plate number, and numerical Vehicle Identification Number (VIN)
- Proof of Insurance for each vehicle and trailer used to transport cannabis goods.
- Ganjery distribution division will provide information to the DCC in writing for any new vehicle or trailer that will be used to transport cannabis goods prior to using the vehicle or trailer.

### ***Transportation Personnel Requirements***

- No person under the age of 21 years old and will be in a commercial vehicle or trailer when transporting cannabis goods.
- Only an Owner or an employee of Ganjery distribution division shall be in the vehicle while transporting cannabis goods.

### ***Distribution Security Procedures***

Individuals will only gain access to the distribution portion of the premises if:

- They are 21 years of age or older, and
- They are employed by or given explicit permission to enter by Ganjery distribution division.

There are multiple cameras located throughout Ganjery's facilities with live monitoring and recording. Some of these cameras are located in the distribution division portion of the premises. These cameras are strategically placed in each room of the distribution area and placed in positions so that every room can be monitored at all times. Video surveillance equipment is maintained regularly and footage from each camera is stored for no less than 90 days.

The distribution division portion of the premise has 1 entry access point, which remains locked 24 hours a day 7-days a week and can only be accessed by key/code. The distribution division portion of the premises is considered a "limited access area" because cannabis goods are stored and held inside, therefore only certain employees are allowed access to this area. Any person on the distribution division portion of the premises, except for employees and contractors of the licensee, are accompanied at all times by the licensee or at least one employee of the licensee when in the limited-access areas of the premises.

The distribution division portion of the premises is equipped with a security alarm system that is operated by Advanced Security, a local security firm in the Humboldt area. Services contracted through Advanced Security include 24-hour daily monitoring and contact with a designated Ganjery representative and local law enforcement in the event of a triggered alarm.

### **Facility/Premises Security Plan:**

Ganjery shall secure the premises 24 hours per day, 7 days a week by implementing the following security measures:

- Preventing individuals from remaining on the premises if they are not engaged in activity expressly related to the operations of the permit with the use of security cameras and automatic notification systems. If an individual is loitering on the premises or acting suspicious, law enforcement will be notified.
- Establishing limited access areas accessible only to authorized personnel including security measures to both deter and prevent unauthorized entrance into areas containing cannabis or cannabis products and theft of cannabis or cannabis products.
- Storing all finished Cannabis and Cannabis products in a secured and locked storage to prevent diversion, theft, or loss of cannabis materials.

Ganjery shall maintain a monitoring system and install a video surveillance system. There will be several cameras at the premises-

- Suite P/Q (Distribution and Manufacturing) will have 2 on the exterior of the building equipped for night and low light conditions, and 14 on the interior of the building.
- Suite B/C (Retail and Manufacturing) will have 3 on the exterior of the building equipped for night and low light conditions, and 9 on the interior of the building.

## **Security Access**

Access to the facility is controlled for the purpose of monitoring employee access and non-employee visitor's access in the service of employee safety, public safety, and theft prevention.

**Employee Access:** Employees are all given keys that are used to access exterior doors as well as interior areas within the Ganjery premises.

### **3rd Party Delivery Drivers:**

- Delivery drivers have no access to buildings or premises unless accompanied by Ganjery personnel.
- Delivery Drivers must sign in and out using Ganjery visitor logs.
- Delivery drivers are accompanied by Ganjery personnel for the entirety of their time in the facility.

### **State and Local Personnel:**

- State and Local Personnel have complete autonomy for announced and unannounced site visits.
- Ganjery will accommodate any time/day site visits are required.
- Please contact the General Manager to schedule a visit and a Ganjery employee will greet you and grant full access to the premises at any time.

**Electronic Records:** Ganjery will secure and back up electronic records in a manner that prevents unauthorized access and that ensures the integrity of the records is maintained. All electronic records will be stored in a limited access area, accessible only to authorized personnel by key/key code.

### **Employee Belongings:**

- Employees will be provided with designated lockers to place all personal belongings
- All personal belongings will be stored in lockers during the duration of their shift and/or at the employee's discretion
- All employee lockers will be stored in break rooms/common areas separated from all cannabis related manufacturing and activity.
- Are confined to non-cannabis space to serve in the prevention of theft.

### **Security video footage Maintenance**

- Monthly maintenance:
  - All storage drives that are storing surveillance data, and security cameras are verified as fully operational.
- Storage capacity and available free hard drive space on the video recorder ensure 24 hour a day stored surveillance is maintained for at least the previous 90 days.

**Security Alarm System:** for the purpose of securing employee access and non-employee visitors' access in the service of employee safety, public safety, and the prevention of loss or theft.

- The security alarm system on the doors and windows is monitored on a 24hr. daily basis by Advanced Security Systems.
- Fire:
  - Manual fire alarms are located at both entrances of the building
  - Arcata Fire District McKinleyville Station is automatically notified if Fire Alarm is activated.



### **Security Breach:**

- A permittee shall notify the Humboldt County Sheriff Office within 24 hours after discovering any of the following:
  - Diversion, theft, loss, or any criminal activity involving cannabis by any agent or employee of the permittee.
  - The loss or unauthorized alteration of records related to Cannabis, registered qualifying patients, primary caregivers, or employees or agents.
  - Significant discrepancies identified during inventory.
  - Any other breach of security.
- Security breaches will be addressed first by assessing the impact of the breach as well as the type and if warranted contacting the proper authorities (police, fire, ambulance, etc.) within 24 hours. If the breach takes place when management/Owner is off-site from the property and is notified by phone or text an additional step will be taken to physically verify either by watching video footage or in person that a breach has taken place before contacting any entity. This is to help prevent false alarms from being reported.

Ganjery will Prevent against theft or loss of cannabis and cannabis products. This includes but is not limited to:

- Establishing an inventory system to track cannabis and cannabis products and the personnel responsible for processing it throughout the manufacturing and distribution processes;
- Limiting access of personnel within the premises to those areas necessary to complete job duties, and to those time-frames specifically scheduled for completion of job duties, including access by outside vendors, suppliers, contractors or other individuals conducting business with the licensee that requires access to the premises;
- Supervising tasks or processes with high potential for diversion, including the loading and unloading of cannabis transportation vehicles; and
- Providing areas in which personnel may store and access personal items that are separate from the manufacturing areas.

### **Stormwater Management Plan**

The parcel is completely paved and has an existing stormwater drainage system. All the buildings have gutters which flow into storm drains. The parking area is sloped to capture rain water on the parcel to also flow into storm drains.

Ganjery will monitor the storm drains in the parking lot to ensure they do not fill up with debris.

Ganjery will also monitor rain gutters to make sure they flow properly. If there are any issues, then the landlord will be notified.

### **Materials Management Plan**

Ganjery will be receiving and products, materials, ingredients, labels, packaging, etc. All of these generate waste. Materials such as cardboard, plastics, food containers, etc. will be recycled.

Other materials will be considered solid waste and hauled away weekly. The solid waste area is designated on the plot plan.

Ganjery will also be distributing cannabis and manufactured cannabis products - these product's packaging may generate some waste however recycling is a priority. Packaging design will consider waste implications and the ability for customers to recycle post consumption.

If cannabis waste is generated as a result of either the manufacturing or distribution divisions, it will be mixed with more than 50%, by weight, with other green waste material. Then the mixture can be accepted by authorized green waste facilities.

### **Sewage Disposal Plan**

Both suites B-C and P-Q have existing ADA bathrooms for employees. They were installed with permits and are connected to the MCSD sewer system. This project will not add a significant amount of waste water into the sewer system. Two (2) DEH worksheets were submitted as part of this application, one for each activity.

### **Parking Plan**

The project location is a developed retail/warehouse complex. There are approximately 135 parking spaces including ADA spots. This project utilizes four (4) suites, which would essentially mean thirty-two (32) dedicated parking spots. This is more than enough to accommodate the employees for the manufacturing, distribution and retail activities. There is also plenty of parking to accommodate the public who are patronizing the storefront retail. See plot plans for parking layout of the site.

### **Energy Plan**

The project is 100% supplied by grid power from PG&E. Ganjery manufacturing division will be utilizing chest freezer for storing unfinished cannabis products. Ganjery distribution division will utilize a walk-in freezer for storing raw cannabis and unfinished cannabis products, and a stand up freezer for storing certain finished cannabis products.

Ganjery retail division will use electricity in a normal sense, mostly lighting and computers. All energy use is compatible with existing infrastructure.

### **Noise Source Assessment**

The project does not anticipate an increase in the existing noise levels. Ambient noise levels were recorded and are as follows:

- Outside the rear door of Suite B-C has an ambient level of 40 decibels (quiet library). When one vehicle drives by the rear of Suite B-C the level increases 10 decibels. This would be for a very short time frame and the vehicle traffic is normal activity in a complex with so many suites.
- Outside the front door of Suite B-C has an ambient level of 55 decibels. Vehicle traffic in the parking area does increase the noise levels when driving by. This increase is a normal activity for the complex and should be considered as not significant.
- The same conditions are present outside of the front and rear doors for Suite P-Q, approximately 55 decibels. The walk-in freezer has the compressor installed within this suite, so there is no increased noise levels outside the unit. Vehicle traffic does occur behind this suite as well. The alleyway services adjacent suites as well.