

CARMEL J. ANGELO
Chief Executive Officer
Clerk of the Board



COUNTY OF MENDOCINO
BOARD OF SUPERVISORS

CONTACT INFORMATION
501 Low Gap Road • Room 1010
Ukiah, California 95482
TELEPHONE: (707) 463-4221
FAX: (707) 463-7237
Email: bos@mendocinocounty.org
Web: www.mendocinocounty.org/government/board-of-supervisors

October 13, 2017

Ms. Lori Ajax, Chief
Bureau of Cannabis Control
P.O. Box 138200
Sacramento, CA 95813-8200

Re: Comment to Emergency Regulations

Dear Ms. Ajax:

The Mendocino County Board of Supervisors unanimously supports incorporating the eleven suggested changes shown below into the Emergency Regulations. The Board also supports using "Attachment A" as regulatory language to accomplish point number 9. This letter provides additional comments in support of the eleven suggested changes.

1. **Refine definition of canopy to exclude walkways and space.** For outdoor cultivation, canopy should be measured by the drip line of each plant. Cultivators should be responsible for providing the measurements and square footage of their gardens, with spot checks as necessary from inspectors. Take into consideration agricultural best practices by inter-planting non-cannabis plants.
2. **Support co-location of microbusiness activities under separate licenses for same licensee.** Mendocino County has taken the lead to protect its environment and natural resources in part by limiting permitted cultivation to a maximum of 10,000 square feet of canopy (for flowering cannabis, and up to an additional 12,000 square feet of immature plants for nurseries). Therefore, all of our cultivators are "small" compared to the state licensing levels. To compete effectively it is essential for local producers to be able to engage in value-added activities, take advantage of microbusiness licenses, and/or to cooperatively and collectively share costs for expensive facilities and processes. It is essential that local dispensaries and retail outlets which have been operating in compliance and without complaints for years must be allowed to share buildings and facilities in order to be competitive in the new marketplace as well as afford the compliance and taxation costs of the new regulatory environment. While we appreciate that AB 133 removed the requirement that licensed premises be separate and distinct, we are concerned that the implementing regulations should be written in a manner that take into account the needs of these small farmers and businesses.
3. **Allow licensed cultivators in geographical proximity to share facilities for drying and processing to reduce unnecessary infrastructure costs while adhering to Track & Trace requirements.** Properly commercially permitted facilities (under California Building Code and local codes) require extensive infrastructure and expense, including in many cases ADA bathrooms, parking spaces, etc. For some rural farms, this infrastructure could cause unacceptable environmental disturbance. Allowing licensed cultivators to dry and process their product in a

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shared neighborhood facility will reduce the negative environmental impact. While some licensed cannabis processors will accommodate off-farm processing, many small farmers will not be able to afford the added costs of paying for licensed processors. Alternatively, drying and processing should be allowed to occur at off-farm premises within a certain radius of the farm. Cultivators with two permitted sites a jurisdiction should be allowed to process their product at either one of their permitted drying and processing locations.

4. **Allow greater amounts of time for cultivators to report under Track and Trace given the rural nature of most cultivators and the frequency of internet problems and accessibility.** High speed internet is not currently available in many rural areas including much of Mendocino County. Additionally, many local cultivators are located miles from a paved road and must travel long distances to access the internet which renders a 24-hour response time infeasible. We suggest a 72-hour response time is more appropriate to avoid further disadvantaging rural cultivators.
5. **Reduce redundant and cost prohibitive security requirements where the rural nature of the cultivation sites and other conditions make it impractical to have the level of surveillance initially requested.** Internet access is not reliable in many rural locations even where it is available. Having an internet- based security camera requirement is infeasible.
6. **Reduce redundant and cost prohibitive security requirements for dispensaries / retail outlets that, in Mendocino County, have no history of criminal activity and have posed no threat to the community or disturbances to neighborhoods.** As an alternative to cost prohibitive and redundant security systems, please consider a requirement that a security plan must be submitted to and approved by local authorities.
7. **Allow transportation for cultivators from farm-to-testing facility/ farm-to-processor/ farm-to-distributor/ farm-to-other licensed location and/or under microbusiness model for same licensee.** This would allow a licensed cultivator with two licensed cultivation sites to transport material from both permitted cultivation sites to a licensed testing facility, distributor, or processor. Additionally we support allowing a licensed cultivator to bring their material to their licensed manufacturing site, etc. if they have a microbusiness license, without having to obtain a distributor activity license.
8. **Implement a phase-out procedure for use of generators in place of an immediate prohibition, as indicated in the CDFA Response to Public Comment on the previously proposed regulations.** In Mendocino County, we have implemented a two-year phase-out of use of generators as the primary source of power. We require cultivators to demonstrate that they have sufficient alternative power to support all operations in the following phases: one half of all power by the end of the first year of the County issued permit to cultivate and 100% of alternative power by the end of the 2nd year of the permit to cultivate. We allow the use of generators as a back-up in case of inclement weather and other emergencies so long as the sufficient alternative power exists and environmental protocols and safety measures are implemented.
9. **We support the creation of a separate license specifically for delivery of medical cannabis infused products to patients with 215 medical recommendations. (See Attachment A for suggested regulatory language.)**

10. **Allow local jurisdictions to determine what constitutes “other authorization” for the acceptance of applications and granting of provisional licenses.**
11. **Approve the use of an Embossed Receipt as the “Other Authorization” for an applicant’s submittal to the State for a state provisional license.** The Board of Supervisors has adopted procedures that allow this approach for local applicants who are proceeding through the permit process but who have not yet received final permit approval. We believe a similar procedure is both necessary and appropriate at the state level.

Thank you for your careful consideration of these points.

Sincerely,



John McCowen, Chairman
Mendocino County Board of Supervisors

ATTACHMENT A**Regulations for Delivery of Medical Cannabis to Legal 215 Patients**

The Bureau of Cannabis Control will issue a special license type 10-D to applicants who will serve as a courier service to exclusively deliver medical cannabis infused products to a patient or caregiver who has a verified, legal medical recommendation subject to the following rules:

1. Deliveries will be made as a result of a purchase from an "M" licensed commercial retailer, including both storefront outlets and retail from a technology-based platform, as is defined in the state licensing regulations.
2. Deliveries will be made solely to the patient or patient's caregiver after purchase is made from the retailer.
3. Deliveries will be made to a residence, defined as a dwelling such as a house or apartment but not to include a dormitory, hotel, motel, bed and breakfast or similar commercial business.
4. Cannabis products to be delivered will not include flower, wax, shatter, hash, rosin, or any other commonly considered "adult use" cannabis products. Direct-to-patient/caregiver deliveries will include only those cannabis products designated "M" by the state system and defined as part of the category of "infused products".
5. All medicinal cannabis products must be packaged according to the state guidelines issued to all retailers.
6. The originating retail licensee shall comply with the specific rules associated with the final weighing and packaging of medical cannabis before such items are prepared for transport pursuant to this rule.
7. Type 10-D licensees will not handle or carry cash and all sales for medical cannabis products will be completed by the patient/caregiver and retail licensee prior to delivery.
8. Delivery times for direct-to-patient/caregiver medical cannabis deliveries will be restricted to between the hours of 8:00 am and 9:00 pm. To accommodate the impact inclement weather can have on driving conditions and other unpredictable events that could delay a delivery, a verifiable "statement of delay" may be submitted along with the proof of delivery manifest.
9. the individual performing delivery must check the identification of the individual to whom delivery is being made in order to determine that it is the same individual who submitted the order, and must require the individual to sign a document indicating that the items were received;
10. Delivery licensees will carry a detailed manifest with the following:
 - a. description of the exact medicinal products to be delivered, along with already issued track and trace unique identifiers for each product;
 - b. Delivery vehicle make and model and license plate number;
 - c. Name, state-issued license number, and signature of the licensee accompanying the transport;
 - d. the name of the patient/caregiver who placed and paid for the order;
 - e. a copy of the patient/caregiver legal medical recommendation;
 - f. the address of the residence to which delivery is being made;
 - g. Time/date stamp of delivery required on manifest.

11. Delivery licensees will abide by the following transport rules:

- a. Medicinal cannabis products will be kept in a lock-box securely affixed inside the delivery motor vehicle;
- b. Transport of medical cannabis shall be conducted in a motor vehicle that is properly registered in the state of California pursuant to motor vehicle laws, but need not be registered in the name of the licensee;
- c. Transport of medical cannabis shall be accompanied by a copy of the originating retail licensee's business license, the driver's valid delivery license, the driver's valid motor vehicle operator's license, and all required vehicle registration information.