
Marijuana Advisory Committee Minutes

Monday, January 25, 2016 7:00pm
Sealing Cove Business Center

Committee Members:

**Levi Albertson, Andrew Hames, Joseph D'Arienzo,
Pamela Ash, Darrell Windsor, Steven Eisenbeisz,
Bob Potrzuski, Jay Stelzenmuller, Lindsay Evans**

I. CALL TO ORDER

Chair Albertson called the meeting to order at approximately 7:05pm.

II. ROLL CALL

Present: Levi Albertson, Joseph D'Arienzo, Andrew Hames, Pamela Ash, Darrell Windsor, Steven Eisenbeisz.

Absent: Lindsay Evans (excused), Bob Potrzuski (excused).

Staff: Municipal Attorney Robin Koutchak, Senior Planner Michael Scarcelli, Paralegal Reuben Yerkes

III. AGENDA CHANGES: Chair Albertson recommended hearing from Electric department first

IV. APPROVAL OF MINUTES: M - Windsor / S - Ash, motion passed unanimously

V. PERSONS TO BE HEARD/CORRESPONDENCE: None

VI. REPORTS:

City Attorney Koutchak went over list of marijuana actions taken by municipalities throughout the State. City Attorney Koutchak explained that the Department of Law had taken the position that they did not agree with the provision that allowed geographically remote locations to propose alternative means of testing to meet the State requirements.

VII. NEW BUSINESS:

City Electric Department discussion:

Transmission and Distribution System Manager Tony Bird manager for the City of Sitka. Transmission and Distribution System Manager Bird stated that going forward they will treat establishments like any other operation. They will want to know what kind of load the establishment plans on opening. The applicant will need to communicate exactly with the utility department what they plan on doing. He stated that there can be substantial investment required by applicants if their electricity demands are large enough. He stated that he didn't know what the requisite loads were for large grow operations.

Transmission and Distribution System Manager Bird stated that they would need an engineer's estimate on a large commercial operation. Electric Utility Director Bryan Bertacchi stated that there is a surplus of electricity, and that the community would likely welcome any additional demand.

Chair Albertson stated that per State regulation, limited cultivation was less than 500

square feet. Chair Albertson added that a major cultivation facility could be as large as the real estate would allow. He added that his primary concern was that there be a process in place to determine an estimated load demand from new customers coming in to set up accounts. He continued that perhaps such a question could be part of the conditional use permit (CUP) process, in the form of an additional question on a check list. Electric Utility Director Bertacchi stated that the Gary Paxton Industrial Park (GPIP) was an ideal location for potential grow operations. Windsor asked if the engineers report would detail if a transformer would be needed or not. Transmission and Distribution System Manager Bird stated that it would. Electric Utility Director Bertacchi added that the real test would be if there is a sufficient supply during a particularly cold winter, given that is the time of year when City wide load is maximized.

City Attorney Koutchak pointed out that in her previous experience as a prosecutor in larger municipalities, it was the Electric Department that often noticed a larger than normal draw on electricity that led the police to illegal grow operations. Chair Albertson pointed out that it wasn't the Committees job to speculate as to the demand a given grow operation would have. He continued that it would be ideal that a prospective grower would have a clear method by which to communicate their anticipated demand to the electric department.

Transmission and Distribution System Manager Bird stated that prospective growers need to understand that it is a four to six month lead time on getting a transformer built and shipped in if it is needed. Electric Utility Director Bertacchi stated that there was capability to push more power to North Halibut Point Road, North of Seamart. Stelzenmuller stated that it was his main concern that there be a negative impact on community infrastructure. Electric Utility Director Bertacchi added that there is not a grid in Sitka is not able to sell excess power. He continued that the only way to sell excess power is to have new customers come into the Sitka market.

Eisenbeisz stated that there is already a process in place for establishing someone's demand. Chair Albertson pointed out that if a transformer is blown, the burden could be placed on multiple entities, not just the one consumer responsible for the blowout. He added that the establishment of an electric department check off list would be sufficient to allow the utility to identify a potential demand heavy customer. Stelzenmuller agreed that the established process would be sufficient. Windsor agreed. Eisenbeisz stated that the Local Regulatory Authority and the Assembly would be able to see any of these applicants.

M – Eisenbeisz / S – Stelzenmuller, in the final report to the Assembly, have the Local Regulatory Authority forward copies of any commercial marijuana applications received to the electric department. Motion passed unanimously.

VIII. UNFINISHED BUSINESS: Planning Department Presentation

Senior Planner Scarcelli discussed some of the various permitting options to include Conditional Use Permits and full permitting uses for marijuana establishments.

Stop: 7:52
Start: 8:04

Stelzenmuller stated that he liked option number two. Windsor, Eisenbeisz and Hames all agreed. Senior Planner Scarcelli stated that it may be ideal to have permitted uses in Central Business District, Industrial and GPIP zones. Windsor pointed out that one of the benefits of the CUP process was that the City has more of a hand in enforcement. Chair Albertson pointed out that the State can direct local law enforcement to act as the enforcement arm of the State, should the need arise.

Stelzenmuller stated that he was concerned that CBD would be CUP instead of permitted. Eisenbeisz pointed out that most of CBD is largely wiped out by the State 500 ft. buffer zone. Stelzenmuller pointed out that was kind of strange given that there are nine bars downtown in the CBD. Chair Albertson stated that he was comfortable making CBD a permitted use if an individual could find a location that complies with the State buffer zone minimums.

Eisenbeisz stated that he felt that Alice Island should be CUP, given that it is currently zoned water front. Chair Albertson said he agreed. Windsor asked if someone bought a lot to grow on water front if neighbors would have any means for recourse. A way to fight it if it was permitted use. Scarcelli stated that if it is permitted use than there is little that the public can do to stop it, assuming the applicant continues to operate in accordance with that permit.

Eisenbeisz stated that he liked option two with some of the CUP permits in option four. He added that the parking requirement seemed a bit excessive. Scarcelli stated that the parking requirements were based on City code, and could be altered in that CUP specifically. Scarcelli stated that there was some redundancy in the requirements, some of which resulted from the desire to reduce exposure to subjective objections by people.

Scarcelli stated that toward the goal of enforcement, staff would call the entity, draft a letter and bring the party to a discussion where the concerns could be addressed. Eisenbeisz pointed out that the permits could be pulled by the Local Regulatory Authority at the annual review, by making recommendation to the State Alcohol Beverage Control Board that the applicant is out of compliance.

Stelzenmuller said that with regard to extract manufacturing if it would be best if it were not allowed in Central Business District and maybe C1 and C2, given its inherently dangerous process. Stelzenmuller pointed out that the process requires high pressure butane and Co2. He pointed out that State regulation has very specific requirements. Eisenbeisz stated that a commercial operation would likely be within State regulations and therefor quite safe.

Chair Albertson pointed out that to say everything is permitted would create a great deal of work. He reiterated that option 2 as proposed by the Planning Department would afford a nice combination of some permitted uses and some CUP uses. D'Arienzo agreed.

M - Eisenbeisz / S - D'Arienzo, to submit to the Planning Commission option 2 with wording of option 4 conditional use permitting striking section d of option 4.

Public Comment: None

Stelzenmuller offered to amend the motion to prohibit extract manufacturing in the Central Business District. There was no second. Stelzenmuller asked if the Committee would like to

table the topic to consider it at the next meeting. Eisenbeisz stated that as complex as the zoning equation was, he felt that his opinion would not change in the next week. He added that the Planning and Zoning Department could send it back to the Committee for further revision. Eisenbeisz stated that he felt this option provided a good compromise between public safety while allowing for some development to happen.

Motion passed unanimously.

IX. PERSONS TO BE HEARD:

Aaron Bean stated that the Lieutenant Governor did sign the regulations to be effective February 21. He said that the State wants to see what it is that municipalities will do to meet the State requirements for testing. He thought that the LRA could help provide guidance on what constitutes a geographic limitation or transportation limitation. He stated that the testing problem is the single greatest impediment to the successful legalization of marijuana currently faced.

Kija Elstad (unintelligible) stated that Juneau is currently encountering similar difficulties, given that there are no testing facilities there.

X. ADJOURNMENT:

A. Agenda items for next meeting.

Access to testing facilities and recommendations
Status of the Local Regulatory Authority, duties and final report
Discussion of the potency limits of servings and transaction for edible marijuana

B. Set next meeting date.

Monday, February 1, 7PM.

M - Hames /S - Ash, moved to adjourn at approximately 8:56pm. Motion carried unanimously.

Attest:
Reuben Yerkes, Paralegal