

**MINUTES
CITY OF FALLON
55 West Williams Avenue
Fallon, Nevada
May 1, 2018**

The Honorable City Council met in a regularly scheduled Council meeting on the above date in the Council Chambers, 55 West Williams Avenue, Fallon, Nevada.

Present:

Mayor Ken Tedford
City Councilman, Robert H. Erickson
City Councilwoman, Kelly Frost
City Councilman, James D. Richardson
Police Chief, Kevin Gehman
City Clerk, Gary C. Cordes
City Attorney, Michael F. Mackedon
Deputy City Attorney, Leonard E. Mackedon
Legal & Administrative Director, Robert Erquiaga
Deputy City Clerk, Elsie M. Lee
Deputy Public Works Director, Brian A. Byrd
Deputy Public Works Director, Adrian Noriega
Director of Tourism & Special Events, Jane Moon

The meeting was called to order by Mayor Tedford at 7:00 p.m.

Mayor Tedford led the Pledge of Allegiance.

Mayor Tedford inquired if the agenda had been posted in compliance with NRS requirements.

City Clerk Cordes advised that the agenda was posted in compliance with NRS 241.

Approval of Warrants

- A) Accounts Payable
- B) Payroll
- C) Customer Deposit

Mayor Tedford inquired if there were any comments regarding the accounts payable, payroll and customer deposit warrants.

No comments were noted.

Councilwoman Frost motioned to approve the accounts payable, payroll and customer deposit warrants and authorize the Mayor to sign the same; seconded by Councilman Erickson and approved with a 3-0 vote by the Council.

Public Comments

Mayor Tedford inquired if there were any public comments. He noted that comments are to be general in nature, not relative to any agenda items. No action may be taken on a matter raised under this item until the matter has been specifically included on an agenda as an item upon which action will be taken.

No public comments were noted.

Public hearing on adoption of zoning regulations and licensing requirements for marijuana cultivation facilities, marijuana testing facilities, marijuana product manufacturing facilities, marijuana distributors, retail marijuana stores (non-medical), medical marijuana independent testing laboratories, medical marijuana cultivation facilities, and facilities for the production of edible marijuana products or marijuana-infused products and possible action to direct City staff to draft an ordinance for introduction amending the Fallon Municipal Code to prohibit or allow the above-listed facilities and provide for the zoning regulations and licensing requirements thereof

Mayor Tedford explained that this is a public hearing it is a little different from how we operate a regular Council meeting. When you make a comment, come to the dais and state your name and address for the record. This is not court. All will be orderly and civilized; he has a gavel but has only used it a couple of times. Address all comments to the Mayor and then he will direct them as necessary. After your comment, the Council may ask you questions. Please make your comments as succinct as necessary. Do not feel obligated to come up and say the same thing – if you got your point across, that is good enough for us. There is no real time limit. There is a three-minute time limit in Nevada, but we usually do not follow that very closely. We will have an open discussion. First, we will have the people who are in favor of this speak, then we will have the people who are opposed to this speak, then we will close that section of the public hearing and then the Council will discuss it and then we will know what they think and then Council will direct City staff. There is the issue of recreational marijuana retail stores, marijuana cultivation facilities for medical and recreational use, marijuana testing facilities and labs, marijuana product manufacturing facilities, and facilities for the production of edible marijuana products or marijuana-infused products. After the Council gives staff direction, staff will take that direction and an ordinance to either prohibit or allow will be drafted for introduction at the next Council meeting. Then, a public hearing date will be set, and a notice of that hearing will be published, it usually skips a Council meeting because of the required posting days between, and then will be set for the next one. At that Council meeting, there will be a public hearing and then a vote on the ordinance. So now we will begin. He thanked everyone for coming. The City likes an open process and he believed that this is what we will see tonight. Those that are in favor may come forward to make comment.

Ms. Ardea Canepa, Esq., of Maddox, Segerblom & Canepa LLP, stated that it was a pleasure to be here. She represents Green Cross Farmacy. She believed this industry would benefit Fallon. Some members of her family live here. Her grandfather was a Judge in Fallon and he was known as the hanging Judge; he may be rolling over in his grave knowing that she represents the marijuana industry now. She provided literature to the Council before this meeting. She would like to address some issues that are important for the Council to consider.

First, how allowing recreational allows for illegal grow. One of her exhibits outlines why people use recreational marijuana and penalties for illegal grow. Now that marijuana is legal in Nevada, people have a right to grow at home, unless there is a State-licensed retail store within a 25-mile radius. Right now, the City of Fallon does not have a recreational retail store. This can create problems for law enforcement since people can use and grow for their personal use. Law enforcement must find evidence that it really is for personal use; that they are not providing to other people or selling. If there was a retail store here, it is a clear-cut line, people cannot grow at their house within a 25-mile radius. There are medical exemptions, such as if a specific strain is not available at the retail facility, then they can grow for their own use. For safety issues and law enforcement purposes, Fallon should want to allow a recreational store to create that definitive line for law enforcement. If you have a retail store here, people cannot grow within that 25-mile radius. The next point is product safety. If people grow their own marijuana, we do not know what the strains are, we do not know if they are safe. If you have a retail facility that is State licensed and governed, you know it is safe, you know that it is high quality because it has had to go through third-party lab testing. She toured a grow facility near Mustang and it was one of the most high-tech facilities she had ever seen in any industry. It showed this is not an industry that is willy-nilly. These are professional, high-tech facilities with high security. They had to wear full coverage suits, booties, and hair nets inside the facility to ensure the quality of these products. Nevada is the most regulated State in the nation on product safety and testing. When you have a retail facility here, you know they are providing safe products. Whether they are edibles, oil, or CBD; they will be safe, tested products and not some grow in someone's house. She noted that Mr. Alec Garcia of 374 Labs is in attendance tonight, it is a testing lab located in Sparks, Nevada. She would like him to explain the testing process and then she would like to return and finish her comments.

Mayor Tedford advised Ms. Canepa to complete her comments and then the Council could hear from Mr. Garcia.

Ms. Canepa summarized the law enforcement issue. Green Cross Farmacy has a medical retail facility in Fallon, they have had a business license since 2015. They have not had any complaints. They have been happy to be involved in the community and look forward to more involvement in the future. They just had their State audit a few weeks ago and passed with flying colors; not a single violation. They take pride in their facility and are happy to be in this industry. They have also applied for their medical cultivation license with the State so if the City allows cultivation, they hope to also have a cultivation facility here which will allow for job growth. They currently have a number of employees that are sole breadwinners for their family. They hope to expand that ability to have more employees and more local Fallon people to employ. Her next point was a discussion of the City's new campaign, *Closer Than You Think*. She thought it was an awesome campaign, Fallon is not that far away. The campaign is in line with allowing more of this marijuana industry to grow here and bring more people to live here and provide more jobs for local Fallon people. It is important to look at the surrounding areas as well. Fernley is now allowing for recreational marijuana. Some of the Indian communities are allowing it. The surrounding areas are allowing for it and it would be beneficial for Fallon to really jump on board with this industry and allow their community to be at the forefront of this as well. If they do not have it here, people will grow on their own or go to Fernley or have it delivered. Fallon should consider the tax revenue that would come with this. She added that her earlier correspondence referred to 3% tax of gross sales of recreational marijuana that Fallon could be eligible for. Her last point was geared toward Green Cross Farmacy. When they

obtained their business license in 2015 and went through the whole process, they were in reliance of the fact that the current zoning is zoned C-1, so they built their business on the fact that, yes they have medical, but with the knowledge, that coming down the pipeline was the ability for recreational, and that there was no zoning in Fallon prohibiting marijuana use. They really have relied upon everything they have done, with the knowledge that zoning in their location is for retail. In their perspective, her clients relied upon the fact that it is zoned C-1, commercial allowing for retail, and does not distinguish medical versus recreational. They have invested a lot of money in this facility and in this community. They have applied to the State relying upon that fact. She hoped that was something the Council would consider specific to their location and the zoning there. She referred to her previously supplied articles about why it is so important to have regulated marijuana, safe marijuana, safe products, and the benefits to the community. She was happy to answer any questions the Council had for her.

Mayor Tedford stated that the first location for Green Cross Pharmacy was on East Center Street and then they moved to West Williams Avenue. He asked Ms. Canepa if there was any declaration at the Council level, at any time, to allow for recreational marijuana.

Ms. Canepa replied, specific to the Council's words, no; but specific to the wording of C-1 zoning, yes.

Mayor Tedford confirmed that the Council, upon confirming the medical retail facility at its current location was not within 1,000 feet of a school, at a Council meeting with a 2-1 vote; did not provide any guarantee that a recreational retail facility would be allowed there.

Ms. Canepa agreed that was true.

Mayor Tedford again confirmed that no assurance was given by this Council, that night or any other time.

Ms. Canepa apologized that her comment seemed to convey that the Council provided assurance for recreational retail. She was referring to the language of C-1 zoning only.

Mayor Tedford noted that it was a split Council vote to even allow medical retail at that location.

Ms. Canepa stated that was specific to whether a certain building was a school. They did not get into recreational at that time.

Mayor Tedford thanked her for her comments.

Mr. Alec Garcia of 374 Labs located at 10 Greg Street in Sparks, Nevada, stated that he was here tonight to talk about what the lab does and what sets the Nevada system apart from other states and the black market. The independent testing lab is a third party analytical lab; testing for pesticides, heavy metals, and potency, among others. Their role is safety and compliance in this rigorous State system, so they work with cultivators and producers to certify their product before it goes out to medical or retail establishments. A cultivator grows a harvest of cannabis, they make a batch of oil, then they contact the lab for testing to ensure it meets the State requirements. They also act as a quality and process improvement liaison. In the past, without controlled grow, there was no analytical data to optimize their process to ensure cultivators were not adding pesticides. This product is used for medical and recreational use, but either way, people do not want to consume pesticides. The lab work was the missing piece of this industry. He brought up what people thought it was 30 or 40 years ago when people were growing in the shadows illegally, to now, where there is a regulated market with tracked inventory that is tagged, tested, and tracked the entire way to the final sale. When you have a retail establishment, that is the main hub where people will go to purchase this product. If you do not have retail establishments, you are allowed to grow in your backyard or garage; and that

product is not tracked or tested. You can have six plants, so that figures about two pounds per plant, you can pull down four harvests per year; that gives a sense of what people can grow in their garage.

Mayor Tedford inquired if home growers could test their own product.

Mr. Garcia advised that they can test if they want to, but they are not required to test. They do have some clients that are patient (medical) growers in the City of Fallon and they bring their product in to test. But home growers typically do not test. Tests are typically for potency.

Mayor Tedford noted for the record that Mr. Garcia was his nephew.

Councilwoman Frost inquired as to how many labs were in northern Nevada.

Mr. Garcia explained that there are two labs in northern Nevada that are licensed and there are 10 licensed labs in southern Nevada.

Councilwoman Frost asked how many producers and retailers the lab does testing for.

Mr. Garcia explained that one of the challenges on the lab side of this industry is that they are limited in that they only serve clients that are approved and operational in both the State and their local jurisdiction. In northern Nevada right now, there are probably 20 cultivation facilities and a handful of production facilities; and his lab works with about half of them.

Mayor Tedford inquired as to the size of these facilities.

Mr. Garcia stated that the Mad Men facility is 40,000 square feet with 30,000 square feet dedicated to cultivation and 10,000 square feet to production. He is consulting with them on their plans to add their own analytical lab for their own quality control and process optimization. They will still have to have third-party testing according to regulations. Then you have other, smaller cultivation facilities at about 5,000 square feet. Production facilities typically take up a little less space.

Mayor Tedford asked what type of utilities these cultivation facilities would use heavily.

Mr. Garcia explained that most are hydroponic and utilize water recollection. Each facility has their own standards. Indoor cannabis is very water efficient, based on the processes they use such as drip systems. More systems are going toward LED lighting as opposed to high pressure sodium to save on energy costs. Some also use a type of greenhouse with supplemental light so they can grow year around. The two largest greenhouses in the State are located in northern Nevada. They are located in Washoe Valley and the Mad Men facility in Mustang.

Mayor Tedford asked if anyone utilized solar.

Mr. Garcia stated that he was unaware of anyone using solar panels in this capacity.

Councilman Richardson asked if the cultivation facilities were only allowed to sell to retail stores.

Mr. Garcia replied affirmatively.

Mayor Tedford thanked him for his comments.

Mayor Tedford inquired if this was such an overworked market that regulators could not keep up.

Ms. Canepa stated that it was not, the State conducts standard audits often. This industry is similar to the food industry in the way that they do audits that include testing and cleanliness. Her clients are aware of those standards. Every facility must have security and a clean environment.

Mayor Tedford thanked her for her comments.

Mr. Chad Westham, of P.O. Box 22791, Carson City, Nevada, advised that he is friends with the Green Cross Pharmacy. He stated that he was a former Nevada State Bureau Chief for Marijuana, from 2014 to 2016. He is no longer employed by the State of Nevada. He wanted to

say that Green Cross Farmacy has been in compliance since it opened. He had the opportunity to go through as a visitor and look at their operation. The Green Cross Farmacy, as he had seen it recently, looks to be in great shape and seems to be a well-run dispensary.

Mayor Tedford thanked him for his comments.

Mr. Greg Mitchell of 40 North Bailey Street, Fallon, Nevada, stated that he grew up in this area and has lived here over 25 years. He took a giant leap of faith getting into this industry; he works at Green Cross Farmacy. He added that recreational marijuana is in all the local communities, they are embracing it, they are excited about it. It will not cut down on the number of recreational users if you do not have it here. They will travel and you should be worried about public safety; they will travel and buy product and help other communities grow. He is asking the Council to understand that some of the older people want to be part of the medical program, but they cannot afford it. They cannot afford the licensing. It costs \$150 per year and you have to see the doctor every year. Some people are on a limited income and do not have the ability to go out and get this medical license. They do not have the ability to treat themselves. Everybody knows when grandparents feel like dirt, they will be mean to everybody else and treat you badly. They got off of a lot of their pain pills at the beginning of the year and they are looking for safe and healthy alternatives. People do not understand that a lot of these products that they sell do not get you high. You can sit in a bathtub full of salve and the way your body absorbs it – you are not going to have any negative effects to your body. He sells tons of CBD products that have no THC in them at all. A lot of people are asking for these products. They probably have 50 phone calls a day from people that are wanting these products, needing these products, begging for them. It was a big part of their business plan to move forward with recreational sales. You are denying your locals that do not have the ability to use the medical program. Some of those people do not have the ability to get themselves to Reno to get product. Those delivery services are not free. It is an important process that other communities are embracing. It would be really cool if you would look inside and see that access is the important thing. Everything is getting closer and this should be the next step for us here in Fallon. Do not let Fernley get their 3% tax. Yerington is going to benefit from it. The school district needs the money. Why would we snub our nose at a golden opportunity? The most important thing is access for people that do not have it and access for money that this community needs as well. He worked for TCID and worked in this community a long time. He watched the tragedy that unfolded. He watched the dollars that went down. This is an opportunity to recoup a lot of that.

Councilman Richardson asked in what capacity does Mr. Mitchell work for Green Cross Farmacy.

Mr. Mitchell replied that he works in human resources and in sales.

Councilman Richardson confirmed that he works inside the store.

Mr. Mitchell replied affirmatively; he works hand in hand with the clients and the patients and the vendors. He sanded the floors. He and others put a lot of sweat equity into that building. That building was a tetanus shot. They spent hundreds upon hundreds of hours giving that place a facelift and you should appreciate even that effort. They are trying to improve the area, not beat it down.

Councilman Richardson asked if there were any plans to make new signage with marijuana leaves or anything like that.

Mr. Mitchell said absolutely not; they definitely want to keep it classy and respectful to the community.

Mayor Tedford thanked him for his comments.

Mayor Tedford explained that these decisions are not about the money. Money is never on the table. You talked about the school. They opposed your move and the money would go to them – it does not go to the City. Churchill County banned marijuana and he does not oppose the County doing it. He understood every Commissioners' position and he would understand the Councils' position if they oppose it. Everyone has a different belief. Under the current tax rate in the State of Nevada, the County gets \$88,000 in tax for marijuana distribution. The City has medical marijuana and gets less than \$12,000. So, what is fair about that tax rate? It was a rhetorical question. This is not a fair world. He was not faulting anybody. But the City gets about \$12,000 and Churchill County gets \$88,000 and they ban it? He reminded that we do not make decisions based on money. The Council makes decisions that they think are in the best interests of those that live in the City. That is who elects them and him. The Council tonight – not him because he does not vote – will make a decision that best serves the citizens of Fallon. They get along great with the Churchill County Commissioners. They did what they thought was right for the citizens they represent so he does not fault them for anything that they do. If this Council votes no, it will be like the Commissioners did.

Ms. Canepa addressed Councilman Richardson's inquiry regarding signage. Specific to cultivation, there are requirements that cultivation facilities cannot have any signs that would identify it as a cultivation facility. That is a State regulation for security reasons. For purposes of recreational retail, they also have to have professional signage without anything that would appeal to children. No giant pot leaves or anything like that. It will be similarly regulated to the medical side. On a different issue, the State is down to about 10% of medical usage and that is in part because people either cannot afford to get their medical cards or will not get their medical cards because they are choosing retail. So medical sales are down to 10%.

Mayor Tedford asked Ms. Canepa to clarify.

Ms. Canepa stated that, since recreational has become legal, medical sales have gone down to about 10% of total marijuana sales. People are choosing to pay the extra money for recreational versus getting their medical cards and having to go see doctors. The point that the gentleman made about people buying recreational for medical purposes for an ailment. They will not necessarily spend the money to get their medical cards and spend the money to see the doctor because there are still some issues with the doctors and Federal law and writing prescriptions since it is still illegal Federally. There are a lot of people using marijuana for medical purposes that are buying recreational. The actual product is more expensive if purchased as recreational rather than medical. But for convenience purposes, some are relying on recreational purchases rather than having to go through the steps for medical cards.

Councilwoman Frost asked, if recreational could be sold, would there be two separate entrances; one for medical and one for recreational. She thought that she had heard something about that.

Ms. Canepa was unsure how her clients would address that; they would probably still use the same single entrance, but they still have to check for medical cards because it is a different price. They still have to go through the same security process of checking IDs. But to be able to obtain the products at the lower price, they must have the medical card. That may be why people are not buying medical anymore; having to go through the process of obtaining the medical card, and since recreational is available in certain locations, they can just go that route.

Councilman Erickson asked Ms. Canepa to further clarify the 10% she referred to.

Ms. Canepa clarified that medical sales are 10% of total marijuana sales; leaving 90% recreational.

Councilman Erickson asked if the volume of medical sales has reduced since recreational sales began or if the volume stayed the same.

Ms. Canepa explained that the volume of sales has increased exponentially since recreational sales began.

Councilman Erickson again asked if the volume of medical sales had dropped; and if so, by how much.

Ms. Canepa stated that she was not aware of the percentage of volume that medical sales have dropped. She just reiterated that medical is only 10% of the whole market.

Mayor Tedford thanked her for her comments.

Mr. Steve McNeil of 8830 Calka Road, Las Vegas, Nevada, stated that he was one of the owners of Green Cross Farmacy and he was the one that started all of this. He apologized for his part in this. He has four sons and his buddy Dan has three sons. He and Dan started this business. He wants to provide jobs and get people the medicine they need. They turn away about 10 people per day looking for recreational sales. He came to Fallon four years ago to get his business license. He rented an office on Center Street from Ray Ferguson. He has taken this really slow. He understood that this was a big impact and he met with the Chief of Police and told him that it was a delivery business, which it was at the time. He has been here four years with no problems. Mayor Tedford made a good point. When they came before the Council for that school zoning issue, there was no such thing as a recreational permit and they did not ask for a recreational permit. The answer to that question the Mayor had was no; the City did not promise him anything. As far as jobs; this really makes good jobs. He pays his people well. They have families and they appreciate it. He was probably not supposed to talk about this, but he went out and bought two production permits and two cultivation permits. He has a set for here and a set for Fernley. He would really like to do business here. A friend of his has a production and cultivation facility and has 50 people working there and they are all high paying jobs. He pays his people \$30,000 per year plus bonuses. That is much higher than minimum wage. If they get the recreational license, people really do not want to drive 60 miles to get their medicine. There are a lot of older people. With medical marijuana patients, the average age is 45. That is probably one of the reasons – nobody can afford the medical card. A lot of people just do not have a lot of money and they cannot afford the high dollar medical card. The State has approved recreational marijuana.

Mayor Tedford reminded that Fallon is in one of 17 counties and the vote within the City did not approve recreational. It was felt that medical filled a need and that was why it was approved for his location.

Mr. McNeil agreed that there definitely is a need for medical marijuana. He restated that people do not want to drive 60 miles or 120 miles to buy their recreational marijuana. An advantage to having recreational sales in town is that it creates jobs in this town. He has employed three people from this town; they all have families and have two kids apiece. One quit her job to come take this job. This a great opportunity and then they will move on to production.

Mayor Tedford thanked him for his comments.

Mr. Dan VanTreese of 10035 Idyllic, Indianapolis, Indiana, stated that he was one of the owners of Green Cross Farmacy. He and his son Nathan first got into this business after having been in the restaurant business for over 35 years. If they are allowed to have a production facility, it will be first class. He thanked the Mayor and Council for their time and consideration.

Mayor Tedford thanked him for his comments.

Mr. Nathan VanTreese of 510 West Williams Avenue, Fallon, Nevada, stated that he managed Green Cross Farmacy and they get at least 10 people per day asking about recreational sales. This needs to get accessed by everyone. They have to follow certain regulations. They cannot market to children. They plan on partnering with the community, helping with educating the community on how important cannabis is and substance abuse and advocate for responsible use. He had a gentleman come in that said his doctor told him to choose between his medicine, which was cannabis, or prescription opiates because he could not use both. He felt that was wrong. He thought it was ridiculous that they made this plant illegal in the first place. The obstacles that they are facing in this industry, they had to jump through so many hoops to get to where they are, he has been working on this project for four years now and he really cares about his patients and customers. He had a customer that left a voicemail almost in tears because this medicine helped her. There are a lot of folks that cannot afford this medicine and a medical card. You cannot purchase a gun if you have a medical card, so a lot of folks will not get a medical card. He noticed that a lot of people like their guns here so to make people choose between their Second Amendment right and their medicine is also ridiculous.

Councilman Erickson asked about packaging for marijuana products.

Mr. Nathan VanTreese explained that everything that leaves the store must be in a childproof package. Every person that enters the store, they must scan their IDs and products must be in a childproof bag, so it cannot be easily opened by a child. You cannot smell the product through the bag. They have told their patients that they can use it as a diaper bag. Their packaging is not geared toward children, that is part of the regulation. It depends on the products.

Councilman Erickson asked about brownies and edibles.

Mr. Nathan VanTreese explained that edibles must be in a heat-sealed package and not have any cartoon characters or anything like that on it. Everything has to be labeled correctly. If he missed the milligrams on an item, they will be fined. There are label requirements; it must have the person's name, the medical card number, and stuff like that. With recreational, there is no medical label, you just have to be 21 or older. But they will still follow the same guidelines like childproof bags.

Councilman Erickson inquired about warnings on the label on recreational marijuana.

Mr. Nathan VanTreese stated that the labels have certain warnings on them such as "this is a marijuana product."

Councilman Erickson asked him to describe the label in more detail.

Mr. Nathan VanTreese explained that it says, "this is a marijuana product" and "must be 21 or older;" there are certain warnings on there such as pregnancy and things of that sort. There are a lot of warnings on them.

Mayor Tedford asked if you could see through the packaging.

Mr. Nathan VanTreese stated that you cannot.

Mayor Tedford asked if you could see through recreational marijuana packaging.

Mr. Nathan VanTreese said no sir.

Mayor Tedford asked him how he knew that since there are no recreational products in the store. They only sell medicinal marijuana.

Mr. VanTreese stated that the regulations for recreational are changing. It is proposed to not be see through.

Mayor Tedford stated that edibles are his hot button and he was very concerned about them. Things can get left on coffee tables. Children can open many types of packages, even childproof packages.

Mr. Nathan VanTreese stated that the package must be clearly labeled as marijuana.

Mayor Tedford noted that children may not read labels.

Mr. Nathan VanTreese stated that it would be the same as leaving a bottle of alcohol on the coffee table.

Mayor Tedford noted that if marijuana was no better or no worse than alcohol, it is still not good. Edibles out of the package are not the fault of the store.

Mr. Nathan VanTreese noted that their job is to educate patients on the responsible use of edibles too. Such as waiting two hours to see what the effects are like.

Mayor Tedford asked if they sold a lot of medical marijuana edibles.

Mr. Nathan VanTreese stated that they have patients come in specifically requesting edibles. It can help them sleep. It is a different kind of experience than smoking it.

Mr. Alec Garcia of 374 Labs advised that he was on the Governor's task force for implementation of recreational marijuana and one of the things that the Governor and the task force did was maintain the strict label requirements for medical and retail recreational. The label requirements are the same for both. They cannot be transparent, they must be childproof. He will send an email with an example of a label. Edibles cannot be in gummy candy bear form or things like that. It can be in a brownie or a cookie or something of that nature, but candies are non-compliant. You would basically get a jelly square instead of a gummy bear. The State has been pro-active in approving edible products, so you cannot decide to make a Swedish fish-type or gummy bear-type recipe – you must submit your recipe to the State; then they will review your recipe, the form, and the packaging, and approve that prior to you being able to manufacture that. You can do gummy for medical, but they cannot look like bears or other candy.

Councilman Richardson confirmed that the State has prohibited manufacture of edibles that look like gummy bears.

Mr. Garcia replied affirmatively.

Councilman Richardson asked about private citizens.

Mr. Garcia stated that private citizens could do as they please.

Councilman Richardson stated that private citizens could, in theory, in their own homes, infuse anything they want.

Mr. Garcia advised that there is no regulation on that. The only part of this industry that is regulated are those that are licensed and inspected by the State. His lab has unannounced, random State inspections three, four times per year. Sometimes more from the fire department and health & human services. All of this is regulated at the State level.

Mayor Tedford thanked him for his comments.

Ms. Cindy Cooley of 1400 South Maine Street, Fallon, Nevada, stated that she was speaking on behalf of Green Cross Pharmacy. She knows multiple people in Churchill County that are on medical marijuana. She feels personally that the City needs to allow recreational marijuana. She has heard of a lot of people that are already using it and there is obviously no stopping it. This Country has legalized alcohol and bars and Nevada has legalized brothels and we all know what kinds of problems that creates. Then why can't we approve recreational marijuana? It will create more taxes for the City and she felt that the City really needs it. This could fix things that are broken in this town. Make improvements to traffic lights; the list could

go on. The City has turned down businesses trying to come here such as Lowe's and an adult club that would have generated a lot of revenue for the entire County, especially since this is a big Navy town and we get a lot of single men that are here on carrier aircraft groups. This town has nothing here for people to do. It is the same boring town as it was in 1977. Unless you are an outdoor person, then there is plenty to do. But, as the saying goes, "money talks and BS walks." She asked that the Council approve recreational marijuana for Mr. VanTreese and his business partner. They have spent a lot of money in order to get the business up and running. She had been informed that a marijuana shop in Reno planned to open a shop in Fernley selling both medical and recreational. If Green Cross Pharmacy is not allowed to sell recreational then people will be forced to go to Fernley or beyond; once again, money not staying in this community. She heard the saying "Shop Fallon First" but if businesses cannot open up here, like Lowe's, then how are people supposed to "Shop Fallon First."

Mayor Tedford thanked her for her comments.

Mayor Tedford asked for clarification on recreational sales in Fernley. Previous comments said 60 miles, that would be Reno.

Ms. Canepa explained that, currently, people have to drive to Reno for recreational. Licensing has been opened for Fernley, licenses are active in Fernley, for both cultivation and retail. They have been approved, and businesses are in the process of getting up and running, very shortly, it will be available in Fernley. But there is not one currently open in Fernley.

Councilman Richardson inquired as to which approvals were received.

Ms. Canepa replied that approvals were from the State and the City of Fernley. The City of Fernley has approved them, it is just a matter of getting the actual business up and running. It takes a little bit of time to get cultivation going. The tenant improvement is complete.

Councilman Erickson inquired as to how many licenses were permitted in the City of Fernley.

Ms. Canepa did not know. She knew that at least two cultivation licenses were approved but was unsure how many retail licenses.

Councilman Richardson asked if there was a specific location in the City that they were looking at for the cultivation facility.

Ms. Canepa replied that her clients have been approved through the State for a medical cultivation license. They are looking at 100 Airport Road.

Councilman Richardson confirmed that it was for medical cultivation. He asked if that was something that would have to be approved by this governing body.

Ms. Canepa said that it would be; similar to what they had gone through previously.

Mayor Tedford thanked her for her comments.

Ms. Helvetica Lopez of 100 Serpa Place, Apartment B-6, Fallon, Nevada, shared her experience. Growing up she has dealt with schizophrenia and marijuana helped her. She was pleased to be able to help other people deal with their ailments through the use of marijuana.

Mayor Tedford thanked her for her comments.

Mayor Tedford asked if there was anyone else that was that wished to comment.

Mr. Edward Woods of 890 South Maine Street, Fallon, Nevada stated that he has been a resident of Fallon since 1970. He asked about the Fallon Paiute Tribe; if they were jumping on the bandwagon like they did with fireworks, smoke shops, and everything else.

Mayor Tedford stated that the City may be the last to know. Tribes have opened facilities in other counties. Whether the Fallon Tribe decides to do it or not is something the City does not know; it is outside of the City's jurisdiction, as they are sovereign.

Mr. Wood asked if schools still would be eligible to collect tax funding from sales by the Fallon Tribe.

Mayor Tedford said no; unless they have some type of agreement.

Mr. Wood asked if Tribes would have to follow the same State regulations.

Mayor Tedford suggested that they could have some type of agreement with the State regarding compliance, but he was unsure.

Mr. Westham stated that he was no longer employed by the State, but last year when he was, the State had an agreement with Tribes that they would meet all the same requirements and follow the same regulations.

Mayor Tedford asked if there were any further comments in favor of recreational marijuana.

No public comments were noted.

Mayor Tedford then stated that he would entertain comments from those that were opposed to recreational marijuana.

Mr. Marion Jonte of 2155 Trails End, Fallon, Nevada, stated that he had four grandchildren that attend school here. He has been here for 35 years and he loves this community. He felt that he was a very small David against a very large Goliath. He was opposed to recreational marijuana. He attended seminars last year related to this topic and the people that spoke were sincere and their hearts were full of grief for their mistakes. He did not want to see that happen in his community, where people lose control. Marijuana has become even more popular in the last few years even with the fact that the Federal government says that it is still illegal. Nevada has approved it and that was the choice of the people. He spent over 20 years in laboratory and x-ray departments and he knew a little bit about grief and a lot about broken bodies and broken souls and it appeared to him that, in the State of Colorado, the money that they thought they were going to get from the sale of marijuana does not even come close to being worth the destruction of their people. Oregon has the same problem, and he does not want to see that happen here. Marijuana is a very powerful substance. Recreational marijuana is an absolute nasty thing for the community. He was very opposed to the grow and manufacture of products and testing in Fallon. This is already being done in other places. Having lived in this community as long as he has, he did not know that Mayor Tedford did not have a vote. Former Mayor Mert Domonoske, Mr. Lou Buckmaster, Mr. Bill Lawry, Mr. Bjorn Selinder: these are men that were watched in this community. They are men of integrity and intelligence and they have built monuments, not of stone and mortar, not of brick and glue; they have built monuments in this community in the hearts and minds of our people. They were great men; some are still living, so they are still great men. He thought that if they were faced with this situation, they would have voted not to allow recreational marijuana. The edibles alone, when they are allowed, he understood they were supposed to be childproof, but when children get ahold of these things, it is devastating. Colorado reported that there was a 60% increase in their emergency room visits with children picking up the edibles after mom and dad had their use of them. That is tragic. He understood the other folks that believe in their product and believe in their regulation and believe that have everything under control; but he was not in favor of recreational marijuana. He understood that the other side has invested hundreds of thousands of dollars to develop their industry, but he asked the Council to consider as they voted, the cost to our community and the cost to our children. He asked them to consider the cost in human suffering and property loss. Cannabis is a product that causes safety violations in the workplace. He thanked the Council for their time.

Mayor Tedford thanked him for his comments.

Ms. Kadie Zeller of 5855 Sheckler Road, Fallon, Nevada, stated that she had the privilege of working in the schools to a certain capacity through the Churchill Community Coalition. The majority of the kids she talks to today are opposed to recreational marijuana. Those that are condoning the use of marijuana are usually already using it. Middle school students tell her that marijuana is incredibly accessible. Having recreational ability now conveys the message that it is a substance that can be used by everyone. She was working with juvenile probation youth last week and most of them said they use marijuana as a way to cope with stress. That is what a lot of people do with alcohol as well. She has grown up in Fallon. There has been a change in some youths' acceptance of this since becoming legal.

Mayor Tedford thanked her for her comments.

Mr. Richard Hickox stated that he works for the Churchill County Sheriff's Office, but he was not here in an official capacity tonight. After his experience with what he does every day, he noted that he encounters people that are severely impaired by marijuana. He felt that if recreational was approved, the numbers of encounters would increase such as driving under the influence and child abuse investigations. Increased grows occur too. Having attended law enforcement conferences nationally, speaking with law enforcement officers in Colorado, the takeaway from them was, if you have the opportunity to oppose recreational marijuana in your community, please take it and oppose the sale of recreational marijuana.

Councilman Erickson inquired as to what percentage of law enforcement stops were for impaired driving.

Mr. Hickox stated that he did not have those figures tonight.

Mayor Tedford thanked him for his comments.

Mayor Tedford inquired if there were any more comments opposed to recreational marijuana.

No further comments were noted.

Mayor Tedford inquired if there were any neutral comments regarding recreational marijuana.

Ms. Andrea Zeller of 5855 Sheckler Road, Fallon, Nevada, stated that she represented the Churchill Community Coalition and they have focused on preventing substance abuse. They have been collecting data since 2007. As a prevention specialist, she felt it was important to share the concerns and problems they have seen firsthand in this and other states since 2013. Right now, products have the highest THC levels in history. Long term testing of the effects on the brain are not available, and this is a very big concern. Marijuana establishments in communities seem to show increased acceptance and accessibility for youth, which studies show increases youth use rates. Many kids have noted that since it is legal, then it must be fine to use. In 2018, local data from surveys conducted by the Churchill Community Coalition show almost 50% of middle and high school students believe marijuana is safe to use since it was approved for sale. Over 51% believe marijuana is not addictive and 49% have said that marijuana is easy to get in this community. She added that if youth use rates were already this high, then use will only increase with even greater accessibility if recreational is approved. Of the 49% that said it was easy to get, 24% of those kids get it at home from their parents. She stated that this scared her. These numbers are very concerning. She will email the information from these surveys. In 2012, 37 high school kids out of 300 used marijuana in the past 30 days. In 2018, 79 out of 400 used within the past 30 days. That is a significant increase. Parent disapproval of recreational marijuana has declined since legalization, 300 surveyed in 2012 showed a disapproval rate of

91% and in 2018 it had dropped to 83%. Many kids reported that they are self-medicating for stress management. They are opting out of going to doctors or mental health professionals and using marijuana to cope instead. Marijuana impairs development in the areas of the brain that control reasoning, stress management, focus, motivation, and leave a long-term impact by reducing IQ by 8%. Our graduation rates are around 70% and we could see that drop even lower with recreational use. The local hospital has seen increased emergency room visits from edibles and smoking, both in adults and children. Dr. Verrees, a local obstetrician, shared information from one week in February. Over that week, every pregnant woman that came in was tested for marijuana use and 66% of them tested positive, so they counseled them and followed up with them and 44% of those that returned still tested positive, believing that it was safe since it was legal to sell. Colorado saw a 10% increase in overall crime rates. Substance users, including marijuana, have a higher number of medical claims than their counterparts. Substance users are responsible for 40% of all industrial fatalities and accidents. The owner of one of the largest construction companies in Colorado has had to seek workers from other states because he cannot find applicants to pass drug tests. Water is always an issue in Fallon, and marijuana plants, even with hydroponics, are heavy water users. Homelessness can also be an issue; Fallon has food banks and good weather so migrant workers may choose to remain in Fallon, especially if recreational marijuana is available too. She also asked about the considerable waste from marijuana plants. She did not know what Nevada does with them but since processors do not utilize the whole plant, it is a concern about what happens to the waste, especially if they want to have a facility in Fallon. She spoke to some adults, 10 or 12 people, and asked them about recreational marijuana. They said that they would rather drive to Reno to purchase in anonymity. She asked the Council to think about the children and families in this community.

Mayor Tedford thanked her for her comments.

Ms. Canepa inquired as to where she could obtain materials of the statistics that were being quoted tonight.

Ms. Andrea Zeller provided Ms. Canepa with her business card and the materials will be emailed.

Mayor Tedford noted that the mention of 100 Airport Road was for a purpose that was not being discussed tonight. City staff has not been advised of anything having to do with 100 Airport Road, so he asked those in attendance to not think of anything being done with 100 Airport Road.

Mayor Tedford asked if there were any further public comments.

No comments were noted.

Mayor Tedford asked Legal and Administrative Director Erquiaga to give a brief explanation of what is expected of the Council tonight.

Legal and Administrative Director Erquiaga explained that the Council was provided with a fact sheet from the City and a fact sheet and accompanying materials from Ms. Canepa and they will be incorporated into the record. Tonight, a motion is sought to direct City staff to draft an ordinance to either prohibit or allow the facilities listed in the agenda title. This is the beginning of the process and will take at least two more Council meetings. City staff will take that direction and begin to draft the ordinance, then the draft will be introduced so everybody that is interested can read and review it, then a public hearing will be set where public comments will be heard, then the ordinance will be considered by the Council for adoption.

Mayor Tedford noted that all materials that were referred to tonight would be attached to the record.

Mayor Tedford reiterated that fact that substance abuse education must take place early and often. The number of pregnant women that are using marijuana is alarming. He appreciated everyone's comments here tonight; critical thought and careful judgement was used. He has reviewed this internally with City staff and he noted that you could discuss these issues forever, which decisions could be made either way. He advised the Council that they were aware of their charge here tonight and he knew that they took it all very seriously.

Councilman Richardson noted that he appreciated the various concerns expressed tonight, but he thought we needed to get back to what we are really talking about here. We are talking about the recreational sale of marijuana. We are not voting to legalize marijuana – that has already happened. We can talk about the effects and the impact it can have on a community. But as a Councilperson, we have to acknowledge that marijuana has already been legalized. It boils down to what we want to regulate. Do we want to regulate one business that we can have our thumb on to ensure compliance or do we want private people, your neighbors, growing marijuana in greenhouses or in their garage where you could see it and smell it? That is an issue for people that live here. People should be concerned about their neighbors growing with minimal regulation since that is certainly a possibility. He was aware of some of the studies and some of the statistics from Colorado and the Department of Justice; there was a mixed review and they are inconclusive at best. We do have a small sampling of what people have encountered at schools. We want to represent and protect this community and he felt regulation was important. It is better to regulate one business and get rid of all potential problems of neighbors growing on their property. He was interested to hear what the other Councilmembers' thoughts were.

Councilman Erickson stated that one of the issues that we had not really discussed in depth was that marijuana is still illegal according to the Federal government and that is problematic; it affects banking relationships and could cause some severe problems at the Federal level with a change in the Administration's policy of enforcing the Federal laws as alluded to by US Attorney General Sessions. That is an issue that he struggled with, because it is still Federally illegal. Medical use was different from recreational use and the reasoning that goes with it. One dispensary in Churchill County is medical only and has operated a very diligent business and that is a lot to be said about an industry that is as regulated as it is. He recognized Councilman Richardson's points, but he still struggled with the fact that Federal law still considers it illegal.

Councilwoman Frost appreciated everyone's comments tonight. Federal law supersedes any State laws. She has concerns with recreational marijuana and it violates Federal law. Any change in Administration could also bring Federal authorities to the State of Nevada and any establishments in Fallon. She also struggled with the fact that people in our community did not vote for recreational marijuana and people in her Ward were strongly against it. She understood Councilman Richardson's position of regulating just one establishment but until we get more direction from the Federal government, she felt that Federal law is supreme, and we need to be following that law. She was also concerned about the message to the people of our community; just come to Fallon to get your recreational marijuana. She was very concerned about the pregnant women in our community that think it is okay to use marijuana. She was concerned about mental health where marijuana can exacerbate that situation. She is concerned for our employers who are trying to find employees that can pass a drug test to ensure a safe workplace.

No further comments were noted.

Councilwoman Frost motioned to direct City staff to draft an ordinance for introduction amending the Fallon Municipal Code to prohibit any or all of the following: marijuana cultivation facilities, marijuana testing facilities, marijuana product manufacturing facilities, marijuana distributors, retail marijuana stores (non-medical), medical marijuana independent testing laboratories, medical marijuana cultivation facilities, and facilities for the production of edible marijuana products or marijuana-infused products; seconded by Councilman Erickson and approved with aye votes by Councilwoman Frost and Councilman Erickson and a nay vote by Councilman Richardson.

Presentation of the Police Department Report for March 2018

Chief Gehman presented the March monthly report. He added that the March incidents and activities were primarily in line with previous months with no exceptional variances.

- Staff participated in multiple hours of training.
- Through the welfare assist account, we provided one gas voucher and one bus ticket.
- The citizen survey results were positive.

Mayor Tedford inquired if the Council had any comments or questions.

No comments were noted.

Mayor Tedford thanked Chief Gehman for the report.

Public Comments

Mayor Tedford inquired if there were any public comments.

Mr. Edward Wood of 890 South Maine Street, Fallon, Nevada and asked how far down Maine Street the road enhancements with sidewalk, curb and gutter would extend.

Mayor Tedford explained that this multi-year project has been completed in phases and one of the phases was split even further into Phase 2-A and Phase 2-B. The project will extend to Tolas Place.

Council and Staff Reports

Chief Gehman: No comments were noted.

Deputy City Clerk Lee: No comments were noted.

Deputy Public Works Director Noriega: No comments were noted.

City Clerk Cordes: No comments were noted.

Deputy Public Works Director Byrd: No comments were noted.

Tourism Director Moon: No comments were noted.

City Attorney Mike Mackedon: No comments were noted.

Legal and Administrative Director Erquiaga: No comments were noted.

Deputy City Attorney Leonard Mackedon: No comments were noted.

Councilwoman Frost: No comments were noted.

Councilman Richardson: No comments were noted.

Councilman Erickson: No comments were noted.

Executive Session

Mayor Tedford tabled the executive session, as it was not needed at this time.

Adjournment

There being no further business to come before the Council, Mayor Tedford adjourned the meeting at 9:55 p.m.



Mayor Ken Tedford

Attest: 

Gary C. Cordes, City Clerk/Treasurer

MEDICAL MARIJUANA FACT SHEET

Legal Background

- Passed as Question 9 in the 1998 general election
 - State of Nevada vote: 58.65% YES -- 41.35% NO
 - YES counties (10): Carson City, Clark, Douglas, Elko, Esmeralda, Humboldt, Lyon, Nye, Storey, Washoe
 - NO counties (7): Churchill, Eureka, Lander, Lincoln, Mineral, Pershing, White Pine
 - Churchill County vote: 51.60% NO -- 48.40% YES
 - City of Fallon vote: 50.14% NO -- 49.86% YES
- Passed as Question 9 in the 2000 general election
 - State of Nevada vote: 65.38% YES -- 34.62% NO
 - YES counties (15): Carson City, Churchill, Clark, Douglas, Elko, Esmeralda, Eureka, Humboldt, Lander, Lyon, Mineral, Nye, Pershing, Storey, Washoe
 - NO counties (2): Lincoln, White Pine
 - Churchill County vote: 54.58% YES -- 45.42% NO
 - City of Fallon vote: 56.78% YES -- 43.22% NO
- Codified as Chapter 453A of the NRS
- Use, possession, distribution and cultivation of marijuana remain illegal under federal law – no medical exception
- Churchill County has prohibited all medical marijuana establishments

Excerpts of NRS Chapter 453A

- NRS 453A.200 – a person cannot collectively possess with another who is authorized to possess, deliver or produce more than: 2.5 ounces of usable mj in any one 14-day period; 12 mj plants, whether mature or immature; and a maximum allowable quantity of edible mj products and mj-infused products as established by the Division
- NRS 453A.200 – a person is not authorized to cultivate, grow or produce mj if a medical mj dispensary is operating within 25 miles of the person's residence
- NRS 453A.116 – medical marijuana establishment means an independent testing laboratory, a cultivation facility, a facility for the production of edible marijuana products or marijuana-infused products, or a medical marijuana dispensary
- NRS 453A.322 – a medical mj establishment cannot be located within 1,000 feet of a public or private school or within 300 feet of a community facility
- NRS 453A.322 – community facility means a facility that provides day care to children, a public park, a playground, a public swimming pool, a center or facility, the primary purpose of which is to provide recreational opportunities or services to children or adolescents, or a church, synagogue or other building, structure or place used for religious worship or other religious purpose
- NRS 453A.324 – not more than 1 medical mj dispensary in a county with a population less than 55,000

GREEN CROSS PHARMACY RECREATIONAL SALES

May 1, 2018 City of Fallon City Council Meeting

1. Health and Safety
 - a. Help rid illegal/personal unregulated marijuana grow in City of Fallon
 - i. Adults 21 years and older can legally grow marijuana plants at home for their personal consumption, but only if there is not a state-licensed retail marijuana store within 25 miles of the home. See attached printout from www.marijuana.nv.gov
 - ii. Penalties (see attached printout)
 - b. Product safety (article re artificial weed)
 - i. Local cultivation facilities (high tech, safe, professional)
 - ii. Safety testing, 374 Labs – 3rd party lab discussion of how testing is done
 - c. Still can't consume in public places or in a moving vehicle (see attached printout handout)
 - d. GCF has had business license since 2015 (no complaints) and state audit (GCF just passed a few weeks ago with no violations)
 - e. Cannabis instead of opioids (article)
 - f. Age restrictions and security
2. Fallon's new campaign – “Closer than you think”
 - a. Article from ktvn
 - b. Development of new jobs, residents and tourists
 - c. Surrounding areas are allowing recreational marijuana so Fallon residents will grow their own or go to Fernley
3. Finances
 - a. Tax revenue
 - b. Schools
 - i. Article re: funds going toward anti-drug campaign and enforcement
4. Zoning for Green Cross Pharmacy Location Allows for a Recreation Marijuana Facility
 - a. Current zoning does not prohibit recreational marijuana at Green Cross Pharmacy location
 - i. C-1 Limited Commercial (allows for retail)
 - ii. MMR&D's relied on this zoning when opening Green Cross Pharmacy
 - b. MMR&D has provisional licensing from The State
 - i. Current location already meets all state criteria
 - ii. Current location zoning and land use warrants the City to provide letter to MMR&D to inform the state that local zoning and land use is in compliance. NRS 453D.210(5)(c)&(e).

Marijuana in Nevada

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Legal Use

LEGAL USE

[Possession and Consumption](#)

GROWING AT HOME

[Growing At Home](#)

Adults 21 years and older can legally grow marijuana plants at home for their personal consumption, but only if there is not a state-licensed retail marijuana store within 25 miles of the home.

[Under 21 Years of Age](#)

The following rules apply:

[Penalties](#)

- Up to 6 plants per person, but no more than 12 plants per household
- Plants must be grown within a closet, room, greenhouse, or other enclosed area that is equipped with a lock or other security device
- Plants must not be visible from a public place
- The grower must own the property or have the permission of the legal owner

[Property Owners and Employers](#)
[Federal Implications](#)

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Legal Use

LEGAL USE

Possession and
Consumption

PENALTIES

Anyone who breaks Nevada marijuana laws may be subject to the following penalties. These penalties are related only to retail marijuana.

Growing At Home

Under 21 Years of Age

Cultivation

Penalties

Any person who cultivates marijuana:

Property Owners and
Employers

- Within 25 miles of a state-licensed retail marijuana store,
- Where the plants are visible from a public place, or
- On property they don't own or don't have permission from the lawful owner

Federal Implications

Is guilty of:

- For a first violation, a misdemeanor punished by a fine of not more than \$600
- For a second violation, a misdemeanor punished by a fine of not more than \$1,000
- For a third violation, a gross misdemeanor
- For a fourth or subsequent violation, a category E felony

Public consumption

A person who smokes or otherwise consumes marijuana in a public place, in a retail marijuana store, or as a passenger in a moving vehicle is guilty of a misdemeanor punished by a fine of not more than \$600.

Under 21 years of age

For penalties associated with marijuana and people under the age of 21, see the penalties page in the **Keep Kids Safe** section of this site.

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POSSESSION & CONSUMPTION

Marijuana may now be legal in Nevada, but it's not "anything goes." If you plan to use marijuana, it's important to know and follow the laws.

The laws on this page may not apply to medical marijuana.

Buying marijuana

The only legal way to buy marijuana in Nevada is from a state-licensed store or dispensary. It remains illegal to buy marijuana from any other source. Customers purchasing retail marijuana will have to show proper identification proving they are 21 or older, just like for alcohol purchases.

DRIVE HIGH, GET A DUI



THE FACTS ABOUT MARIJUANA USE AND DRIVING

[Info at: Zero Fatalities](#)

Possessing marijuana

Adults 21 years and older can legally possess marijuana in the following amounts:

- Up to 1 ounce of marijuana
- Up to 1/8 of an ounce of concentrated marijuana (the separated resin, whether crude or purified, obtained from marijuana)

Consuming marijuana

Adults 21 years and older can legally consume marijuana, but with restrictions on *where* it can be consumed:

- You cannot use marijuana in any public place
- You cannot use marijuana in a moving vehicle, even if you're a passenger

Essentially, this means it can only be consumed on private property (at home, for example), and as long as the property owner has not prohibited it.

Driving and marijuana

It is illegal and dangerous to drive under the influence of marijuana. Any amount of marijuana consumption puts you at risk of driving impaired.

[Learn more about marijuana and driving from Zero Fatalities.](#)

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Fake weed in Illinois

By Jacqueline Howard and Marlena Baldacci, CNN

🕒 Updated 6:13 PM ET, Mon April 2, 2018

Story highlights

56 severe bleeding cases, two fatal, are tied to synthetic cannabinoids in Illinois

"This is the first time we've seen an outbreak of this magnitude in the area," an official says

(CNN) — Synthetic cannabinoids -- often called Spice, K2 or fake weed -- have been tied to 56 cases of severe bleeding, including two deaths, across Chicago and areas in central Illinois.

All of the cases required hospitalization related to coughing up blood, blood in the urine, bloody nose, bleeding gums and other symptoms. Nine of the cases tested positive for brodifacoum, or rat poison, according to a statement from the Illinois Department of Public Health on Monday.

Now, state officials are working to identify any common synthetic cannabinoid products related to those cases and to determine where the products were obtained.

There are still many questions about the illnesses; officials are not aware what exactly caused the drug contamination, but investigators and toxicologists are continuing to evaluate.

"This is the first time we've seen an outbreak of this magnitude in the area," Melaney Arnold, a spokeswoman for the Illinois Department of Public Health, said Monday.

"We're working with numerous different partners across the city and state as we investigate this outbreak," she said.

Synthetic cannabinoids are sold in convenience stores, gas stations, drug paraphernalia shops, novelty stores and even online.

Health officials warn that anyone who has a reaction to synthetic cannabinoids immediately should call 911 or be taken to an emergency department.



Related Video: Police: Spike in synthetic marijuana overdoses nationwide 02:13

'There could be additional deaths coming'

"We continue to see the number of cases rise," Dr. Nirav Shah, director of the Illinois Department of Public Health, said in the statement.

The department "is continuing to work with local health departments and the Centers for Disease Control and Prevention, along with other partners, to try to identify common products," he said. "Without more information, IDPH does not know how much contaminated product is circulating or where. We strongly urge everyone not to use synthetic cannabinoids."



Related Article: The dangerous behaviors of teens who use fake weed

Though 17 of the recent cases were tied to synthetic cannabinoid products in Chicago, contaminated products could be statewide, the Department of Public Health noted.

There also were five cases in Cook County, two in Kankakee County, 14 in Peoria County, 12 in Tazewell County and one in each of the counties of DuPage, Kane, McLean and Will. Two other cases are under investigation.

One of the deaths was in Chicago and the other in central Illinois.

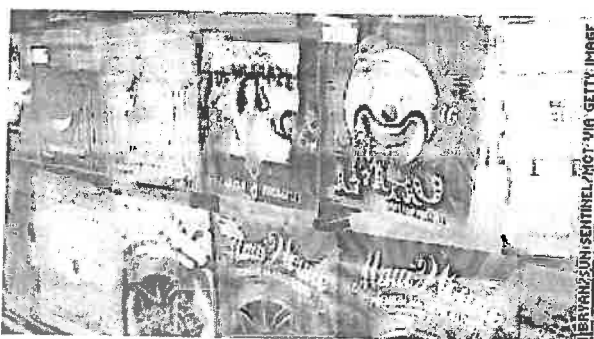
Officials had never before seen a death in Chicago related to fake weed, Arnold said.

"There could be additional deaths coming; it is difficult to say," she added. "We're doing whatever we can with regards to

outreach to notify any who may be impacted by this outbreak."

What is fake weed?

This isn't the first time a region of the United States has seen an outbreak of health problems tied to synthetic cannabinoids.



Last year, 102 people in Lancaster County, Pennsylvania, overdosed on synthetic marijuana within three days. None of those cases was fatal.

In 2016, 33 people in Brooklyn were made ill from suspected overdoses of synthetic pot.

The number of acute poisonings from synthetic cannabinoids rose sharply between 2010 and 2015, according to a Morbidity and Mortality Weekly Report published by the US Centers for Disease Control and Prevention in 2016.

During that time, physicians treated 456 patients total for synthetic cannabinoid intoxications.

Synthetic cannabinoids, or fake weed, are human-made chemicals that can be sprinkled on dried, shredded plant material and smoked, or can be consumed as vaporized liquids inhaled through an e-cigarette or other device.

These mind-altering chemicals are called cannabinoids, since they are similar to the chemicals found in marijuana, though they can cause serious side effects that are different from those of marijuana.

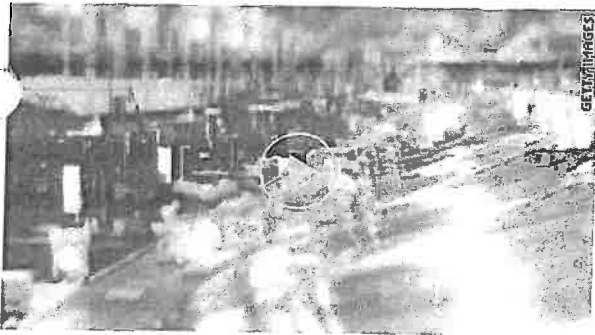
One study of a synthetic cannabinoid found that it was 85 times as potent as tetrahydrocannabinol, or THC, the mind-altering chemical in marijuana. That study was published in the New England Journal of Medicine in 2016.

People who smoke synthetic cannabinoids can have rapid heart rate, vomiting, agitation, confusion and hallucinations, according to the CDC.

Related Article: Synthetic weed use spiked over past year, says CDC



Related Article: 'Fake pot' causing zombielike effects is 85 times more potent than marijuana



Related Video: How synthetic drugs are killing kids 04:20

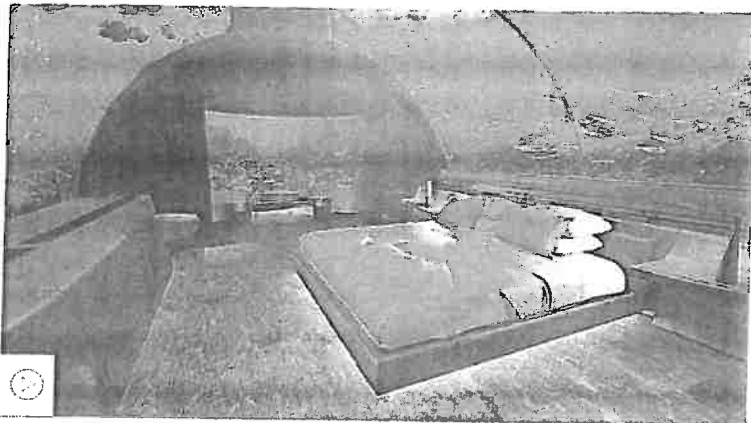
In the past few years, doctors have become familiar with the health outcomes people can face when they are exposed to synthetic cannabinoids, said Dr. Patrick Lank, an emergency physician and assistant professor of emergency medicine at the Northwestern University Feinberg School of Medicine in Illinois.

"They include things like seizures, heart attack, kidney failure," said Lank, who was not involved in the recent synthetic cannabinoid cases.

"What's happening in Illinois is different, and these are bleeding complications. Why they're happening? We're still uncertain," he said. "We don't know if the supply of synthetic cannabinoids in Illinois and the Chicago area have been tainted by someone with brodifacoum, or rat poison. Or if this is potentially a new side effect of a new synthetic cannabinoid."

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Maldives to open underwater hotel residence



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Studies link legal marijuana with fewer opioid prescriptions

Malcolm Ritter, Associated Press

Published 4:02 p.m. PT April 2, 2018



(Photo: Keith Srakocic, AP file)

NEW YORK — Can legalizing marijuana fight the problem of opioid addiction and fatal overdoses? Two new studies in the debate suggest it may.

Pot can relieve chronic pain in adults, so advocates for liberalizing marijuana laws have proposed it as a lower-risk alternative to opioids. But some research suggests marijuana may encourage opioid use, and so might make the epidemic worse.

The new studies don't directly assess the effect of legalizing marijuana on opioid addiction and overdose deaths. Instead, they find evidence that legalization may reduce the prescribing of opioids. Over-prescribing is considered a key factor in the opioid epidemic.

More: [How to eat pot \(/story/news/marijuana/2018/03/30/nevada-marijuana-industry-share-tips-edibles-consumption/472816002/\)](#)

More: [Blue Moon's brewer launching marijuana-infused 'beer' \(/story/news/marijuana/2018/03/28/blue-moons-brewer-launching-marijuana-infused-beer/467965002/\)](#)

More: [Online ads from unlicensed pot shops roil California market \(/story/news/marijuana/2018/03/28/online-ads-unlicensed-pot-shops-roil-california-market/466263002/\)](#)

Both studies were released Monday by the journal JAMA Internal Medicine.

One looked at trends (<http://jamanetwork.com/journals/jamainternalmedicine/fullarticle/10.1001/jamainternmed.2018.1007>) in opioid prescribing under Medicaid, which covers low-income adults, between 2011 and 2016. It compared the states where marijuana laws took effect versus states without such laws. The comparison was done each quarter, so a given state without a law at one point could join the other category once a law kicked in.

Results showed that laws that let people use marijuana to treat specific medical conditions were associated with about a 6 percent lower rate of opioid prescribing for pain. That's about 39 fewer prescriptions per 1,000 people using Medicaid.

And when states with such a law went on to also allow recreational marijuana use by adults, there was an additional drop averaging about 6 percent. That suggest the medical marijuana laws didn't reach some people who could benefit from using marijuana instead of opioids, said Hefei Wen of the University of Kentucky in Lexington, one of the study authors.

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Studies link legal marijuana with fewer opioid prescriptions

The other study looked at opioid prescribing (<http://jamanetwork.com/journals/jamainternalmedicine/fullarticle/10.1001/jamainternmed.2018.0266>) nationwide for people using Medicare, which covers people 65 years or older and those with disabilities. Every year from 2010 through 2015, researchers compared states with a medical marijuana law in effect to those without one. Fourteen states plus the District of Columbia had such a law from the beginning of that time; nine other states joined them during the years the study covered.

Researchers found that Medicare patients in states with marijuana dispensaries filled prescriptions for about 14 percent fewer daily doses of opioids than those in other states. Patients in states that only allowed them to grow pot at home showed about 7 percent fewer doses.

W. David Bradford, an economist at the University of Georgia in Athens who's an author of the second study, said the results add to other findings that suggest to experts that marijuana is a viable alternative to opioids. The weight of that evidence is "now hard to ignore," said Bradford, who said he thinks federal regulations should be changed to allow doctors to prescribe marijuana for pain treatment.

The two studies have some limitations, Dr. Kevin Hill of Harvard Medical School and Dr. Andrew Saxon of the University of Washington in Seattle wrote in an accompanying editorial.

For one thing, they don't reveal whether individual patients actually reduced or avoided using opioids because of the increased access to marijuana. The findings in Medicaid and Medicare patients may not apply to other people. And the results may have been skewed by some characteristics of the state populations studied, they wrote.

They called for states and the federal government to pay for more studies to clarify the effect of marijuana use on opioid use, saying such research is needed for science to guide policy-making.

The Associated Press Health & Science Department receives support from the Howard Hughes Medical Institute's Department of Science Education. The AP is solely responsible for all content.

Read or Share this story: <https://www.rgj.com/story/news/marijuana/2018/04/02/studies-link-legal-marijuana-fewer-opioid-prescriptions/480160002/>



City of Fallon Launches 'Closer Than You Think' Campaign

Posted: Mar 06, 2018 5:58 PM PST

Updated: Mar 20, 2018 12:58 PM PDT

By Elizabeth Olveda

CONNECT

The City of Fallon has launched a campaign called "Closer Than You Think." Fallon is located an hour from Reno and 40 minutes from the growing Tahoe-Reno Industrial Center.

While it's no secret that home and rent prices in the Reno-Sparks area have skyrocketed in recent years, this campaign aims to show both developers and aspiring homeowners alike, that Fallon is full of opportunities, including an incentive program.

Mayor Ken Tedford explains, "You don't have to pay your building permit fees up front, when you get done building your house and you close—then you can pay your building fees and loan when you're done." Tedford adds that this applies to developers, too. They do not have to pay building permit fees up front, only when the house has been sold.

Tedford says there are currently 300 vacant lots in Fallon, ready for future development, just waiting for developers to build upon them. In the more rural areas of Churchill County, the mayor says Housing Development Authority can give aspiring homeowners grants of up to 5 percent for their down payment.

Fallon's current population sits at about nine thousand people, but the mayor is hopeful this campaign will help the city see a steady increase, which has the potential to bring in economic development, employment opportunities and innovation. The mayor says, "We encourage people from anywhere to bring themselves and their ideas and their history, those are wonderful things. So we encourage that from anywhere."

When asked about any possible concerns with a population increase, the mayor says the city is always planning ahead and is ready for it. He's confident the school system can also plan along with that growth.

We spoke with several current Fallon residents about their opinions on the campaign, and there was some mixed feedback. It seemed like they generally liked the idea of the campaign, but some did have their concerns. Residents like Susan Thompson, who says, "You want it to have enough people to where we can have businesses here to do business with, but we don't want to get so crowded that we lose that small town feeling."

Thompson has lived in Fallon for 17 years and says she has seen its continued growth, including new neighbors who just moved to town last week. She says when she first moved here, there were quite a few vacancies on the housing market to choose from, but now people have scooped them up.

Thompson added that development can be a good thing for the area, especially in regards to economic development, but also says she doesn't want to see traffic congestion with that growth.

Others, like Richard Gilchrist, like the idea of the campaign. Gilchrist moved back to Fallon after living in Reno for a while. He touted Fallon's proximity to larger cities and the cost of living when compared to places like Reno, which is currently seeing an affordable housing shortage. He says he encourages people to check out the more relaxed pace of life in the small town setting.

If you'd like to learn more about the "Closer Than You Think" campaign, you can visit the City of Fallon's website, [here](#).

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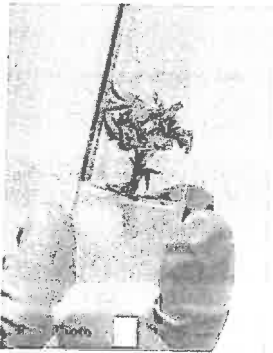
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Pot taxes shore up school budgets, drug-prevention efforts

Jonathan Bach, (Salem, Ore.) Statesman-Journal Published 6:54 a.m. PT April 20, 2018 | Updated 8:00 a.m. PT April 20, 2018



(Photo: Andy Barron/RGJ, Andy Barron)

States with legal pot have collected more than \$1.6 billion since the newest sin taxes went into effect in 2014, with the money paying for everything from public schools to mental health services to programs that deter convicts from re-offending.

But that revenue could see explosive growth now that President Donald Trump has signaled a more agreeable stance toward legal-weed states, striking a deal (<https://www.gardner.senate.gov/newsroom/press-releases/gardner-protects-colorados-legal-marijuana-industry>) with Republican Sen. Cory Gardner this month to respect Colorado's marijuana operations. Trump also agreed to back a legislative fix for the "states' rights issue," Gardner said.

The agreement comes at a time when taxes related to California weed sales, which became fully legal early this year, are poised to quickly surpass all other states.

More: Legal marijuana employs 200,000 people across the country. Here's where the jobs are. ([/story/news/marijuana/2018/04/20/legal-marijuana-employs-200-000-people-across-country-heres-where-jobs/535542002/](https://story/news/marijuana/2018/04/20/legal-marijuana-employs-200-000-people-across-country-heres-where-jobs/535542002/))

More: Marijuana industry poised for supercharged growth thanks to President Trump ([/story/news/marijuana/2018/04/20/marijuana-industry-poised-supercharged-growth-thanks-president-trump/535500002/](https://story/news/marijuana/2018/04/20/marijuana-industry-poised-supercharged-growth-thanks-president-trump/535500002/))

Pot lore: The true story of 420, a marijuana tradition, told by the stoners who invented it ([/story/news/marijuana/2018/04/16/true-story-420-told-stoners-who-invented/464003002/](https://story/news/marijuana/2018/04/16/true-story-420-told-stoners-who-invented/464003002/))

In an exclusive analysis for the USA TODAY Network, Beau Whitney, a senior economist with Washington, D.C.-based cannabis analytics firm New Frontier Data, forecasts collections in California could exceed \$2.1 billion through 2020, based on a 15-percent state excise tax.

For perspective, it takes about \$1 billion a year to run the city of Sacramento. The New Frontier analysis doesn't count a mishmash of city, county or cultivation taxes.

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mt=2)

Even so, analysts with credit-rating firm Fitch Ratings warn effective tax rates as high as 45 percent in California are likely to push pot sales back onto the black market and cut legal tax revenue.

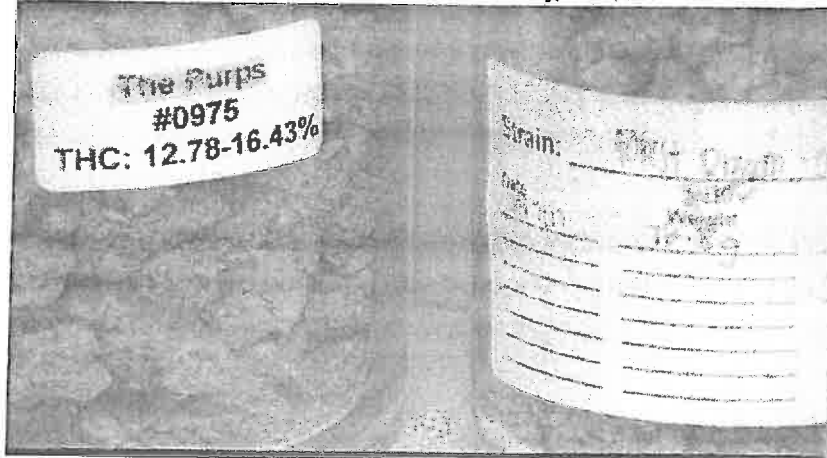
Analysts say mainstay revenue such as income, property and sales taxes still dwarf marijuana taxes in local and state government budgets.

4/20/2018

Pot taxes shore up school budgets, drug-prevention efforts

However, "every dollar is important," said Stephen Walsh, a director with the U.S. Public Finance group at Fitch. "It's very difficult for governments to raise taxes."

Cannabis taxes represent a welcome infusion of all-new money, he said.



Nine states and the District of Columbia have decided to legalize recreational marijuana. Cannabis consumers are willing to trade high tax rates — from 20 percent in Oregon to as much as 45 percent in California — for the freedom to partake in the small network of states.

Were the federal government to OK sales throughout the nation, New Frontier analysts forecast (<https://newfrontierdata.com/>) that through 2025, weed could bring in about \$100 billion in fresh revenue for the U.S. Treasury Department. That includes a hypothetical 15-percent federal sales tax, business tax revenues and payroll deductions.

But for now, revenue is on the rise in the handful of states that allow sales, though the way state budgets are structured makes it difficult to trace marijuana taxes from the point of sale to the purchase of school textbooks.

More: 1966 Berkeley High grad led Nevada's anti-pot charge ([/story/news/marijuana/2018/04/19/1966-berkeley-high-grad-led-nevadas-anti-pot-charge/534310002/](https://story/news/marijuana/2018/04/19/1966-berkeley-high-grad-led-nevadas-anti-pot-charge/534310002/))

RGJ editorial: Trump means business with hands-off approach to pot industry ([/story/opinion/editorials/2018/04/19/trump-sessions-gardner-pot-state-legalized-marijuana-editorial/534671002/](https://story/opinion/editorials/2018/04/19/trump-sessions-gardner-pot-state-legalized-marijuana-editorial/534671002/))

Colorado and Washington, which started allowing recreational marijuana sales in 2014, have so far collected nearly \$1.48 billion in revenue.

Washington has brought in more than \$773 million to pay for healthcare services, research from state universities on the effects of short-term and long-term pot use, reducing marijuana use among minors and other efforts.

Meanwhile, Colorado has received more than \$702 million, with the money going toward grants that help pay schools' capital construction costs, as well as shoring up local and state tax bases. The state collected \$247,368,473 last year alone, revenue records show.

In an interview, U.S. Rep. Jared Polis, D-Colorado, said bringing underground economic activity above-ground, then taxing it reasonably, creates "a more efficient market."

"You collect additional revenue that can help meet your state budget shortfalls," Polis said.

While Colorado's counties and cities can choose whether to allow marijuana businesses, Polis said some less-prosperous parts of the state have seen pot turn into an important revenue producer, letting officials support schools and children's scholarships, along with addressing infrastructural needs.

In Alaska, one of the smallest markets, tax proceeds are split between the state's general fund and efforts to stop convicts from re-offending. Alaska taxes pot growers, and collections have steadily risen from \$577,901 when they started in July 2017 and peaking at more than \$1 million this January, for total of about \$8.25 million, revenue records show.

The list of states with legal weed is growing, with others that have voted to allow it now including Oregon, Nevada, Massachusetts, Maine and Vermont.

4/20/2018

Pot taxes shore up school budgets, drug-prevention efforts

After starting tax collections in 2016, Oregon has divvied up about \$126.9 million in marijuana taxes between schools, city and county governments, mental health, alcoholism and drug services, the Oregon State Police and the Oregon Health Authority's drug prevention and treatment services.

These funds will be used in combination with other resources for drug and alcohol prevention for a comprehensive, evidence-based approach to reducing drug misuse and excessive alcohol use," said Jonathan Modie, OHA spokesman.

A campaign to prevent minors from using marijuana and data collection on alcohol and drug use are part of the drug prevention and treatment program, he said.

The amount of pot money Oregon allocates annually to school districts is based on a district's weighted daily membership, a metric that takes into account how many full-time students are in a district and other factors, such as the number of students with special needs or experiencing poverty.

Salem-Keizer Public Schools, Oregon's second largest school district, is receiving a little more than \$2.7 million in marijuana money this year, said Oregon Department of Education spokesman Peter Rudy.

Photos: Day 1 of recreational

That's enough to pay for the equivalent of 27 teachers, considering each costs around \$100,000 with marijuana in Reno combined, according to district spokeswoman Lillian Govus.

In a statement, Oregon Gov. Kate Brown said, "We know that Oregonians care about our children's education and their neighbors' health, and we : 3 that in how they decided to spend cannabis tax revenues. Every dollar counts when supporting those values."

Email jbach@statesmanjournal.com, call (503) 399-6714 or follow on Twitter @jonathanmbach.

Read or Share this story: <https://www.rgj.com/story/news/marijuana/2018/04/20/pot-taxes-shore-up-school-budgets-drug-prevention-efforts/535640002/>

MADDOX | SEGERBLOM | CANEPA

February 1, 2018

City of Fallon
Attn: Mayor Tedford
& City of Fallon Council Members
55 West Williams Ave.
Fallon, NV 89406

Via U.S. Mail
#7015 1730 0002 1287 1261

**RE: Recreational Marijuana Licensing – MM R&D, LLC dba
Green Cross Farmacy**

Dear Mayor Tedford and City of Fallon Council Members,

We represent MM R&D, LLC, the owner of The Green Cross Farmacy, a medical marijuana dispensary located in Fallon, Nevada on W. Williams Ave. Please let this letter serve as a request to the City of Fallon for zoning approval and confirmation to operate a recreational marijuana dispensary out of the same location pursuant to the enclosed provisional license issued by the State of Nevada. If this needs to be placed on a council meeting agenda, please also let this letter serve as a request for the same.

Pursuant to NRS 453D.210 (5)(c) and 453D.210 (5)(e), and as identified on the enclosed provisional licensing notification letter, the City of Fallon has the final say regarding approval and operation of a recreational marijuana dispensary in its jurisdiction pursuant to local zoning and land use rules. However, the fact that MM R&D has been granted its provisional licensing pending the City of Fallon's approval provides that MM R&D meets all necessary state requirements and will be ready for operation once/if approval is granted by the City of Fallon.

MM R&D opened its medical dispensary in July of 2017 and since then, has employed at least five (5) employees residing in the City of Fallon. Should the City grant MM R&D the approval to also operate a recreational dispensary, MM R&D plans to employ at least another three (3) to ten (10) employees from the Fallon, NV area.

We believe that MM R&D and its principals are well respected within the Fallon community. In fact, in January of this year, The Green Cross Farmacy was nominated by the Fallon Chamber of Commerce as one of the top three nominees for Best Product or New Product of the Year. *See* Enclosed email. The Green Cross Farmacy also received an award at the 2017 Jack Herer Cup for The Most Unique Dispensary in Nevada.

MM R&D prides itself on community involvement and hopes to help promote growth and development within the City of Fallon. We, and our client, believe that a recreational dispensary in the City of Fallon will not only provide for additional employment of Fallon residents, but will also help promote tourism and growth for the City of Fallon. For instance, should the Council approve the zoning of MM R&D's Green Cross Farmacy location to use for recreational and medical marijuana sales, the City of Fallon has the right under its power to (NRS 435D.500) enact a 3% tax of gross recreational marijuana sales, funds of which, would stay in the City of Fallon over and above retail sales tax also imposed by the City.



Additionally, we believe that it is important to note that surrounding jurisdictions are now allowing for recreational marijuana sales, which will likely pull business and tax revenue away from the City of Fallon. For example and within close proximity, the City of Fernley is now allowing both medical and recreational marijuana establishments. Businesses there should be up and running within the year. Even Lyon County, similar to Churchill County, that currently has a ban on marijuana establishments, is now reconsidering its position, and even has an ordinance drafted that will likely get approval at the February 1, 2018 meeting. See Lyon County Meeting Agenda enclosed. Finally, the Pesho Numma Tribe is also opening its recreational and medical dispensary in Yerington on February 17, 2018. See enclosed. We have also heard that Elko County is preparing to take up the issue of reversing its ban on medical and recreational dispensaries soon. We hope that the City of Fallon recognizes that the tides are turning in the rural communities, and the City of Fallon now has the opportunity to compete with the surrounding jurisdictions by allowing Green Cross Pharmacy to operate under its State-issued recreational marijuana establishment license.

Although recreational marijuana may be frowned upon by some, the majority of voters in the State of Nevada are in support recreational marijuana establishments so we think that it is important to point out a few of the benefits to the Nevada community. Consenting of-age adults who intend to engage in recreational marijuana use (smoking, vaping, edibles, or oils), are much safer to purchase products from a licensed recreational marijuana facility than from the black market. Nevada is the most highly regulated state in the nation for product testing and seed-to-sale tracking to ensure that products being sold to consumers are of high quality and are safe for consumption and use. Additionally, from July 1, 2017, when recreational sales first began in Nevada, the State has raised over twenty-five million dollars in tax revenue to contribute to the Nevada budget, including to help with Nevada education, which in recent years has been ranked as one of the lowest in the nation, in part, due to lack of funding. As mentioned above, the City of Fallon can help its community by enacting a local tax to generate some additional tax revenue in addition to retail sales tax.

The Green Cross Pharmacy would continue to have adequate security in place for any recreational marijuana sales, including adequate security to ensure that there are no sales to anyone under age. This is also currently true of the active medical marijuana sales. The Green Cross Pharmacy will abide by all state regulations and will take pride in making sure that no packaging of edibles or signs are of any appeal to children. The safety of the Fallon community is a top priority. MM R&D would continue to run a professional and top-notch retail dispensary.

MM R&D is made up of a group of entrepreneurs who take pride in their businesses. They have thoroughly enjoyed becoming a part of the Fallon, Nevada community. Along with The Green Cross Pharmacy, they hope to be able to open additional businesses in the future and be an integral part of Fallon's continued growth.

As such, we respectfully request that the City of Fallon issue a written confirmation that the current location of The Green Cross Pharmacy, located at 510 W. Williams Ave. ("Subject Property"), is adequately zoned for a recreational marijuana establishment as provided in NRS 453D.210(5)(c) and 453D(5)(e), the last contingency to be met in order for MM R&D to commence operations of its recreational marijuana establishment.



NRS 453D.201(5)(c) states:

5. The Department shall approve a license application if:

(c) The property is not located within:

(1) One thousand feet of a public or private school that provides formal education traditionally associated with preschool or kindergarten through grade 12 and that existed on the date on which the application for the proposed marijuana establishment was submitted to the Department; or

(2) Three hundred feet of a community facility that existed on the date on which the application for the proposed marijuana establishment was submitted to the Department;

We assert that because the location of The Green Cross Farmacy already had to meet these guidelines for operation of the medical marijuana facility, by default, it also meets the requirements for a recreational facility pursuant to the plain language of the statute.

NRS 453D(5)(e) provides:

5. The Department shall approve a license application if:

(e) The locality in which the proposed marijuana establishment will be located does not affirm to the Department that the proposed marijuana establishment will be in violation of zoning or land use rules adopted by the locality;

In looking at the current zoning for the City of Fallon, we do not find that any zoning or land use rules specifically ban medical or recreational marijuana businesses. The current zoning for the Subject Property is "C-1 Limited Commercial", which allows for, among other things, any use permitted in R-1, R-2, or R-c districts, but more relevant hereto, allows for stores and shops for the conduct of retail businesses. See\ C-1 zoning code enclosed.

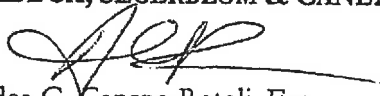
The Green Cross Farmacy is currently conducting a retail business (sales of medical marijuana) and would still be operating as a retail business in conducting sales of recreational and medical marijuana. As such, we contend that The Green Cross Location will still be in compliance with the C-1 zoning code and as such, the City of Fallon has no grounds to inform the Department that MM R&D's proposed recreational marijuana establishment violates any zoning or land uses rules. That is, we maintain that pursuant to the current local zoning and land use codes and ordinances, The Green Cross Farmacy location qualifies to conduct its medical and recreational retail sales business and as such, we ask for written confirmation from the City of Fallon of the same so that our clients can notify the Department and commence with operations. There do not appear to be any local zoning or land use codes or ordinances that would support a denial of this request by the City of Fallon.

Fallon Mayor and City Council
Recreational Marijuana Establishment
February 1, 2018
Page 4

Please let us know if you have any additional questions and we hope to have a written response from you soon regarding the above request. Thank you in advance for your prompt attention to this matter.

Sincerely,

MADDOX, SEGERBLOM & CANEPA, LLP


Ardea G. Canepa-Rotoli, Esq.

Enclosures: (5)

cc: Robert Erquiaga
Via Email - rerquiaga@fallonnevada.gov





BRIAN SANDOVAL
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JAMES DEVOLLO
Chair, Nevada Tax Commission
DEONNE E. CONTINE
Executive Director

STATE OF NEVADA
DEPARTMENT OF TAXATION

Web Site: <http://tax.nv.gov>

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HENDERSON OFFICE
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Henderson, Nevada 89074
Phone: (702) 486-2300
Fax: (702) 486-3377

January 24, 2018

MM R&D LLC
PO Box 69
Blue Diamond, NV 89004

Re: Application for Retail Marijuana Store License
Taxpayer ID No: 1018299602
Location: 510 W. Williams Ave., Fallon, NV 89406

We are pleased to inform you that the Department has conditionally approved your application for a retail marijuana store license, subject to the conditions set forth below; and subject to any other conditions the Department may establish upon receipt and review of the documentation submitted:

- 1) Evidence that the local government has made a zoning/land use decision as provided in NRS 453D.210 (5)(c) and 453D.210 (5)(e);

The conditional license will be converted to a permanent license upon the satisfaction of the above conditions and may be picked up at any of our offices. You may not commence operations without a permanent license.

You may submit the requested documentation by visiting one of our offices or via email to Drhernandez@tax.state.nv.us. If you have any questions, please feel free to contact Damon Hernandez at 702-486-0630.

Thank you,

Damon Hernandez
Chief Compliance Audit Investigator

Subject:

RE: Nomination

From: "Lucy L. Carnahan" <lcarnahan@fallonchamber.com>

Subject: Nomination

Date: January 5, 2018 at 1:15:58 PM PST

To: "Nathan Van Treese" <nathan@thegreencrossfarmacy.com>

Good afternoon,

Sending this VIA email so you can share with your team.

The Green Cross Farmacy has been nominated as one of the top three nominees for Best Product or New Product of the Year!

An email will be sent out to all of those that get our emails from the Chamber of Commerce this afternoon. (If you are interested in getting this email you just need to sign up for the newsletter here.)

<http://www.fallonchamber.com/news/chamber-newsletter>

Congratulations and keep up the good work!

Lucy L. Carnahan
Executive Director

FALLON CHAMBER
FALLON CHAMBER OF COMMERCE

85 N. Taylor Street

Fallon, NV 89406

P: 775-423-2544

C: 775-217-6076

F: 775- 423-0540

www.fallonchamber.com

carnahan@fallonchamber.com



**LYON COUNTY BOARD OF COUNTY COMMISSIONERS
THURSDAY, FEBRUARY 01, 2018**

9:00 AM

LYON COUNTY ADMINISTRATIVE COMPLEX

27 S. MAIN STREET

YERINGTON, NV 89447

AGENDA

(Action will be taken on all items unless otherwise noted)
(No action will be taken on any item until it is properly agendized).

To avoid meeting disruptions, please place cell phones and beepers in the silent mode or turn them off during the meeting.

The Board reserves the right to take items in a different order to accomplish business in the most efficient manner. Items may be combined for consideration and items may be pulled or removed from the agenda at anytime.

Restrictions on comments by the general public: Any such restrictions must be reasonable and may restrict the time, place and manner of the comments, but may not restrict comments based upon viewpoint.

BOARD OF COMMISSIONERS CONVENING AS OTHER BOARDS - *Members of the Board of County Commissioners also serve as the Liquor Board, Central Lyon Vector Control District Board, Mason Valley Mosquito Abatement District Board, Walker River Weed Control District Board, Willowcreek General Improvement District Board, the Silver Springs General Improvement District Board, and during this meeting may convene as any of those boards as indicated on this or a separately posted agenda.*

1. Roll Call
2. Invocation by Mitch Forster
3. Pledge of Allegiance
4. Time Certain

4.a. 9:30 AM TIME CERTAIN: Presentation by Tim Dyhr on the status of the Nevada Copper Project in Pumpkin Hollow.

5. **Public Participation** (no action will be taken on any item until it is properly agendized) - *It is anticipated that public participation will be held at this time, though it may be returned to at any time during the agenda. Citizens wishing to speak during public participation are asked to state their name for the record and will be limited to 3 minutes. The Board will conduct public comment after discussion of each agenda action item, but before the Board takes any action.*
6. **For Possible Action: Review and adoption of agenda**
7. **Presentation of awards and/or recognition of accomplishments**
8. **Commissioners/County Manager reports**
9. **Elected Official's reports**
10. **Appointed Official's reports**

CONSENT AGENDA (Action Will be Taken on All Items) - *All matters listed under the consent agenda are considered routine, and may be acted upon by the Board of County Commissioners with one action, and without an extensive hearing. Any member of the Board or any citizen may request that an item be taken from the consent agenda, discussed, and acted upon separately during this meeting.*

11. **Assessor's Corrections**
 - 11.a. For Possible Action: Approval of changes on Assessor's tax roll due to correction in assessments and review of tax roll changes.
Comm Delete 2-1-18 Secured
12. **For Possible Action: Approve County Commission Minutes**
 - 12.a. For Possible Action: Approve Minutes.
Minutes for January 18, 2018
13. **Contracts**
 - 13.a. For possible action: Approve a twenty-year interlocal contract with the Walker River Irrigation District for them to utilize space on Lyon County's Pine Grove Communication Site, with the District contributing up to \$25,000 towards a battery backup solution on the site.
WRID Interlocal Contract 1-19-18
 - 13.b. For Possible Action: Approve a 10 year Stewardship Contract with the Historic Society of Dayton Valley related to the operation of the 1865 School House/Museum APN 006-051-001, the Historic Fire House/Jail APN 006-056-006 and the Carson & Colorado Railroad Depot APNs 006-057-006, 007 and 008.
HSDV Agreement 2018
 - 13.c. For Possible Action: Accept a grant from the Nevada Department of Public Safety in the amount of \$154,999.50 to update the Hazard Mitigation Plan, with an in-kind match of \$51,666.50.
Hazard Mitigation Plan Update Grant
14. **Other Consent Items**

- 14.a. For Possible Action: Review and accept claims and financial reports.
Claims Report 1-1-18 to 1-15-18
Cash Report 1-15-18
- 14.b. For Possible Action: Review and accept travel claims.
Travel Report 1-1-18 to 1-15-18
- 14.c. For Possible Action: Approve upgrading the Utilities Construction Manager to a Construction Inspector Supervisor at an estimated annual cost of \$4,216 due to the addition of supervisory duties.
- 14.d. For Possible Action: Approve entering into a reimbursement agreement with the Cardelli Ditch water rights owners for a not to exceed amount of \$9,500 for the costs associated with removing sedimentation, debris and repair of damage to ditch banks that resulted from storm water drainage that flowed into the ditch.
Cardelli Agreement 2018
- 14.e. For Possible Action: Approve funding the Carson Water Subconservancy District in the amount of \$22,498.80 towards a Dayton Valley Area Drainage Master Plan, with funding to come from a contingency budget transfer.
- 14.f. For Possible Action: Approve a Proclamation making the month of February National Radon Action Month (NRAM).
Proclamation National Radon Action Month
- 14.g. For Possible Action: Accept donation from the Lyon Sheriff's Advisory Council (LSAC) in the amount of \$5,099.10 for K-9 maintenance.
LSAC K9 Letter of Intent
- 14.h. For Possible Action: Accept Lyon Sheriff's Advisory Council (LSAC) donation in the amount of \$10,900 for the purchase of rifles.
LCSO-LSAC Letter of Intent

15. Planning

- 15.a. For Possible Action: Approve the Final Subdivision Map for RIVERPARK DUNES, UNIT 2C, located in Dayton, NV, including road rights-of-way which were offered for dedication and accepted for maintenance with a previous phase (APN 19-924-13)
STAFF REPORT
FINAL MAP MYLAR
- 15.b. For Possible Action: Approve the Final Subdivision Map for GOLD COUNTRY ESTATES, 2A located in Dayton, NV (APN 16-405-20 and 19-741-31), not including road rights-of-way which have been offered for dedication and will not be accepted by the County until at least 90% of the lots within the respective unit have been developed, the improvements are inspected and approved by the County, and the County accepts the improvements for maintenance.
STAFF REPORT
FINAL MAP-MYLAR

****END OF CONSENT AGENDA****

REGULAR AGENDA - (Action will be taken on all items unless otherwise noted)

16. Comptroller

- 16.a. For Possible Action: Approve contract between the Lyon County Fair Board and the Mason Valley Fire Protection District/Yerington Volunteer Fire Department for the Demolition Derby at the Lyon County Fair & Rodeo.
Proposed Demo Derby Contract

17. County Manager

- 17.a. For Possible Action: Propose an Ordinance amending Lyon County Code Title 5 by adding Chapter 10 pertaining to Licensing of Marijuana and Medical Marijuana Establishments; and providing for the severability, constitutionality and effective date thereof; and other matters properly relating thereto.
Licensing of Marijuana and Medical Marijuana Ordinance
- 17.b. For Possible Action: Propose an ordinance amending Lyon County Code Title 10 - Land Use Regulations; By amending Chapter 1 - Purpose and Interpretation; Definitions and 4 - Non Residential Districts; Adding Chapter 23 - Medical and Recreational Marijuana; and other matters properly related thereto.
Land Use Regulations Ordinance

18. Other

- 18.a. For Possible Action: Appoint member to the Mason Valley Advisory Board, with a term expiring December 31, 2019.
Robert Shultz Jr - Application
- 18.b. For Possible Action: Appoint up to three (3) members to the Fair Board, with a term expiring December 31, 2018. The Fair Board recommends both, Matt Bowman and Sabrina Hansen for appointment.
Sabrina Hansen - Application
Matt Bowman - Application

RECESS TO RECONVENE AS WILLOWCREEK GENERAL IMPROVEMENT DISTRICT BOARD

- 19. Public Participation (no action will be taken on any item until it is properly agendized) - It is anticipated that public participation will be held at this time, though it may be returned to at any time during the agenda. Citizens wishing to speak during public participation are asked to state their name for the record and will be limited to 3 minutes. The Board will conduct public comment after discussion of each agenda action item, but before the Board takes any action.**
- 20. For Possible Action: Review and Accept Claims and Financial Report**
- 20.a. For Possible Action: Review and accept claims and financial reports.
Claims Report 1-1-18 to 1-15-18
Cash Report 1-15-18
- 21. Public Participation (no action will be taken on any item until it is properly agendized) - It is anticipated that public participation will be held at this time, though it may be returned to at any time during the agenda. Citizens wishing to speak during public participation are asked to state their name for the record and will be limited to 3 minutes. The Board will conduct public comment after discussion of each agenda action item, but before the Board takes any action.**

ADJOURN TO RECONVENE AS MASON VALLEY MOSQUITO ABATEMENT DISTRICT BOARD

22. **Public Participation (no action will be taken on any item until it is properly agendized)** - *It is anticipated that public participation will be held at this time, though it may be returned to at any time during the agenda. Citizens wishing to speak during public participation are asked to state their name for the record and will be limited to 3 minutes. The Board will conduct public comment after discussion of each agenda action item, but before the Board takes any action.*
23. **For Possible Action: Review and Accept Claims and Financial Report**
- 23.a. For Possible Action: Review and accept claims and financial reports.
Claims Report 1-1-18 to 1-15-18
Cash Report 1-15-18
24. **Public Participation (no action will be taken on any item until it is properly agendized)** - *It is anticipated that public participation will be held at this time, though it may be returned to at any time during the agenda. Citizens wishing to speak during public participation are asked to state their name for the record and will be limited to 3 minutes. The Board will conduct public comment after discussion of each agenda action item, but before the Board takes any action.*

ADJOURN TO RECONVENE AS WALKER RIVER WEED CONTROL DISTRICT BOARD

25. **Public Participation (no action will be taken on any item until it is properly agendized)** - *It is anticipated that public participation will be held at this time, though it may be returned to at any time during the agenda. Citizens wishing to speak during public participation are asked to state their name for the record and will be limited to 3 minutes. The Board will conduct public comment after discussion of each agenda action item, but before the Board takes any action.*
26. **For Possible Action: Review and Accept Claims and Financial Report**
- 26.a. For Possible Action: Review and accept claims and financial reports.
Claims Report 1-1-18 to 1-15-18
Cash Report 1-15-18
27. **Public Participation (no action will be taken on any item until it is properly agendized)** - *It is anticipated that public participation will be held at this time, though it may be returned to at any time during the agenda. Citizens wishing to speak during public participation are asked to state their name for the record and will be limited to 3 minutes. The Board will conduct public comment after discussion of each agenda action item, but before the Board takes any action.*

ADJOURN TO RECONVENE AS CENTRAL LYON COUNTY VECTOR CONTROL DISTRICT BOARD

28. **Public Participation (no action will be taken on any item until it is properly agendized)** - *It is anticipated that public participation will be held at this time, though it may be returned to at any time during the agenda. Citizens wishing to speak during public participation are asked to state their name for the record and will be limited to 3 minutes. The Board will conduct public comment after discussion of each agenda action item, but before the Board takes any action.*
29. **For Possible Action: Review and Accept Claims and Financial Report**

- 29.a. For Possible Action: Review and accept claims and financial reports.
Claims Report 1-1-18 to 1-15-18
Cash Report 1-15-18

30. **Public Participation (no action will be taken on any item until it is properly agendized)** - *It is anticipated that public participation will be held at this time, though it may be returned to at any time during the agenda. Citizens wishing to speak during public participation are asked to state their name for the record and will be limited to 3 minutes. The Board will conduct public comment after discussion of each agenda action item, but before the Board takes any action.*

ADJOURN TO RECONVENE AS SILVER SPRINGS GENERAL IMPROVEMENT DISTRICT BOARD

31. **Public Participation (no action will be taken on any item until it is properly agendized)** - *It is anticipated that public participation will be held at this time, though it may be returned to at any time during the agenda. Citizens wishing to speak during public participation are asked to state their name for the record and will be limited to 3 minutes. The Board will conduct public comment after discussion of each agenda action item, but before the Board takes any action.*

32. **For Possible Action: Review and Accept Claims and Financial Report**

- 32.a. For Possible Action: Review and accept claims and financial reports.
Claims Report 1-1-18 to 1-15-18
Cash Report 1-15-18

33. **Public Participation (no action will be taken on any item until it is properly agendized)** - *It is anticipated that public participation will be held at this time, though it may be returned to at any time during the agenda. Citizens wishing to speak during public participation are asked to state their name for the record and will be limited to 3 minutes. The Board will conduct public comment after discussion of each agenda action item, but before the Board takes any action.*

ADJOURN TO RECONVENE AS THE LYON COUNTY BOARD OF COMMISSIONERS

34. **Commissioner Comments**

35. **Closed Session pursuant to NRS 241.015(3)(b)(2)** - *Closed Session to receive information from the District Attorney regarding potential or existing litigation involving a matter over which the Board has supervision, control, jurisdiction or advisory power, and to deliberate toward a decision on the matter (requested by District Attorney)*

36. **Public Participation (no action will be taken on any item until it is properly agendized)** - *It is anticipated that public participation will be held at this time, though it may be returned to at any time during the agenda. Citizens wishing to speak during public participation are asked to state their name for the record and will be limited to 3 minutes. The Board will conduct public comment after discussion of each agenda action item, but before the Board takes any action.*

37. **Adjourn**
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LYON COUNTY CODE IS HEREBY AMENDED AS FOLLOWS:

Chapter 5.10
MARIJUANA AND MEDICAL MARIJUANA ESTABLISHMENTS

- 5.10.01: MARIJUANA AND MEDICAL MARIJUANA LICENSING:
- 5.10.02: DEFINITIONS:
- 5.10.03: APPLICATION:
- 5.10.04: DENIAL CONDITIONS:
- 5.10.05: BOARD DETERMINATION PROCEDURE:
- 5.10.06: BOARD DETERMINATION; DENIAL:
- 5.10.07: FEES:
- 5.10.08: FEES; DISBURSEMENT:
- 5.10.09: PUBLIC DISPLAY REQUIRED:
- 5.10.10: RENEWAL PROCEDURE:
- 5.10.11: PROHIBITED ACTS:
- 5.10.12: PENALTY FOR VIOLATION:
- 5.10.13: TRANSFERABILITY:

5.10.01: MARIJUANA AND MEDICAL MARIJUANA LICENSING:

- A. Any license required by this chapter is a separate and distinct license from all other county licenses, and is in addition to any other license required for conducting or carrying on any other business in connection with or separate from the activities licensed by this chapter.
- B. It is unlawful within the county, outside an incorporated city, for a marijuana establishment or medical marijuana establishment to acquire, possess, cultivate, manufacture, process, package, deliver, transfer, transport, supply, dispense or sell marijuana for any purpose without first making application and securing a marijuana license or medical marijuana license to do so.

5.10.02: DEFINITIONS:

For the purposes of this chapter, the following words shall have the meanings set out in this section, unless the context otherwise clearly indicates:

AGENT: A person authorized by the applicant or licensee to act and speak for him or her.

BOARD: The Lyon County board of county commissioners.

CULTIVATION FACILITY: Has the meaning ascribed to it in Nevada Revised Statutes 453A.056.

DUAL LICENSEE: Means a person or group of persons who possess a current, valid registration certificate issued by the State of Nevada Division of Public & Behavioral Health to operate a medical marijuana establishment pursuant to chapter 453A of NRS and a license issued by the Department of Taxation to operate a marijuana establishment under chapter 453D of NRS.

EDIBLE MARIJUANA PRODUCTS: Has the meaning ascribed to it in Nevada Revised Statutes 453A.101.

FACILITY FOR THE PRODUCTION OF EDIBLE MARIJUANA PRODUCTS OR MARIJUANA INFUSED PRODUCTS: Has the meaning ascribed to it in Nevada Revised Statutes 453A.105.

INDEPENDENT TESTING LABORATORY: Has the meaning ascribed to it in Nevada Revised Statutes 453A.107.

MARIJUANA: Has the meaning ascribed to it by Nevada Revised Statutes 453.096.

MARIJUANA CULTIVATION FACILITY: Means an entity licensed to cultivate, process, and package marijuana, to have marijuana tested by a marijuana testing facility, and to sell marijuana to retail marijuana stores, to marijuana product manufacturing facilities, and to other marijuana cultivation facilities, but not to consumers.

MARIJUANA DISTRIBUTOR: Means an entity licensed to transport marijuana from a marijuana establishment to another marijuana establishment.

MARIJUANA ESTABLISHMENT: Means a marijuana cultivation facility, a marijuana testing facility, a marijuana product manufacturing facility, a marijuana distributor, or a retail marijuana store. This term may also be referred to and known as a "RECREATIONAL MARIJUANA ESTABLISHMENT."

MARIJUANA PRODUCT MANUFACTURING FACILITY: Means an entity licensed to purchase marijuana, manufacture, process, and package marijuana and marijuana products, and sell marijuana and marijuana products to other marijuana product manufacturing facilities and to retail marijuana stores, but not to consumers.

MARIJUANA PRODUCTS: Means products comprised of marijuana or concentrated marijuana and other ingredients that are intended for

use or consumption, such as, but not limited to, edible products, ointments, and tinctures.

MARIJUANA TESTING FACILITY: Means an entity licensed to test marijuana and marijuana products, including for potency and contaminants.

MARIJUANA INFUSED PRODUCTS: Has the meaning ascribed to it by Nevada Revised Statutes 453A.112.

MEDICAL MARIJUANA COOPERATIVE: An association of persons who voluntarily cooperate to cultivate or distribute medical marijuana to its members, including any nonprofit community organization or collective owned and managed by the people who use its services to facilitate or coordinate transactions between members.

MEDICAL MARIJUANA DISPENSARY: Has the meaning ascribed to it by Nevada Revised Statutes 453A.115.

MEDICAL MARIJUANA ESTABLISHMENT: Has the meaning ascribed to it by Nevada Revised Statutes 453A.116.

MEDICAL USE OF MARIJUANA: Has the meaning ascribed to it in Nevada Revised Statutes 453A.120.

PHYSICIAN: Has the meaning ascribed to it in Nevada Revised Statutes 0.040.

RECREATIONAL MARIJUANA ESTABLISHMENT: See "MARIJUANA ESTABLISHMENT."

RETAIL MARIJUANA STORE: Means an entity licensed to purchase marijuana from marijuana cultivation facilities, to purchase marijuana and marijuana products from marijuana product manufacturing facilities and retail marijuana stores, and to sell marijuana and marijuana products to consumers.

5.10.03: APPLICATION:

- A. Application for a license provided by this chapter shall be made to the board of county commissioners in writing, on the forms provided by the Lyon County planning department.

B. Each application shall:

1. Be filed with the planning department;
2. Be accompanied by the present annual license fee;
3. Include the name and address of the applicant, and of any other person having an interest in the business to be licensed. If the applicant is a partnership, the application shall include the names and addresses of all partners and any other person(s) having a financial interest in the business. If the applicant is a corporation, the application shall include the names and addresses of all officers, directors and stockholders having more than three percent (3%) of the issued stock, the designated agent or resident manager, and the principal place of business of the corporation. If it is a corporation whose stock is sold to the general public, the stockholders need not be listed;
4. Include the name, address and telephone number of all individual(s) who will actively manage the business for which the license is sought. At least one such manager must be on site when business is being conducted;
5. Specify the location of the premises for which the license is sought, and the name of the owner(s), agents, lessee or assignee of the premises where the business is to be operated;
6. Specify which type of marijuana or medical marijuana establishment license is being requested. The board may issue licenses for the following types of establishments:

MARIJUANA ESTABLISHMENTS (Recreational Marijuana Establishments):

- a. Marijuana cultivation facility;
- b. Marijuana testing facility;
- c. Marijuana product manufacturing facility;
- d. Marijuana distributor; or
- e. Retail marijuana store.

MEDICAL MARIJUANA ESTABLISHMENTS:

- a. Medical Marijuana Cultivation facility;
 - b. Medical Marijuana Production facility for edible marijuana products or marijuana infused products;
 - c. Medical Marijuana Dispensary; or
 - d. Medical Marijuana Independent testing laboratory.
7. Include a copy of the special use permit granted by the board of county commissioners for the marijuana or medical marijuana establishment as applicable;
 8. Include a copy of the medical marijuana establishment registration certificate, or provisional certificate issued by the state of Nevada division of public and behavioral health, or license issued by the Department of Taxation;
 9. Be signed by all persons who shall conduct or have an interest in the business activities for which a marijuana or medical marijuana license is required. In the case of corporations, clubs or organizations with members, the application shall be verified by the president or secretary or the person who shall actively manage or conduct the business or activity for which a marijuana or medical marijuana license is required;
 10. Include an attestation regarding excluded felony offenses, signed by each owner, officer and board member of the proposed marijuana or medical marijuana establishment affirming that each person has not been convicted of any excluded felony offenses as defined in Nevada Revised Statutes 453A.104, and affirming that each person understands that any falsification, omission or concealment of a material fact may be cause for disqualification from consideration for the proposed marijuana or medical marijuana establishment;
 11. Be sworn to as to the truthfulness of the information contained therein.
- C. There shall be a maximum processing time of thirty (30) working days for any application for a marijuana or medical marijuana license from the date of a complete application submittal.

- D. In the case of a corporate licensee, any and all changes in the officers, directors or stockholders, or stockholders owning in the aggregate more than three percent (3%) of the stock of such corporation, shall be reported to the planning department within thirty (30) days of the appointment or election of such officers and directors, or acquisition by such stockholder(s), as the case may be, and such officers, directors and stockholder(s) shall be required to qualify for a license as required in this chapter. A list of all shareholders shall be submitted to Lyon County on an annual basis.
- E. In the case of a partnership licensee, the partnership contract must be submitted with the application. Any change in the partners or other persons with a financial interest in the business shall be reported to the planning department within fourteen (14) working days of the change, and if the change involves the addition of a person not previously investigated, that person shall be required to qualify for a license as required by this chapter.
- F. A financial compilation shall be submitted annually to Lyon County along with a list of any persons receiving more than three percent (3%) of the disbursements from the entity.
- G. An approved marijuana or medical marijuana license shall expire and become void one calendar year following the date of issuance of the license by the board of county commissioners unless revoked or renewed in accordance with the provisions described in this chapter.
- H. One-Time Exemption for Marijuana (Recreational) Establishment License applicants: In order to support the State of Nevada's fast-start marijuana establishment program, any applicant who submits an application and applicable fees to the Lyon County Community Development Department for an initial Lyon County marijuana (recreational) license between XXXXXXXX and XXXXXXXX shall be deemed approved by the Board of County Commissioners for the license. In order to qualify for the exemption, applicants must have an operational medical marijuana establishment in good standing with the State of Nevada and Lyon County, and the application for the marijuana (recreational) license must be for the same physical location as the medical marijuana establishment. After XXXXXXXX all applications for Lyon County marijuana (recreational) licenses shall be

processed in the manner and subject to the provisions of this chapter.

5.10.04: DENIAL CONDITIONS:

- A. In conformity with the policies of this chapter, the following persons are declared not to be qualified to hold a marijuana or medical marijuana establishment license under the provisions of this chapter:
1. A person who does not possess, or who does not have a reputation for possessing a good moral character;
 2. A person under the age of twenty-one (21) years;
 3. A person who has ever been convicted of a felony involving a crime of a sexual nature involving children or a heinous crime; has made any intentional false statement or omission in the registration form or any crime involving unlawful possession, use or sale of a controlled substance, sexual abuse or assault, violence, or who has been convicted within the past ten (10) years of any other felony, unless the board finds, upon examination of the circumstances of the crime and the applicant's criminal history, that the applicant does not present, and is not likely to present in the future, a threat to county safety, morals and welfare, and will likely operate a lawful marijuana or medical marijuana establishment in compliance with the letter and intent of all county ordinances;
 4. A person who the board determines is not a suitable person to receive or hold a license, after due consideration for the protection of the public health, safety, morals, good order and general welfare of the inhabitants of the county, outside an incorporated city; has ever been convicted of a felony involving a crime of a sexual nature involving children or a heinous crime; has made any intentional false statement or omission in the registration form;
 5. A person whose license issued under this chapter has been revoked for cause;
 6. A person who, at the time of application for renewal of any license issued under this chapter, would not be eligible for such license upon a first application;

7. A co-partnership, unless all of the members of such co-partnership, and any other person having a financial interest in the business, are qualified to obtain a license;
8. A publicly held corporation, if the designated agent or resident manager would not be eligible to receive a license under this chapter; and a non-publicly held corporation, if any of its officers would not be eligible to receive a license under this chapter, for any reason other than citizenship and residence or its designated resident manager would not be eligible to receive a license under this chapter;
9. A corporation, unless it is incorporated in the state, or unless it is a foreign corporation which is qualified under the state laws to transact business in the state;
10. A person whose place of business is conducted by a manager or agent, unless the manager or agent possesses the same qualifications required of an individual licensee;
11. A person who does not beneficially own the premises for which a license is sought, or who does not have a lease thereof for the full period for which the license is to be used; the manager or his/her agent must be on site when business is being conducted;
12. A person who, in the previous year, has failed to comply with any applicable local ordinance, including, but not limited to, a town or city's business license ordinance; or
13. A person who has not obtained a special use permit, if required, for the operation of a marijuana or medical marijuana establishment or has had a special use permit or state license revoked.

05.10.05: BOARD DETERMINATION PROCEDURE:

- A. After submittal of the application, the planning director shall cause the application to be placed upon the agenda for consideration by the board.
- B. The applicant or applicants or their agent(s) shall appear before the board at the appointed time.

- C. The board may act upon the application or defer action until the next meeting of the board.

5.10.06: BOARD DETERMINATION; DENIAL:

- A. In conformity with the policy of this chapter, the following persons are declared not to be qualified to hold a license under the provisions of this chapter:
1. A person who is under the age of twenty-one (21) years;
 2. A person who has been convicted within the past ten (10) years of:
 - a. A felony crime involving the sale of or furnishing or possession of with intent to sell or to furnish any narcotic, hallucinogenic or dangerous drug, or conspiracy to so sell, furnish or possess;
 - b. A felony or gross misdemeanor crime involving the use of any deadly or dangerous weapon;
 - c. A felony or gross misdemeanor crime involving theft, embezzlement or misappropriation of funds, or possession of stolen property;
 - d. A felony crime involving perjury, bribery or fraud;
 - e. A felony crime involving assault, battery, sexual assault, stalking or harassment, or other physical violence;
 3. A person who is presently on probation for any of the crimes listed in subsection A2 of this section; or
 4. A person who, at the time of application for renewal of a marijuana or medical marijuana establishment agent card would not be eligible for the license upon a first application.
 5. For any other good and sufficient reason.

B. An applicant otherwise barred by the provisions of subsection A of this section may be found suitable, if on review of the denial of a license, the board finds upon examination of the circumstances of the crime or the revocation, as the case may be, and upon examination of the applicant's criminal history, that the applicant does not present, and is not likely to present in the future, a threat to public safety, morals and welfare, and will likely abide by all applicable regulations.

C. The board of county commissioners will consider the recommendations and input from the particular town advisory board, sheriff, water district governing board, or other applicable advisory board or committee.

5.10.07: MEDICAL MARIJUANA LICENSE FEES:

A. The license fees required to be paid to obtain or renew a medical marijuana establishment license shall be as follows:

1. Fifteen thousand dollars (\$15,000.00) for initial issuance and a seven thousand five hundred dollar (\$7,500.00) annual renewal fee for a medical marijuana dispensary establishment with five thousand dollars (\$5,000.00) nonrefundable for the initial application and two thousand five hundred dollars (\$2,500.00) nonrefundable each year thereafter.
2. Five thousand dollars (\$5,000.00) for initial issuance and a two thousand five hundred dollar (\$2,500.00) annual renewal fee for a medical marijuana cultivation establishment with two thousand dollars (\$2,000.00) nonrefundable for the initial application and one thousand dollars (\$1,000.00) nonrefundable each year thereafter.
3. Five thousand dollars (\$5,000.00) for initial issuance and a two thousand five hundred dollar (\$2,500.00) annual renewal fee for a medical marijuana production facility with two thousand dollars (\$2,000.00) nonrefundable for the initial application and one thousand dollars (\$1,000.00) nonrefundable each year thereafter.
4. Two thousand five hundred dollars (\$2,500.00) for initial issuance and a one thousand two hundred fifty dollar (\$1,250.00) annual renewal fee for a medical marijuana

independent testing laboratory with one thousand two hundred fifty dollars (\$1,250.00) nonrefundable for the initial application and seven hundred fifty dollars (\$750.00) nonrefundable each year thereafter.

- B. The license fees specified in subsection A of this section shall be payable in advance for at least one year. Failure to pay the medical marijuana license fee within ten (10) working days of the due date shall result in the mandatory assessment of a late fee of twenty five percent (25%) of the annual fee within thirty (30) days of the due date, or shall be grounds for revocation of the license.
- C. In addition to the fees specified in subsection A of this section, every medical marijuana establishment, as a condition of the granting of a medical marijuana establishment license or renewal, shall pay no later than ten (10) working days following the first day of each month, a monthly business license fee to Lyon County, equivalent to two percent (2%) of the total value of all medical marijuana or medical marijuana products that were produced, manufactured, sold or distributed by the medical marijuana establishment for the previous month.

5.10.08: MARIJUANA LICENSE FEES (RECREATIONAL MARIJUANA ESTABLISHMENTS):

- A. The license fees required to be paid to obtain or renew a marijuana establishment license (recreational marijuana) shall be as follows:
 - 1. Fifteen thousand dollars (\$15,000.00) for initial issuance and a seven thousand five hundred dollar (\$7,500.00) annual renewal fee for a retail marijuana store, with five thousand dollars (\$5,000.00) nonrefundable for the initial application and two thousand five hundred dollars (\$2,500.00) nonrefundable each year thereafter.
 - 2. Five thousand dollars (\$5,000.00) for initial issuance and a two thousand five hundred dollar (\$2,500.00) annual renewal fee for a marijuana cultivation facility, with two thousand dollars (\$2,000.00) nonrefundable for the initial application and one thousand dollars (\$1,000.00) nonrefundable each year thereafter.

3. Five thousand dollars (\$5,000.00) for initial issuance and a two thousand five hundred dollar (\$2,500.00) annual renewal fee for a marijuana product manufacturing facility, with two thousand dollars (\$2,000.00) nonrefundable for the initial application and one thousand dollars (\$1,000.00) nonrefundable each year thereafter.
 4. Two thousand five hundred dollars (\$2,500.00) for initial issuance and a one thousand two hundred fifty dollar (\$1,250.00) annual renewal fee for a marijuana testing laboratory, with one thousand two hundred fifty dollars (\$1,250.00) nonrefundable for the initial application and seven hundred fifty dollars (\$750.00) nonrefundable each year thereafter.
 5. Two thousand five hundred dollars (\$2,500.00) for initial issuance and a one thousand two hundred fifty dollar (\$1,250.00) annual renewal fee for a marijuana distributor, with one thousand two hundred fifty dollars (\$1,250.00) nonrefundable for the initial application and seven hundred fifty dollars (\$750.00) nonrefundable each year thereafter. This fee is waived if the applicant for the marijuana distributor license possesses a valid Lyon County license for a Marijuana or Medical Marijuana Establishment or a Lyon County wholesale delivery liquor license.
- B. The license fees specified in subsection A of this section shall be payable in advance for at least one year. Failure to pay the marijuana license fee within ten (10) working days of the due date shall result in the mandatory assessment of a late fee of twenty five percent (25%) of the annual fee within thirty (30) days of the due date, or shall be grounds for revocation of the license.
- C. In addition to the fees specified in subsection A of this section, every marijuana establishment, as a condition of the granting of a marijuana establishment license or renewal, shall pay no later than ten (10) working days following the first day of each month, a monthly business license fee to Lyon County, equivalent to two percent (2%) of the total value of all marijuana or marijuana products that were produced, manufactured, sold or distributed by the marijuana establishment for the previous month.

5.10.09: FEES; DISBURSEMENT:

The two percent (2%) monthly business license fees collected by virtue of this chapter shall be delivered by the licensee or authorized agent to the county treasurer, and shall be kept by the treasurer in the general fund for the sole use and benefit of the county, and shall be paid out by order of and under the direction of the board of county commissioners in the same manner as other general fund disbursements are made. The county treasurer shall transmit a copy of the payment receipt along with a copy of each return form for each payment to the community development department and Lyon County sheriff's office on a monthly basis.

5.10.10: PUBLIC DISPLAY REQUIRED:

During all of the period of time for which a license has been issued authorizing the operation of a marijuana or medical marijuana establishment, the license shall be posted and at all times displayed in a conspicuous place in the facility where such business is carried on so that all persons visiting such place may readily see and read the same.

5.10.11: RENEWAL PROCEDURE:

- A. Application for renewal of licenses shall be made by petition to the planning department by filing the same with the planning department, together with all fees. Applications for renewal shall be made at least ten (10) working days before the annual license expiration date. County staff shall work with applicants to pro-rate annual license fees in order to achieve a common annual renewal date for all licenses of July 1st of each year.
- B. A financial compilation shall be provided with all renewal applications.
- C. Notwithstanding any other provisions of this chapter, the procedures set forth in this chapter for the initial application and issuance of marijuana or medical marijuana licenses shall not apply to the renewal of licenses previously issued to the same applicant. With respect to such renewal of licenses, the planning department shall cause the reissuance or cancellation of such license renewals in the manner following:

1. Upon receipt of a completed request for renewal of a license along with the applicable renewal fees, the planning director or his designee shall schedule the renewal request for the next available board meeting, and present his recommendations for or against the renewal of each such license. No existing license required under this chapter shall lapse or be revoked when presentation to the board of the request for renewal is delayed solely due to administrative reasons.
2. Any licensee whose license renewal has been disapproved by the board shall be notified of such in writing, in the manner provided in this chapter. The licensee may avail himself of the procedures set forth in this chapter.
3. Renewal of licenses under this chapter must be for a minimum of one calendar year.
4. Notwithstanding any other provision of this chapter, no existing license required under this chapter shall lapse or be revoked when renewal is delayed solely due to the notice and agenda requirements of Nevada's open meetings law, or due to administrative delay.

5.10.12: PROHIBITED ACTS:

It is unlawful for any licensed operation, licensee or employee, agent and/or contractor of any licensee to:

- A. Acquire, possess, deliver, transfer, transport, supply, sell, or dispense any marijuana to any person, unless in compliance with all requirements of this Chapter and state law.
- B. Acquire, possess, deliver, transfer, transport, supply, sell, or dispense any marijuana to or from any person or source located outside the state of Nevada.
- C. Do any act that violates any licensing requirement established pursuant to chapter 453A or 453D of the Nevada Revised Statutes.
- D. Fail to comply with all requirements of the conditions of the special use permit.

5.10.13: PENALTY FOR VIOLATION:

- A. Persons found guilty of violating any of the provisions of this chapter are guilty of a misdemeanor and subject to a fine of not less than five hundred dollars (\$500.00) nor more than one thousand dollars (\$1,000.00), or by imprisonment in the county jail for not more than six (6) months, or by both such fine and imprisonment. Nothing herein contained shall be construed as limiting any prosecution for acts related to a violation of the uniform controlled substances act as set forth in chapter 453 of the Nevada Revised Statutes.
- B. In addition to any criminal punishment as may be imposed, any violation of this chapter may result in the revocation of any license issued pursuant to this chapter and result in the forfeiture of any and all property as described in Nevada Revised Statutes 453.301. The civil penalties provided for hereunder are intended to be cumulative and in addition to any criminal fines or punishments imposed.

5.10.15: TRANSFERABILITY:

Licenses shall not be in any manner transferable or assignable, nor shall any person other than as named in the license be authorized to conduct the business, unless such transfer is approved by the State of Nevada and Lyon County Board of Commissioners.

Section 2. If any section of this ordinance or portion thereof is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such holding shall not invalidate the remaining parts of this ordinance.

Section 3. All ordinances, parts of ordinances, chapters, sections, subsections, clauses, phrases or sentences contained in the Lyon County Code conflict herewith and hereby repealed.

Section 4. This ordinance shall be in full force and effect from and after its passage, approval and publication as required by law.

THIS RESOLUTION was proposed on the ____ day of _____,
2018 by the following County Commissioner(s): _____

THIS RESOLUTION has been PASSED, ADOPTED and APPROVED this ____
day of _____, 2018 by the following vote of the
Board of

Commissioners, Lyon County:

AYES: _____

NAYS: _____

ABSENT: _____

ABSTENTIONS: _____

Board of County Commissioners

Lyon County

By: Chairman

Attest:

Clerk of the Board



GRAND OPENING

Saturday, February 17th

11:00am-6:30pm

RAFFLES | SAMPLES

VENDORS | EDUCATION



Instagram



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Facebook

**605 W. Bridge St. Yerington, NV. 89447 | (775)463-2220 |
Peshanummastore@gmail.com**

Chapter 21.48 - C-1 LIMITED COMMERCIAL DISTRICT

Sections:

21.48.010 - Permitted uses—Designated.

The following uses are permitted on a lot or parcel in a C-1 limited commercial district of any size and width:

- A. Any use permitted in R-1, R-2 or R-C districts, subject to the provisions of Chapter 21.44;
- B. Stores and shops for the conduct of retail business;
- C. Offices of persons engaged in business, professions or trade;
- D. Specific uses such as antique shops, art studios, auto parking lots, auto service stations, banks, bakeries, clinics, cafes or restaurants (provided no dancing, gaming or entertainment be conducted therewith), cleaning, dyeing and laundry agencies, candy stores, curio shops, interior decorator's studios, dressmaking shops, drugstores, drygoods and notions, film and camera sales, florist, ice delivery station, grocery, fruit and meat stores, hardware, appliances, jewelry, liquor stores, photographer's studios, radio sales and repair, outdoor service of any kind, real estate offices, shoe repairing, storage within a building (not warehousing) and all other similar uses;
- E. Accessory uses customarily incident thereto.

(Prior code §24-52).

21.48.020 - Permitted uses—Conditions applicable.

The conditions under which the uses set out in Section 21.48.010 are permissive are as follows:

- A. No used or secondhand goods or merchandise other than genuine antiques shall be sold or displayed.
- B. All goods sold, offered for sale or displayed in conjunction therewith shall be kept or wholly displayed within a building.
- C. Advertising signs shall be limited to two in number and indicate only the person occupying the premises or goods produced or sold thereon.
- D. No live animals shall be kept or slaughtered on the premises other than in connection with a pet shop.

(Prior code §24-53).

21.48.030 - Yard requirements.

Yards in C-1 limited commercial districts shall be as follows:

- A. Front. Each lot or parcel shall have a front yard a depth equal to the building line setback as set forth in Chapter 21.24.
- B. Side. None, except as elsewhere provided.
- C. Rear. If a lot or parcel is not bounded along the rear line by an alley, a rear yard of not less than ten feet shall be required.

(Prior code §24-54).

21.48.040 - Off-street parking requirements.

There shall be the following off-street parking in a C-1 district:

- A. One parking space for every two-hundred fifty square feet of gross floor area.
- B. One off-street parking space shall be provided for each service or delivery vehicle.

(Ord. 687 §1 (part), 2002; prior code §24-54.1).

Valerie Swirczek

From: Alec Garcia <Alec@374labs.com>
Sent: Wednesday, May 2, 2018 10:18 AM
To: Valerie Swirczek
Cc: Ardea Canepa
Subject: Marijuana Regulations, Council Meeting Follow-up
Attachments: Inspections State Regs 2018, \$R092-17A-3.pdf; Advertisements, State Regs 2018, \$R092-17A-2.pdf; Packaging Requirements- State Regs 2018, R092-17A.pdf; Label-Template - TEST1 (004).pdf

Good morning Valerie,

I hope you are doing well.

I wanted to follow-up with the regulatory information I had mentioned during the Council meeting last night. Based on some of the councils concerns, I have attached extracted pages from the State regulations that touch on these issues. The attachments address; advertising, state and local inspections, child proof packaging and edible approval requirements.

I have also attached a link below to the full set of regulation in the event anyone is interested in some light reading.
<https://tax.nv.gov/uploadedFiles/taxnvgov/Content/FAQs/Marijuana-Perm-Reg-LCB-File-No-R092-17.pdf>

If you have any questions or if I can provide any additional information, please let me know.

Have a great rest of your week.

Best regards,

Alec X. Garcia
Managing Partner

374 Labs, LLC
10 Greg Street #148
Sparks NV, 89431
Mob: (775) 848-7824
Tel: (844) 374-5227
www.374labs.com

establishment to that applicant in accordance with NRS 453D.210 and section 83 of this regulation and notify the locality in which the marijuana establishment will be located.

Sec. 82. 1. *Within 10 days after the issuance of a license pursuant to section 80 or 81 of this regulation, the applicant shall pay the initial licensing fee of:*

- (a) For a marijuana cultivation facility, \$30,000.*
- (b) For a marijuana distributor, \$15,000.*
- (c) For a marijuana product manufacturing facility, \$10,000.*
- (d) For a marijuana testing facility, \$15,000.*
- (e) For a retail marijuana store, \$20,000.*

2. *If an applicant fails to pay the initial licensing fee required by subsection 1 within the 10-day period, the Department will revoke the license.*

Sec. 83. 1. *Except as otherwise provided in subsection 2, the issuance of a license pursuant to section 80 or 81 of this regulation is conditional and not an approval to begin operations as a marijuana establishment until such time as:*

- (a) The marijuana establishment is in compliance with the zoning and land use rules adopted by the locality in which the marijuana establishment will operate or, after notice of the issuance of a license to the marijuana establishment pursuant to section 80 or 81 of this regulation, the locality does not affirm to the Department within a reasonable time that the proposed marijuana establishment will be in violation of zoning or land use rules adopted by the locality;*

(b) The locality has issued a business license for the operation of the marijuana establishment, or otherwise approved the applicant, for the operation of the marijuana establishment; and

(c) The Department completes an inspection of the marijuana establishment.

2. If the locality in which a marijuana establishment is located does not issue business licenses and does not approve or disapprove marijuana establishments in its jurisdiction, a license for a marijuana establishment becomes an approval to begin operations as a marijuana establishment when:

(a) The marijuana establishment is in compliance with the zoning and land use rules adopted by the locality; and

(b) The Department completes an inspection of the marijuana establishment.

Sec. 84. If the Department does not issue to an applicant a license for a marijuana establishment, the Department must provide written notice to the applicant stating that the Department did not issue a license to the applicant as a result of the provisions of sections 80 and 81 of this regulation.

Sec. 85. 1. The Department may, at any time it determines an inspection is needed, conduct an investigation into the premises, facilities, qualifications of personnel, methods of operation, policies and purposes of any marijuana establishment and of any person proposing to engage in the operation of a marijuana establishment. An inspection of a facility may include, without limitation, investigation of standards for safety from fire on behalf of the Department by the local fire protection agency. If a local fire protection agency is not

available, the State Fire Marshal may conduct the inspection after the marijuana establishment pays the appropriate fee to the State Fire Marshal for such inspection.

2. The Department will not issue a license for a marijuana establishment until the Department completes an inspection of the marijuana establishment. Such an inspection may require more than one visit to the marijuana establishment.

3. The Department may conduct a preliminary walk-through of a marijuana establishment, upon request and subject to the availability of inspectors, to assist with questions and identify issues for correction before the inspection of the marijuana establishment. Before requesting a preliminary walk-through, a marijuana establishment must complete all construction and be near completion of all other requirements of the laws and regulations of this State. If the Department conducts a preliminary walk-through at the request of a marijuana establishment, the Department will issue an invoice to the marijuana establishment for the costs of the preliminary walk-through, including, without limitation, travel and inspection activities.

4. In addition to complying with the provisions of chapters 372A and 453D of NRS and chapter 372A of NAC governing the imposition of an excise tax on marijuana establishments, a marijuana establishment may not operate until it has been issued a license from the Department.

5. The Department will not issue a license for a marijuana establishment until the Department has received a satisfactory report of full compliance with and completion of all applicable public safety inspections required by state and local jurisdictions, including,

without limitation, fire, building, health and air quality inspections, except as otherwise provided in section 86 of this regulation.

Sec. 86. 1. Submission of an application for a license for a marijuana establishment constitutes permission for entry to and reasonable inspection of the marijuana establishment by the Department, with or without notice. An inspector conducting an inspection pursuant to this section does not need to be accompanied during the inspection.

2. The Department may, upon receipt of a complaint against a marijuana establishment, except for a complaint concerning the cost of services, a complaint concerning the efficacy of marijuana or a complaint related to consumer service issues, conduct an investigation during the operating hours of the marijuana establishment, with or without notice, into the premises, facilities, qualifications of personnel, methods of operation, policies, procedures and records of that marijuana establishment or any other marijuana establishment which may have information pertinent to the complaint.

3. The Department may enter and inspect any building or premises at any time, with or without notice, to:

- (a) Secure compliance with any provision of this chapter or chapter 453D of NRS;*
- (b) Prevent a violation of any provision of this chapter or chapter 453D of NRS; or*
- (c) Conduct an unannounced inspection of a marijuana establishment in response to an allegation of noncompliance with this chapter or chapter 453D of NRS.*

4. The Department may:

- (a) Summon witnesses to appear and testify on any subject material to its responsibilities under this chapter or chapter 453D of NRS. No property owner and no officer, director,*

Sec. 229. 1. Except as otherwise provided in subsection 3, on or before January 1, 2019, each single-serving edible marijuana product and each individual serving containing not more than 10 milligrams of THC of a multiple-serving edible marijuana product must be stamped or molded with a symbol developed by the Department to indicate that the product contains marijuana.

2. An edible marijuana product that is impractical to stamp or mold with a symbol, including, without limitation, bulk goods or powders, must be packaged in a child-resistant container in individual servings containing not more than 10 milligrams of THC.

3. An edible marijuana product in liquid form which is packaged as required by section 219 of this regulation need not be stamped or molded as described in this section.

Sec. 230. 1. A marijuana establishment:

(a) Shall not engage in advertising which contains any statement or illustration that:

- (1) Is false or misleading;**
- (2) Promotes overconsumption of marijuana or marijuana products;**
- (3) Depicts the actual consumption of marijuana or marijuana products; or**
- (4) Depicts a child or other person who is less than 21 years of age consuming marijuana or marijuana products or objects suggesting the presence of a child, including, without limitation, toys, characters or cartoons, or contains any other depiction which is designed in any manner to be appealing to or encourage consumption of marijuana or marijuana products by a person who is less than 21 years of age.**

(b) Shall not advertise in any publication or on radio, television or any other medium if 30 percent or more of the audience of that medium is reasonably expected to be persons who are less than 21 years of age.

(c) Shall not place an advertisement:

(1) Within 1,000 feet of a public or private school, playground, public park or library, but may maintain such an advertisement if it was initially placed before the school, playground, public park or library was located within 1,000 feet of the location of the advertisement;

(2) On or inside of a motor vehicle used for public transportation or any shelter for public transportation;

(3) At a sports or entertainment event to which persons who are less than 21 years of age are allowed entry;

(4) On or inside of a motor vehicle used by a marijuana establishment for private transportation;

(5) On signs carried by a natural person, including, without limitation, handbills, pamphlets, cards or other types of advertisements that are distributed to the general public, but excluding an advertisement placed in a newspaper of general circulation, trade publication or other form of print media; and

(6) Where prohibited by local ordinance.

(d) Shall not advertise or offer any marijuana or marijuana product as “free” or “donated” without a purchase.

(e) Shall ensure that all advertising by the marijuana establishment contains such warnings as may be prescribed by the Department, which must include, without limitation, the following words:

(1) "Keep out of reach of children"; and

(2) "For use only by adults 21 years of age and older."

2. A retail marijuana store shall post signs in prominent locations inside the retail marijuana store which state activities that are strictly prohibited and punishable by law, including, without limitation, the following statements:

(a) "No minors permitted on the premises unless the minor holds a letter of approval and is accompanied by a designated primary caregiver";

(b) "No on-site consumption of any marijuana or marijuana products";

(c) "Distribution to persons under the age of 21 is prohibited";

(d) "Except for medical marijuana patients, possession of over 1 ounce of usable marijuana, one-eighth ounce of concentrated marijuana, an edible marijuana product containing more than 3,500 milligrams of THC or a combination of the three which exceeds the legal limit is prohibited"; and

(e) "Transportation of marijuana or marijuana products across state lines is prohibited."

Sec. 231. *A marijuana establishment shall not use a name, logo, sign, advertisement or packaging unless the name, logo, sign, advertisement or packaging has been approved by the Department.*

Sec. 232. *The provisions of NRS 372A.200 to 372A.380, inclusive, which apply to:*

4. *A marijuana distributor shall not store marijuana or marijuana products for more than 3 days without written consent from the Department.*

5. *A marijuana distributor shall verify the inventory of a motor vehicle after the inventory is off-loaded into storage and before the inventory is on-loaded onto a motor vehicle from storage.*

6. *A marijuana distributor shall make its premises, including, without limitation, its storage area, available to the Department for inspection during normal business hours without notice.*

Sec. 219. 1. *Any edible product containing marijuana must:*

(a) *Be clearly and unambiguously packaged as marijuana with the words "THIS IS A MARIJUANA PRODUCT" in bold type that clearly identifies that the product contains marijuana;*

(b) *Be packaged in a manner which is not modeled after a brand of products primarily consumed by or marketed to children;*

(c) *Be presented in packaging which does not contain an image of a cartoon character, mascot, action figure, balloon or toy, except that such an item may appear in the logo of the marijuana product manufacturing facility which produced the product; and*

(d) *Not be packaged or marketed as candy.*

2. *When sold at a retail marijuana store, any edible product containing marijuana must be packaged in opaque, child-resistant packaging in accordance with 16 C.F.R. Part 1700 and the standards specified in subsection 3 or 4. The child-resistant packaging must maintain its*

effectiveness for multiple openings before leaving the retail marijuana store with the consumer.

3. Except as otherwise provided in subsection 4, marijuana products in solid or liquid form must be packaged in:

(a) Plastic which is 4 mils or more in thickness; or

(b) If the product is in liquid form, a food-grade bottle.

4. Marijuana products in liquid form and concentrated marijuana must be packaged using a resealable cap in a container that:

(a) Clearly demarks each serving of marijuana in a way that enables a reasonable person to intuitively determine how much of the product constitutes a single serving of THC; and

(b) Includes a device that allows a reasonable person to intuitively measure and serve a single serving of THC.

↪ The portion of such a container that demarks each serving of marijuana need not be opaque.

5. Any container or packaging containing usable marijuana, concentrated marijuana or marijuana products must protect the contents from contamination and must be of a food grade material.

6. An edible marijuana product must be sealed in a container which is not transparent and sold in packaging which is opaque.

7. Each single serving in a multiple-serving edible marijuana product must be physically demarked in a way that enables a reasonable person to intuitively determine how much of the edible marijuana product constitutes a single serving. Each demarked serving must be easily

separable in a manner that allows an average person who is 21 years of age or over to physically separate, with minimal effort, an individual serving of the edible marijuana product.

8. If an edible marijuana product is of a kind that is impracticable to clearly demark each serving of marijuana or to make each serving easily separable, the edible marijuana product must:

(a) Contain not more than 10 milligrams of THC per unit of sale; or

(b) Be sold in a package that contains more than one individually wrapped single-serving edible marijuana product.

Sec. 220. Each marijuana cultivation facility, marijuana product manufacturing facility and retail marijuana store shall:

1. Use for labeling all marijuana and marijuana products the standard label described in sections 222 to 226, inclusive, of this regulation;

2. Exercise strict control over labeling materials issued for use in labeling operations for marijuana and marijuana products;

3. Carefully examine labeling materials issued for a batch for identity and conformity to the labeling specified in the applicable production or control records; and

4. Have and follow written procedures describing in sufficient detail the control procedures employed for the issuance of labeling.

Sec. 221. A marijuana cultivation facility or marijuana product manufacturing facility shall not label usable marijuana, concentrated marijuana or marijuana products as “organic” unless the marijuana plants and all ingredients used are produced, processed and certified in

a manner that is consistent with the national organic standards established by the United States Department of Agriculture in accordance with the Organic Foods Production Act of 1990, 7 U.S.C. §§ 6501 et seq.

Sec. 222. 1. Unless preparing bulk packages only for delivery to another marijuana establishment and not for sale to a consumer, a marijuana establishment that packages marijuana or marijuana products must individually package, label and seal the marijuana or marijuana products in a single package for sale. A retail marijuana store shall only sell marijuana or marijuana products in a single package which must not contain:

(a) More than 1 ounce of usable marijuana or one-eighth of an ounce of concentrated marijuana.

(b) For a marijuana product sold as a capsule, more than 100 milligrams of THC per capsule or more than 800 milligrams of THC per package.

(c) For a marijuana product sold as a tincture, more than 800 milligrams of THC.

(d) For a marijuana product sold as an edible marijuana product, more than 100 milligrams of THC.

(e) For a marijuana product sold as a topical product, a concentration of more than 6 percent THC or more than 800 milligrams of THC per package.

(f) For a marijuana product sold as a suppository or transdermal patch, more than 100 milligrams of THC per suppository or transdermal patch or more than 800 milligrams of THC per package.

(g) For any other marijuana product, more than 800 milligrams of THC.

THIS IS A MARIJUANA PRODUCT KEEP OUT OF REACH OF CHILDREN

Helios Cultivation – Reno, NV

Certificate Number: _____

Name: _____

Run Number: _____

Production Date: _____ Final Testing Date: _____

Packaged on: _____ Best if used by: _____

Total potential THC: _____ Total Potential CBD: _____ +

Δ9THC: _____ CBD: _____ THCa: _____

Terpene 1: _____ Terpene 2: _____ Terpene 3: _____

Contains 100% CO2 extracted cannabis oil, hemp seed oil, peppermint
oil, orange oil, CBD powder

Thirty (30) servings of THC - _____ and CBD - _____

Total of _____ THC and mg CBD _____

Net Weight: _____

This product was tested with an allowable variance of +/- 15%

Valerie Swirczek

From: Andrea Zeller <director@churchillcoalition.com>
Sent: Monday, May 7, 2018 5:03 PM
To: Valerie Swirczek
Cc: MaryBeth Chamberlain
Subject: Coalition info , stats and sources
Attachments: Jo McGuire MJ Workplace 2016.pptx

Hi,

If you need more information, or different reports , I will be happy to share it. Please let me know what you will need.

Here are the statistics, based on my presentation:

This data came from the Attitudes and Behavior Survey administered in the even years at Churchill County Middle School and High School, 6th through 12th grades.

Site information (<https://www.search-institute.org/surveys/choosing-a-survey/ab/>)

YOUTH Questions –

During the past 30 days have you used marijuana or hashish?

2012: 37 of 300

2016: 73 of 400

2018: 79 of 400

2) Parent disapproval of recreational marijuana: has continued to decline since legalization

2012: 91% of 300

2016: 86% of 400

2018: 83% of 399 this is very impactful to our community. Parents and adults are now buying, giving or sharing marijuana with youth.

Source- A & B Survey

Youth Local Conditions Survey

- 49% (nearly 50%) of middle and high school youth believe marijuana is safe to use
- 51% believe marijuana is not addictive
- 70% believe their peers think marijuana is safe to use
- 49% said that marijuana is easy to get in the community If youth use rates are already this high, and easy for youth to access, how much of an increase will we see with our youth use with even greater accessibility

Source- Churchill Community Coalition 2017 Youth Local Condition Survey

We want to make note of the impacts on youth brain development, and the long term effects. Marijuana impairs development in the areas of the brain that control reasoning, stress management, focusing, motivation, and several other areas, leaving long term impact with the ability to reducing IQ by 8%

Source- <https://www.acpeds.org/marijuana-use-detrimental-to-youth>

Low Graduation rates ~ 70% now, and the great potential to see still lower rates with greater access for youth

Source: <https://www.publicschoolreview.com/churchill-county-high-school-profile>

Another newly shared concern is from Banner Hospital, the Increased usage of marijuana and pregnant women in Churchill County 66% tested positive

Source- Dr James Verrees, Banner Churchill Hospital Grand rounds luncheon, Banner Churchill Hospital February 19, 2018

Overall crimes rates in Colorado have increased 10%.

Source- Kevin A. Sabet, Ph.D. President, Smart Approaches to Marijuana (SAM) and Asst. Professor, University of Florida

https://www.huffingtonpost.com/kevin-a-sabet-phd/crime-is-up-in-colorado-w_b_5663046.html,
<https://learnaboutsam.org/costs/>

Medical Claims and Marijuana in the workplace- **PowerPoint attached**

Source- Jo McGuire jo@jomcguire.org *Five Minutes of Courage*

Real Estate-Property Values decline near cultivation grows

Source- <http://m.golocalpdx.com/news/will-marijuana-grow-sites-affect-neighboring-property-values>,
<http://portlandtribune.com/cr/28-opinion/264469-136392>

Water- A single Marijuana plant can consume 6 (or more) gallons of water per day. Roughly One gallon of water per day per pound. one-pound plant needs one gallon of water per day, whereas a five-pound plant needs five gallons per day, and a 10-pound plant needs 10 gallons per day) = 1,200 gallons approx. to mat

Source- Rocky Mountain High intensity Drug Trafficking

agency <https://www.rmhidta.org/html/FINAL%202017%20Legalization%20of%20Marijuana%20in%20Colorado%20The%20Impact.pdf> page 158

Homelessness- People move into small communities and stay due to low weather extremes, jobs in mj industry, food bank and low income housing

Source- Rocky Mountain High intensity Drug Trafficking

agency <https://www.rmhidta.org/html/FINAL%202017%20Legalization%20of%20Marijuana%20in%20Colorado%20The%20Impact.pdf>

Waste, - there is considerable waste from the left over plant waste

<https://www.thestranger.com/weed/2017/07/26/25307388/washingtons-weed-industry-has-a-million-pound-waste-problem>

<http://app.leg.wa.gov/WAC/default.aspx?cite=314-55-097>

I have had several people personally contact me regarding the decision the city made to oppose the re-zoning. The response was very positive of the vote.

I know this is always a difficult decision, I asked them to share their thoughts with the City of Fallon Council and Mayor. I hope they have.

Best regards,

Andrea Keller

Executive Director

Churchill Community Coalition

775-423-7433

www.churchillcoalition.com

<https://www.facebook.com/ChurchillCoalitionFallon>

MARIJUANA & WORKPLACE CHALLENGES



**SAFETY
FIRST**



Jo McGuire
jo@jomcguire.org
Five Minutes of Courage
www.jomcguire.org

2013 U.S. DRUG USE

24.6 M drug users 12 yoa + up

Marijuana = 19 Million

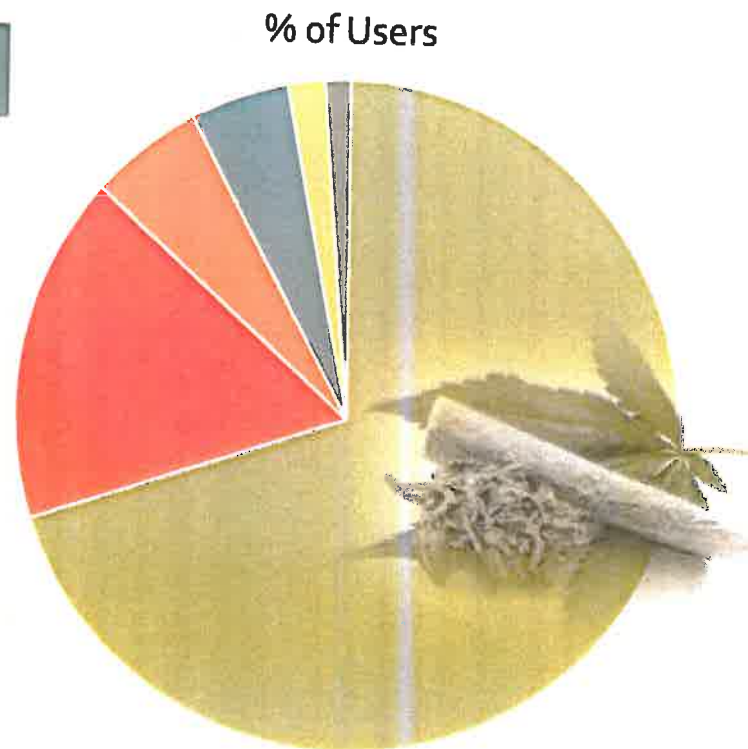
Non-Medical Pain Reliever = 4.5 Million

Cocaine = 1.5 Million

Hallucinogens = 1.3 Million

Methamphetamine = .5 Million

Heroin = .33 Million



■ Marijuana ■ N.M. Pain Relief ■ Cocaine ■ Hallucinogen ■ Meth ■ Heroin

<http://www.samhsa.gov/data/sites/default/files/NSDUHresultsPDFWHTML2013/Web/NSDUHresults2013.pdf>



Illicit Drug Use by Employees

- 9.1% of F/T employees are illicit drug users
- 13.7% of P/T employees are illicit drug users



The background of the entire slide is a collage of US dollar bills, primarily \$100 bills, which are slightly out of focus and overlapping. A dark gray rectangular box is positioned in the upper center of the slide, containing the title text.

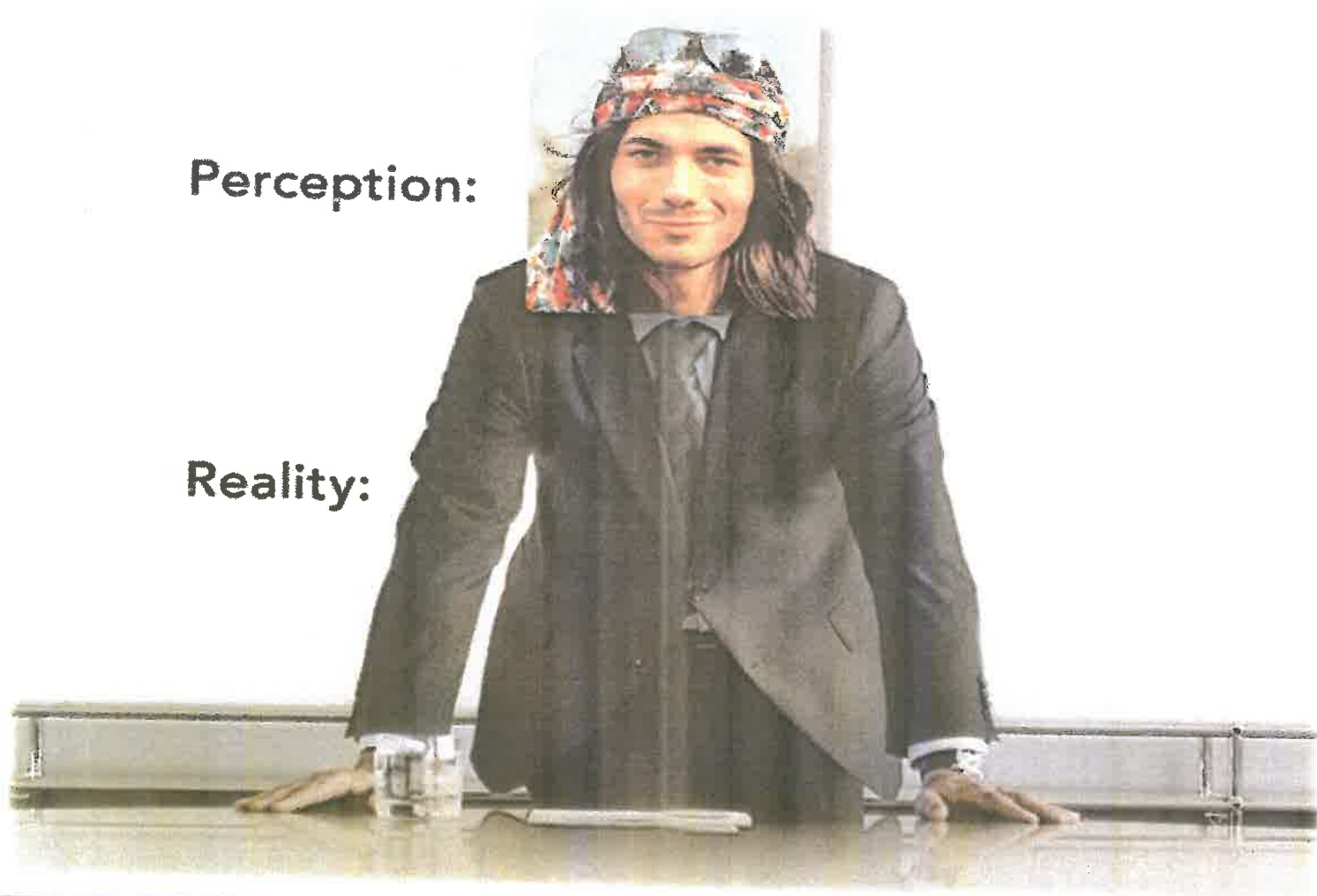
Did You Know?

Employee drug use costs U.S. businesses over \$129 billion per year in lost revenue.

Small businesses can lose up to \$7,000/month in lost productivity, employee turnover, absenteeism and tardiness.

Perception:

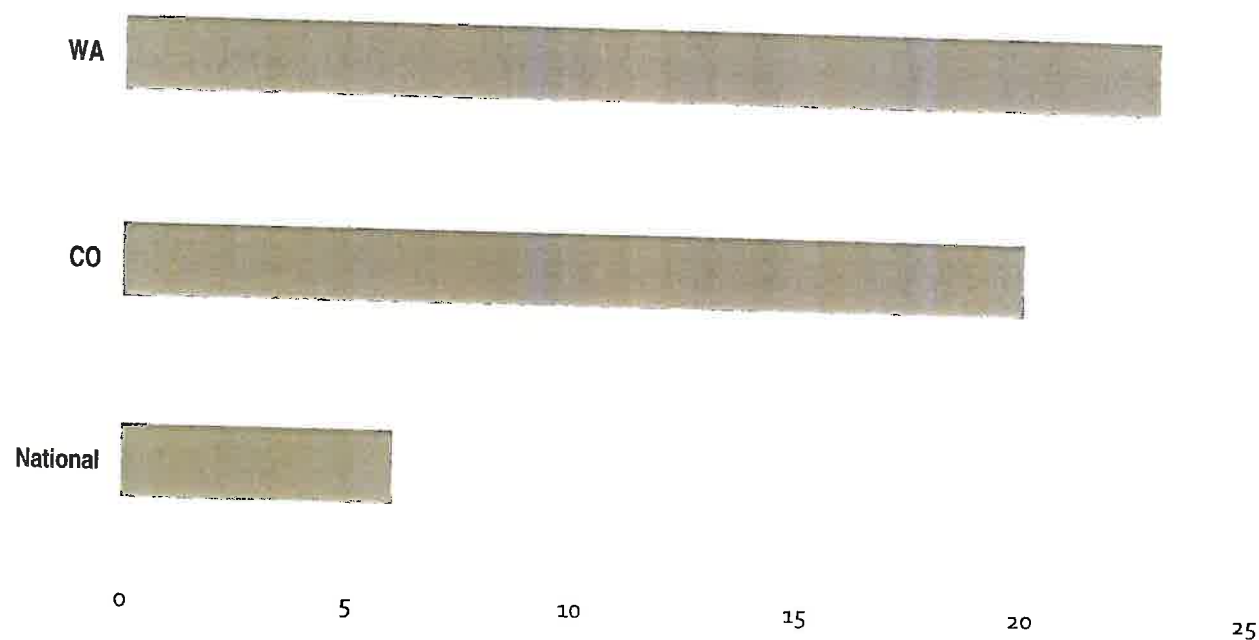
Reality:



jm

Quest Diagnostics Drug Test Index™

Workplace Pos MJ Tests: Increase from 2012-2013



<http://www.questdiagnostics.com/home/physicians/health-trends/drug-testing>



Workplace Drug Use

F/T workers age 18-49 who currently use illicit drugs, report they have:

- Worked for 3 or more employers in the past year
- Voluntarily left an employer in the past year
- Were fired by an employer in the past year

An Analysis of Worker Drug Use and Workplace Policies and Programs, SAMHSA



Workplace Drug Use



F/T workers age 18-49 who currently use illicit drugs, report they have:

- Taken an unexcused absence in the past month
- Requested early dismissal or time off
- Had absences of 8 days or longer & significantly increased work tardiness

An Analysis of Worker Drug Use and Workplace Policies and Programs, SAMHSA



Workplace Drug Use

- 44% sold drugs to other employees
- 64% admitted that drugs adversely affected their job performance
- 18 % had stolen from co-workers to support their drug habit



<http://www.dol.gov/elaws/asp/drugfree/benefits.htm>

jm

Workplace Drug Use



- 3.6x more likely to be involved in a workplace accident
- 5x more likely to file a workers' compensation claim

⁹Backer, T.E. Strategic Planning for Workplace Drug Abuse Programs, p. 4. NIDA. Rockville, MD.



Employee Marijuana Use



- .55% more industrial accidents
- .85% more injuries
- .75% more absenteeism

Crites-Leoni, Abbie. "Medicinal Use of Marijuana: Is the Debate a Smoke Screen for Movement Toward Legalization?"
Journal of Legal Medicine (1998): 273-280. Journal.

What Does Schedule 1 Controlled Substance Mean?

Name _____

Address _____

Date _____

R_x



MD _____

Signature _____

- There is a high potential for abuse
- Lack of any accepted medical use
- No accepted safety standards for use under medical supervision
- Unable to regulate dosing standards

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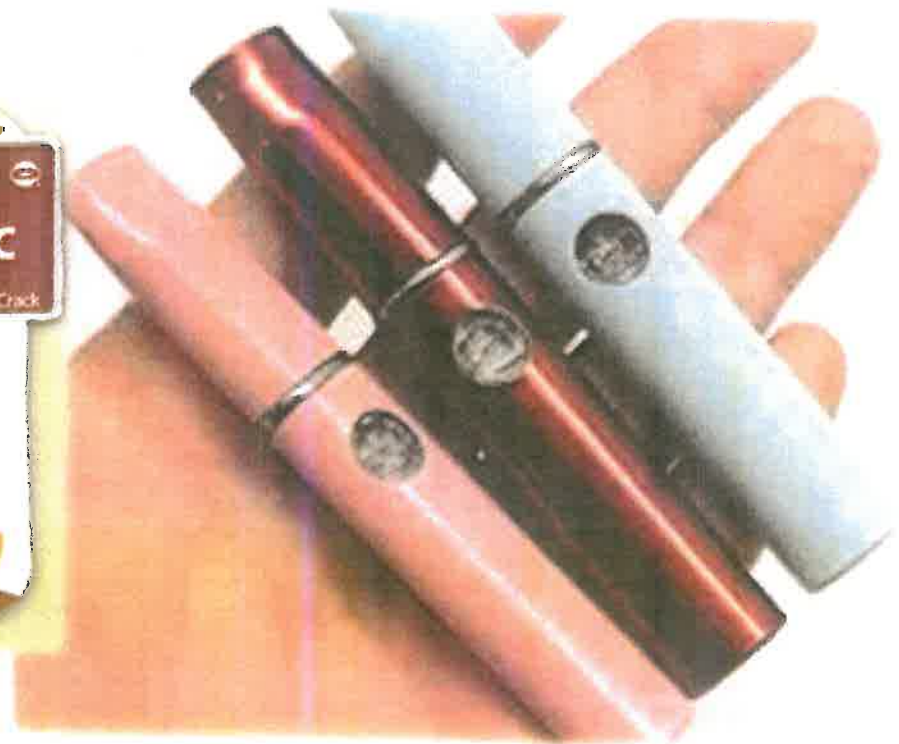


TODAY'S MARIJUANA

- Higher THC than we've ever seen before
- New delivery systems that are beyond our standard thinking
- Longer lasting impairment
- Confusing lack of standards regarding how to handle private use by employees
- Edible products complicate the issue



TRENDS



jm



nugtella

Hazelnut spread with
Medical Marijuana



Jim

EMPLOYER CHALLENGES



mm

EMPLOYER CHALLENGES

Noon on Thursday:

6 company trucks

8 company logos on shirts



Colorado Springs
Gas & Grass Station

jm

Job Applicants at CO Electric Company

February 2015

12 applicants in the pre-employment process

Mobile drug test collector arrives

9 applicants walk-out

3 complete pre-employment drug screen

2 pass the drug screen

1 fails (THC positive)



VS



jm

Looking Outside the State for Qualified Employees



“ Jim Johnson said his company has encountered so many job candidates who have failed pre-employment drug tests because of their THC use ... it is actively recruiting construction workers from other states. ”

GE Johnson

<http://gazette.com/drug-use-a-problem-for-employers/article/1548427>

jm

Legal pot blamed for some influx of homeless in Denver 2014



Haven of Hope: 500% rise over normal in homeless in summer 2014 (50 to 300)

Salvation Army: 33% rise since 2014 compared to 2013

Salvation Army: Survey 25% increase related to marijuana

www.denverpost.com/news/ci_26216037/legal-pot-blamed-some-influx-homeless-this-summer

jm

““In February,” Leona Willener said,
“more than half the applicants who
came to her company looking for
work failed the required drug tests
because of THC use ... 1 in 3
attempted to cheat the test.”

Colorado Staffing Agency

<http://gazette.com/drug-use-a-problem-for-employers/article/1548427>



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Do you know
how to protect
your business
against the
industry of Drug
Test Cheating?



Regulating "like" alcohol



ALCOHOL

- Cost \$185 billion annually
- \$10 of loss for every \$1 spent
- #1 Reason for Addiction in the U.S.
- Breath Alcohol Tests = blood alcohol content affecting the brain through oxygen/blood exchange
- Rate of elimination from body is fairly standardized
- DUI Limits standardized

MARIJUANA



- Costs are as yet unknown
- No limits on THC
- No standardized measurement
- #2 Reason for Addiction in the U.S.
- Impairment has no measurement
- Fat soluble – highly individualized
- Impairment with stronger THC lasting for 1-3 days
- Sub-acute impairment in discovery

Jim

IMPAIRMENT

Short Term for Standard THC Doses:

- Red eyes, strong smell; problems with memory & learning
- Distorted perception, difficulty in thinking & problem-solving
- Loss of physical & mental coordination in divided attention tasks
- Difficulty shifting attention to meet the demands of changes in the environment, and in registering, processing and using information
- Perceptual functions are significantly affected
- Diminished ability to concentrate and maintain attention
- Distorted time & distance tracking
- Residual effects have been reported from days to weeks



IMPAIRMENT



Long Term for Standard THC Doses:

- Fatigue, paranoia, possible psychosis, memory problems
- Mood alterations, decreased motor coordination, lethargy, slurred speech, & dizziness
- Impaired health – lung damage, behavioral changes, reproductive, cardiovascular & immunological effects
- Respiratory problems similar to tobacco smokers, daily cough & phlegm, symptoms of chronic bronchitis. (The amount of tar inhaled and the level of carbon monoxide absorbed by marijuana smokers is 3 to 5 times greater than among tobacco smokers.)

IMPAIRMENT

Short Term for Extreme THC Doses:

- Extreme paranoia
- Hallucinations
- Delusionary behavior that can turn violent
- Bursts of violence, rage
- Heart palpitations, increased risk of heart attack
- Anxiety, panic attacks
- ER Visits – currently higher than any other substance
- The “high” has been reported to last for days, as yet unknown how long impairment can last



Traffic Safety



<http://www.drugabuse.gov/news-events/news-releases/2014/05/more-colorado-drivers-in-fatal-car-crashes-testing-positive-marijuana>
<http://www.nbcnews.com/health/health-news/pot-fuels-surge-drugged-driving-deaths-n22991>

jm

What Colorado's Amendment 64 Says

"Nothing in this section is intended to require an employer to permit or accommodate the use, consumption, possession, transfer, display, transportation, sale or growing of marijuana in the workplace or to affect the ability of employers to have policies **restricting** the use of marijuana by employees."



Consistent with the Agency's 60-day deadline, the Agency is providing the information by the date of the 60-day deadline.

- [illegible]

Therefore, reported to the FBI on 11/11/68. It would be necessary to determine if there was any contact with the subject's family or friends; to establish if there was any contact with the subject's family.

2. employees are not permitted to use employees for applications for the purpose of
corruption to their respective offices especially required for federal law. i.e. the
employees are not to be taken for the federal law enforcement employees for the
purpose of corruption for specifically defined "white collar" crimes. i.e. a
man, should be specifically required for the purpose of corruption.

- [illegible]

2. The following are the results of the survey of the use of the word "God" in the Bible and in the literature of the Middle Ages. The results are given in the following table:

1. The first "impulse" was the desire to create a new order, to put
the people in a position to work with their own hands and to
be able to support themselves. The second impulse was the desire
to create a new order, to put the people in a position to work
with their own hands and to be able to support themselves.

- * "These results in evidence indicate the system is not as good as they say, except when the machine is in the hands of the operator. However, the system is not as good as they say, when the machine is in the hands of the operator." (p. 10)



"Every existing Colorado law that is not compliant with Amendment 64 should be changed because an employee's Constitutional Right to use marijuana supersedes an employer's right to drug test."

– Kimberlie Ryan, Atty



What is the Discussion **REALLY** About?

- ❑ The right to Drug-Free vs. the right to Drug-Use
- ❑ Safety vs. Liability
- ❑ Responsibility vs. Culpability
- ❑ Productivity vs. Loss/Risk Control



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Employer's Rights

Know Your State Laws

Employer's Rights

Unemployment Laws

Worker's Compensation Act

Provisions in States Where Marijuana is Legal in Some Form



Drug Testing Ins & Outs

- Since marijuana is stored in the body's fat cells, it can be detected for up to 30 days
- 15 ng/mL cut-off level is standard for a positive drug test result
 - Before you consider increasing the cut-off level for your company, remember that 5 ng/mL is a DUID in the State of Colorado

TYPES OF TESTS

- Oral Swab
 - Shorter detection time after use
 - Less problems with cheating
 - Lab-based confirmation needed
- Urinalysis
 - Longer detection time after use
 - Lab-based confirmation needed
- Hair Test
 - Detection window is very long. Must wait 7-10 days to detect recent use
 - Lab-based results only



Employer's Rights

Have a sound drug policy in place

Zero-tolerance is absolutely

Allowable & enforceable

Communicate the policy & expectations with all staff & employees

Consistently enforce policies with clarity



Employer's Rights



Pre-Employment, Post-Accident, Random & Reasonable-Cause

All supervisors should be trained in detecting signs & symptoms

Never call a Reasonable Cause test a "random"

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Employer Responsibilities

Safe and Drug-Free Workplace

Protect employees, customers,
work-environment and the public

Get involved in Protecting Employer's Rights



jm



MARIJUANA & WORKPLACE CHALLENGES

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Five Minutes of Courage
www.jomcguire.org