



**APPROVAL OF ACTION MINUTES**

1. August 20, 2020 regular meeting (corrected per September 17, 2020 discussion)
2. September 17, 2020 regular Meeting
3. September 25, 2020 Special Meeting

**HEARING FROM THE PUBLIC: Comments on items not on the agenda are welcome and are limited to three minutes. However, action or discussion by the Commission may not occur at this time.**

**SIGN APPLICATION**

none

**TREE REMOVAL**

none

**ARCHITECTURAL REVIEW**

4. 256 Boulder – Shed remodel and expansion

**PUBLIC HEARING**

5. 627 West Broad Street – Variance from building setbacks

**CANNABIS BUSINESS APPLICATIONS**

6. Gold Country Growers Distributors- Distribution only facility at 440 Lower Grass Valley Avenue, suite C

**PLANNING COMMISSION LIAISON REPORTS –Previously approved projects – **informational only****

**STAFF APPROVALS AND DETERMINATIONS – (for information only):**

- 328 Bridge- Patio Door replacement
- 532 Main- Generator
- 132 Grove – roof-mounted solar
- 113 Perseverance Mine Road- roof-mounted solar
- 219 Drummond -Generator
- 528 Main- Remove chimney
- 431 South Pine- reroof
- 110 Mine Rock Road- junior ADU
- 526 Nevada Street -Generator

**CORRESPONDENCE:**

**ANNOUNCEMENTS:**

**Next Regular Meeting – November 19, 2020**

**ADJOURNMENT**



# City of Nevada City

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PLANNING COMMISSION ACTION MINUTES  
THURSDAY, AUGUST 20, 2020 1:30 PM  
Council Chambers – City Hall  
317 Broad Street - Nevada City, CA 95959

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**•AUDIENCE MEMBERS DESIRING TO ADDRESS THE PLANNING COMMISSION ON ITEMS ON THE**

**AGENDA:** After recognition by the Chair, state your name, address and your comments or questions. Please direct your remarks to the Commission. So that all interested parties may speak, please limit your comments to the item under discussion. All citizens will be given the opportunity to speak, consistent with Constitutional rights. Time limits are at the discretion of the Chair. **•If you challenge** the Commission’s decision on any matter in court, you will be limited to raising only those issues you or someone else specifically raised or delivered in writing to the Planning Commission at or prior to the meeting. **•Requests for disability-related modifications or accommodations** may be made by contacting the City Planner and should be made at least 72 hours prior to the meeting.

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**Mission Statement**

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***In order to minimize the spread of the COVID 19 virus Governor Newsom has issued Executive Orders that temporarily suspend requirements of the Brown Act. Please be advised that the Council Chambers are closed to the public and that some, or all, of the City of Nevada City, City Council Members and Planning Commissioners may attend this meeting telephonically.***

**PLEDGE OF ALLEGIANCE**

**ROLL CALL** Chair Stuart Lauters (absent), Vice-Chair Peter Can Zant Commissioners, Nikiya Schwarz, Laurie Oberholtzer, (one vacant position)

**APPROVAL OF ACTION MINUTES**

1. July 16, 2020 Regular Meeting

Public: none

Motion by L. Oberholtzer to approve as with one correction to item 1 (426 Broad Street), motion II (added conditions) to add a comma between “stained” and “painted.” Final condition was modified as follows:

- *The picket fence shall be stained or painted, white*

Seconded by. P. Van Zant

**Vote: 3 ayes/ 0 noes/ 1 absent (S. Lauters)/ 1 vacancy, motion carries**

2. July 24, 2020 Special Meeting

Public: none

Motion by L. Oberholtzer to approve as presented

Seconded by. P. Van Zant

**Vote: 3 ayes/ 0 noes/ 1 absent (S. Lauters)/ 1 vacancy, motion carries**

**HEARING FROM THE PUBLIC: Comments on items not on the agenda are welcome and are limited to three minutes. However, action or discussion by the Commission may not occur at this time.**

**SIGN APPLICATION/ZONE COMPATIBILITY**

3. 110 York Street – Liquid Gold Juicery

Public: see video record

Motion by L. Oberholtzer to continue item with direction as provided to applicant

Seconded by P. Van Zant

**Vote: 3 ayes/ 0 noes/ 1 absent (S. Lauters)/ 1 vacancy, motion carries**

DIRECTION: Simplify graphic; Consider a traditional font; reconfigure so that it fits into the side of awning and does not fall below awning structure; gold graphics/lettering over white background is preferred; 2-sides of awning is okay due to height and shape; no directional signage

**TREE REMOVAL**

4. PG&E Tree Removal along West Broad Street and Orchard Street – 263 trees

Public: see video record

Motion by L. Oberholtzer to schedule a special meeting to be held on September 1, 2020 at 1:30 in order to consider mitigations measures for the loss of the trees

Seconded by P. Van Zant

**Vote: 3 ayes/ 0 noes/ 1 absent (S. Lauters)/ 1 vacancy, motion carries**

DIRECTION: To staff to verify and report on the legal authority asserted by PG&E.

**ARCHITECTURAL REVIEW**

none

**DEMOLITION/ARCHITECTURAL REVIEW**

5. 414 Broad Street – Demolition of existing residence and rebuild of two-story residence

Public: see video record

Motion by L. Oberholtzer to deny the demolition

Seconded by P. Van Zant

**Vote: 3 ayes/ 0 noes/ 1 absent (S. Lauters)/ 1 vacancy, motion carries**

**PUBLIC HEARING**

6. 426 Broad Street – Use of outdoor patio for dining and refreshments

Public: see video record

Motion by L. Oberholtzer to find this project categorically exempt from environmental review pursuant to Section 15301(e) of the California Environmental Quality Act Guidelines, which exempts “minor alterations of existing public or private structures or facilities...involving no or negligible expansion of use.”

Seconded by P. Van Zant

**Vote: 3 ayes/ 0 noes/ 1 absent (S. Lauters)/ 1 vacancy, motion carries**

Motion by L. Oberholtzer to approve the proposed Use Permit subject to the Conditions of Approval as conditioned in the staff report, making findings, a-e, pursuant to Sections 17.88.20 of the Nevada City Municipal Code

Seconded by P. Van Zant

**Vote: 3 ayes/ 0 noes/ 1 absent (S. Lauters)/ 1 vacancy, motion carries**

Draft Ordinance for administrative process of commercial and residential back-up generators

Public: none

Motion by L. Oberholtzer to recommend that City Council find Draft Ordinance 2020-XX is exempt from the California Environmental Quality Act pursuant to CEQA Guidelines Section 15301

Seconded by P. Van Zant

**Vote: 3 ayes/ 0 noes/ 1 absent (S. Lauters)/ 1 vacancy, motion carries**

Motion by L. Oberholtzer to recommend to City Council that they adopt Draft Ordinance 2020-XX to add Section 17.80.240 in order to update the city’s ordinance pertaining to stationary standby generators as modified

Seconded by N. Schwarz

**Vote: 3 ayes/ 0 noes/ 1 absent (S. Lauters)/ 1 vacancy, motion carries**

ORDINANCE MODIFICATION: All stationary standby generators shall be located outside of the front yard setback or outside a corner street-side yard *if possible*, otherwise they must be adequately screened by fencing, landscaping or other method as demonstrated on the site plan.

**DEPARTMENT REQUESTED**

7. Commercial Street Phase II Improvements

Public: see video record

Motion by L. Oberholtzer to recommend that the street and sidewalk configuration remain as is with the paving consistent with current sidewalk widths, without bulb-outs and no brick paving

Seconded by P. Van Zant

**Vote: 2 ayes/ 1 noe/ 1 absent (S. Lauters)/ 1 vacancy, motion carries**

**PLANNING COMMISSION LIAISON REPORTS** –Previously approved projects – **informational only**

**STAFF APPROVALS AND DETERMINATIONS – (for information only):**

442 Brock – Tree Removal  
302 Gethsemane – Tree Removal  
422 Jordan – Tree Removal  
Pinecrest Condos – Deck replacements  
113 Perseverance Mine - Roof-mounted solar  
544 Broad Street- Roof-mounted solar  
442 South Pine – Tree removal (four dead trees)  
130 Orchard – residential generator  
606 Long – Reroof  
502 Spring – Residential Generator

549 Brock – roof-mounted solar  
132 Grove – roof-mounted solar  
113 Perseverance Mine - roof-mounted solar  
442 Brock – tree removal (two trees)  
302 Gethsemane – tree removal (one tree)  
422 Jordan – Tree removal (one tree)  
Pine Crest Condos- Deck replacement (four units)  
544 East Broad - roof-mounted solar  
532 Main - Residential Generator  
363 Gracie - Residential Generator

**CORRESPONDENCE:**

**ANNOUNCEMENTS:**

**Next Regular Meeting – September 17, 2020**

**ADJOURNMENT**

Motion by L. Oberholtzer to adjourn at 5:13 p.m.

Seconded by P. Van Zant

**Vote: 3 ayes/ 0 noes/ 1 absent (S. Lauters)/ 1 vacancy, motion carries**



# City of Nevada City

PLANNING COMMISSION ACTION MINUTES  
THURSDAY, SEPTEMBER 17, 2020 1:30 PM  
Council Chambers – City Hall  
317 Broad Street - Nevada City, CA 95959

## **•AUDIENCE MEMBERS DESIRING TO ADDRESS THE PLANNING COMMISSION ON ITEMS ON THE**

**AGENDA:** After recognition by the Chair, state your name, address and your comments or questions. Please direct your remarks to the Commission. So that all interested parties may speak, please limit your comments to the item under discussion. All citizens will be given the opportunity to speak, consistent with Constitutional rights. Time limits are at the discretion of the Chair. **•If you challenge** the Commission's decision on any matter in court, you will be limited to raising only those issues you or someone else specifically raised or delivered in writing to the Planning Commission at or prior to the meeting. **•Requests for disability-related modifications or accommodations** may be made by contacting the City Planner and should be made at least 72 hours prior to the meeting.

### Mission Statement

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### PLEDGE OF ALLEGIANCE

**ROLL CALL** Chair Stuart Lauters, Vice-Chair Peter Van Zant, Commissioners Laurie Oberholtzer, Nikiya Schwarz and one vacancy

### APPROVAL OF ACTION MINUTES

#### 1. August 20, 2020 Regular Meeting

*Public: none*

*Motion: by P. Van Zant to approve with the correction as indicated by L. Oberholtzer*

*Seconded by N. Schwarz:*

*Vote: 3 ayes/ 0 noes/ 1 abstention (S. Lauters)/ 1 vacancy, motion carries*

*Correction by L. Oberholtzer to item I (426 Broad Street), motion II (added conditions) to add a comma after painted." Final condition was modified as follows:*

- *The picket fence shall be stained or painted, white.*

#### 2. September 1, 2020 Special Meeting

*Public: none*

*Motion by L. Oberholtzer to approve as presented*

*Seconded by N. Schwarz*

*Vote: 4 ayes/ 0 noes/ 1 vacancy. motion carries*

**HEARING FROM THE PUBLIC: Comments on items not on the agenda are welcome and are limited to three minutes. However, action or discussion by the Commission may not occur at this time.**

### SIGN APPLICATION/

none

### TREE REMOVAL

#### 3. 133 Grove Street- 6 Black Locust

(N. Schwarz recused due to proximity)

*Public: none*

*Motion by L. Oberholtzer to approve as presented*

*Seconded by P. Van Zant*

*Vote: 3 ayes/ 0 noes/ 1 recusal (N. Schwarz)/ 1 vacancy, motion carries*

**ARCHITECTURAL REVIEW**

4. 419 Spring Street – West wall residing

*Public: none*

*Motion by P. Van Zant to deny the application because the proposed material is not consistent with the historic district standards*

*Seconded by L. Oberholtzer*

*Vote: 3 ayes/ 0 noes/ 1 recusal (N. Schwarz)/ 1 vacancy, motion carries*

*DIRECTION: Direction to the applicant to replace siding with like-for-like wood material (an alteration of this manner is a staff level review)*

5. 200 Commercial Street – Roof-mounted “no-climb” fence

*Public: none*

*Motion by P. Van Zant to continue this item to a Special Meeting to be held at Thursday, 9/24/2020 at 1:30 (meeting actually held on Friday, 9/25/2020 at 3:30) to review a mock structure on the roof illustrating height and review options for span and style*

*Seconded by L. Oberholtzer*

*Vote: 4 ayes/ 0 noes/ 1 vacancy, motion carries*

6. 335/337 South Pine Street- New single-car garage

*Public: None*

*Motion by L. Oberholtzer to approve with the following modifications: setback the garage consistent with the corner post of the residential porch of 335/337 South Pine Street, eliminate the cross piece on the garage doors, use horizontal wood siding, and ensure the windows are proportional to the main house.*

*Second: P. Van Zant.*

*Vote: 2 ayes (P. Van Zant, L. Oberholtzer)/ 2 noes (S. Lauters, N. Schwarz)/ 1 vacancy; motion does not carry*

*Motion by S. Lauters to approve as presented with the garage setback consistent with the corner post of the porch post of the 335/337 residence*

*Second: N. Schwarz*

*Vote: 2 ayes (S. Lauters, N. Schwarz)/ 2 noes (P. Van Zant, L. Oberholtzer)/ 1 vacancy; motion does not carry*

*Motion: by P. Van Zant with the garage setback consistent with the corner post of the porch at the 335/337 residence and incorporate horizontal hardi siding, and remove the diagonal feature on the garage door*

*Seconded by L. Oberholtzer*

*Vote: 4 ayes/ 0 noes/ 1 vacancy; motion carries*

*CONDITIONS/DIRECTION: Direction to applicant to return to the planning commission with a rail design.*

**PUBLIC HEARING**

7. Subdivision Ordinance Amendment to Tentative Map Term Limits

*Public: none*

*Motion by L. Oberholtzer to find the project exempt from the California Environmental Quality Act (CEQA) under CEQA Guidelines section 15061 because CEQA only applies to projects which have the potential to have a significant impact on the environment and because the environmental impact of each individual project will be analyzed at the time that the project is submitted.*

*Seconded by N. Schwarz*

*Vote: 4 ayes/ 0 noes/ 1 vacancy; motion carries*

*Motion by L. Oberholtzer to recommend that the City Council approve an Ordinance amending 16.04.370 and section 16.04.480 of the City Municipal Code in order to update the City's Ordinance pertaining to tentative map term limits in compliance with adopted State legislation amending recommended term limits to twenty-four months.*

*Seconded by P. Van Zant*

*Vote: 4 ayes/ 0 noes/ 1 vacancy; motion carries*

*MODIFICATION: Revise recommended term limit for both sections 16.04.370 and section 16.04.480 from thirty-six to twenty-four months*

**PLANNING COMMISSION LIAISON REPORTS** –Previously approved projects – **informational only**

**STAFF APPROVALS AND DETERMINATIONS – (for information only):**

*236 Boulder – Tree removal (one Cedar)*

*304 Nevada – Tree removal (three Cedars- dying per arborist)*

*526 Nevada – Generator*

*621 E. Broad – Convert office to ADU*

*752 Lindley – Generator*

*384 Railroad – like for like roof, deck, windows*

*528 Main Street – Chimney removal*

**CORRESPONDENCE:**

**ANNOUNCEMENTS:**

**Next Regular Meeting – October 15, 2020**

**ADJOURNMENT**

*Motion by L. Oberholtzer to adjourn at 4:15 P.M.*

*Seconded by P. Van Zant*

*Vote: 4 ayes/ 0 noes/ 1 vacancy; motion carries*



# City of Nevada City

PLANNING COMMISSION SPECIAL MEETING  
ACTION MINUTES  
FRIDAY, SEPTEMBER 25, 2020 3:30 PM  
Council Chambers – City Hall  
317 Broad Street - Nevada City, CA 95959

**•AUDIENCE MEMBERS DESIRING TO ADDRESS THE PLANNING COMMISSION ON ITEMS ON THE AGENDA:** After recognition by the Chair, state your name, address and your comments or questions. Please direct your remarks to the Commission. So that all interested parties may speak, please limit your comments to the item under discussion. All citizens will be given the opportunity to speak, consistent with Constitutional rights. Time limits are at the discretion of the Chair. **•If you challenge** the Commission's decision on any matter in court, you will be limited to raising only those issues you or someone else specifically raised or delivered in writing to the Planning Commission at or prior to the meeting. **•Requests for disability-related modifications or accommodations** may be made by contacting the City Planner and should be made at least 72 hours prior to the meeting.

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**ROLL CALL** Chair Stuart Lauters, Vice-Chair Peter Van Zant, Commissioners Laurie Oberholtzer, Nikiya Schwarz and one vacancy

**HEARING FROM THE PUBLIC:** Comments on items **not on the agenda** are welcome and are limited to three minutes. However, action or discussion by the Commission may not occur at this time.

## ARCHITECTURAL REVIEW

1. 200 Commercial Street – Roof-mounted “no-climb” fence

*Public: see video record*

*Motion by P. Van Zant to install the Victorian-style fence as presented in the staff report at the four foot height, per the red-line drawing as amended to include the northeast post on main street to the post at the end of the ally way at Commercial Street on the south side of the building.*

*Seconded by N. Schwarz*

*Vote: 3 ayes/ 1 noe (L. Oberholtzer)/ 1 vacancy, motion carries*

*COMMISSIONER LIAISON: P. Van Zant to help determine the exact fence location*

*DIRECTION TO STAFF: Request that the City Attorney notify adjacent property owners regarding the nuisance*

## CORRESPONDENCE:

## ANNOUNCEMENTS:

**Next Regular Meeting – October 15, 2020**

## ADJOURNMENT

*Motion by L. Oberholtzer to adjourn at 4:17PM*

*Seconded by P. Van Zant*

*Vote: 4 ayes/ 0 noes, motion carries*



# City of Nevada City

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**TO:** Planning Commission

**FROM:** Amy Wolfson, City Planner

**MEETING DATE:** October 15, 2020

**APPLICANT:** Charlotte Dewar, property owner

**RE:** Architectural Review for the remodel and addition of an existing storage structure at 254 Boulder Street

**ATTACHMENTS:**

1. Application
2. Computer sketch of proposed building alterations
3. Site Plan
4. Photos of existing structure

**SITE SPECIFICATIONS**

**Lot Size** 1.53 acres

**Zoning** R1: Single-Family Residential

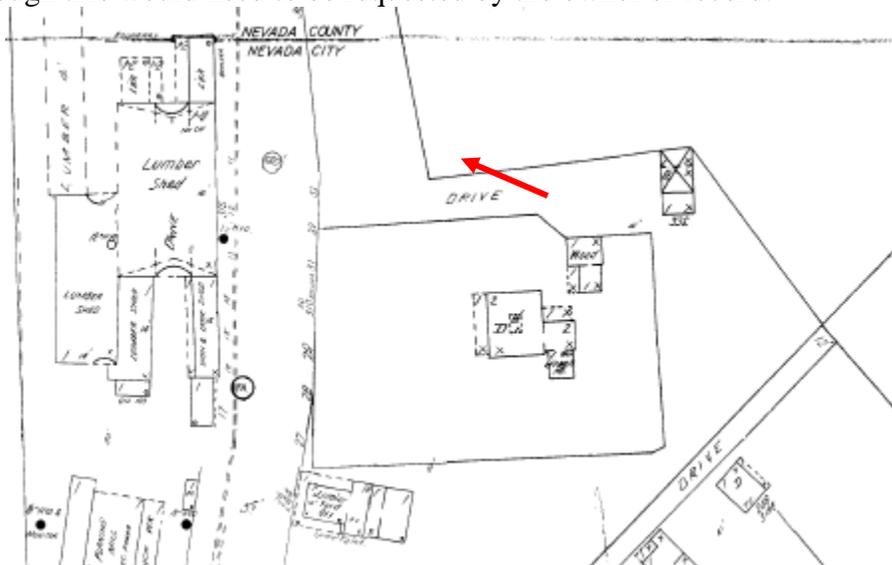
**Setbacks** Front yard: 30-feet, Rear Yard: 25-feet, Interior side yards: 5-feet

**Lot Coverage** 50%

**Building Height** 35-feet

**Historical District** Outside

**BACKGROUND:** This property is depicted on both the 1898 and the 1912 Sanborn Maps, though neither map shows the subject shed. Assessor records may be able to confirm the date of shed construction, though this would need to be requested by the owner of record.



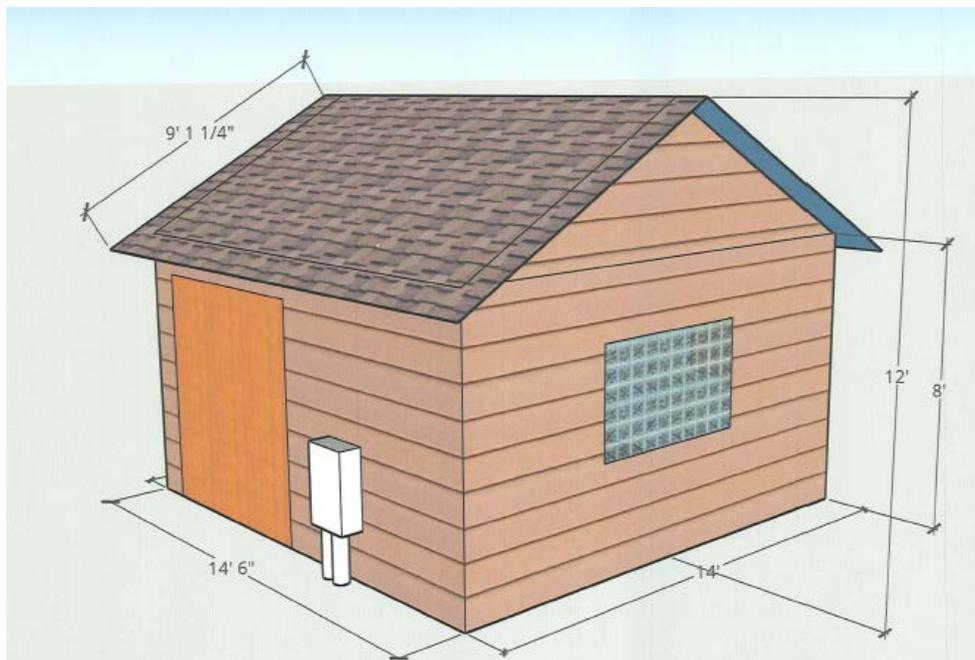
*Excerpt- 1912 Sanborn Map (red arrow showing approx.. location of shed)*

**PROPOSAL**

**Proposed shed remodel/addition:** Dewar is proposing to restore the shed and extend it by 2.5 feet toward the south. The existing structure is 168 square feet and the addition is proposed to be 35 square feet for a total area of 203 square feet. The existing structure has board and batten siding, an A-line roof style. The proposed remodel adds windows on the eastern side and removes the stall doors. Siding is proposed to have a horizontal wood appearance. The A-line roof style is not depicted in the computer sketch, and the windows appear to be a glass block material, but staff is unsure if this is due to the limits of the computer program used to create the sketch.



*Existing shed*



*Proposed shed structure*

## **REGULATORY CONSIDERATION**

**Legal Non-Conforming:** The existing shed is situated approximately 2-feet from the northern, side property line. Standard side yard setbacks are five-feet. Pursuant to Section 17.76.020 of the City Municipal Code minor additions may be allowed to legal nonconforming accessory buildings under the city's architectural review process without a variance, providing that all of the following conditions are met:

1. The single-family residence being altered, remodeled or accessory building added to was constructed prior to December 27, 1973, the date of the original adoption of the zoning ordinance; *If the planning commission is concerned about whether or not she meets this criterion, a condition of approval may be added to require evidence of the date of construction.*
2. The proposed addition will not increase the existing floor area of the structure being altered by more than twenty percent (in the case of the construction of a new accessory building, there is no size limitation); *The increased square footage amounts to a 20.8% increase, which can be considered substantially in compliance with this requirement.*
3. The nonconformance of the existing residence is based on existing setback encroachments and/or lot area, lot width or lot frontage deficiencies; The existing shed is approximately 2-feet from the northern, side boundary.
4. No portion of the proposed new addition or new accessory building will encroach into the setbacks currently require by this title in the base or combining district regulations; *The expansion is proposed to occur on the southern side of the building and will not cause further encroachment within a setback area.*
5. The property is used expressly for a single-family dwelling use and the base zoning district is R1 or R2, and no conditional uses, such as guest houses, second housing units or bed and breakfast uses exist on the property. *There is no record of a conditional use for this property and it is used as a single-family residence.*

**Architectural Review:** The Planning Commission, in their role as the Architectural Review Committee, is required to review proposals for the erection or exterior alterations of any structure, or the remodel, demolition, or razing of any structure. Findings must be made that structures are consistent with Nevada City Architecture and compatible with the surrounding neighborhood.

**Environmental Review:** Because residential use of a structure is an allowed use in the R1 zoning designation, local authority can only be ministerial in nature. Sections 21080 of the Public Resource Code, of the California Environmental Quality Act (CEQA), exempts ministerial projects from environmental review.

## **RECOMMENDED CONDITIONS OF APPROVAL:**

- 1) Nevada City contracts with the Nevada County Building Department for issuance of permits. The County will not issue permits unless the plans have been stamped and approved by Nevada City. Therefore, prior to issuance of a building permit, submit three sets of plans to Nevada City Planning Department, along with a filing fee of \$100 (made payable to the City of Nevada City). The plans will be reviewed by the City Planner and City Engineer for consistency with the approval and will require their signatures.
- 2) All improvements shall substantially comply with the exhibits presented to the Planning Commission.

- 3) No portion of the shed shall encroach any closer than its current proximity to the northern, side boundary, bordering APN 005-420-042
- 4) A Planning Commission member may be appointed as a Liaison to assist the applicant with any minor modifications to the permit, if needed.

**RECOMMENDED MOTIONS:**

- 1) Make a Motion to Approve the Architectural Review Application subject to Conditions of Approval or as modified, making findings a and b pursuant to Sections 17.88.040 of the City Municipal Code:
  - a) That the proposed residential accessory shed is generally compatible with Nevada City style architecture; and
  - b) That the proposed residential accessory shed is compatible with the context of the surrounding neighborhood; and



CITY OF NEVADA CITY  
PAID  
SEP 23 2020

CITY OF NEVADA CITY

317 Broad Street • Nevada City, California 95959 • (530) 265-2496

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Filing Fees	
Chk <input checked="" type="checkbox"/>	Cash <input type="checkbox"/>
Bus. Lic.	

### MINOR ARCHITECTURAL APPROVAL

Applicant/Property Owner

Name Charlotte DeWan

Address 254 Boulder St.

City, State NC

Phone 415.706.1661

email address charlotte@asiasubline.com

Address and Assessor's parcel number of property where work is proposed:

254 Boulder St.  
Street Address

Check all that apply:

- Roof Replacement
- Like for Like Replacement
- Minor Additions (less than 25% of existing home)

Supporting data must be attached:

- Color chips, if requested
- Material specs, i.e. roofing, windows, etc.
- Photos of existing structure must be submitted
- Site plan drawn to scale

Assessor's Parcel Number

#### Description of work:

The old tool shed is falling apart. I would like to restore it so it's a safe structure to store tools

Date 9.22.2020

Applicant's Signature

Note: if you are unable to create a digital signature, please scan a signed signature/authorization sheet and submit as an attachment

#### NOTICE TO APPLICANT:

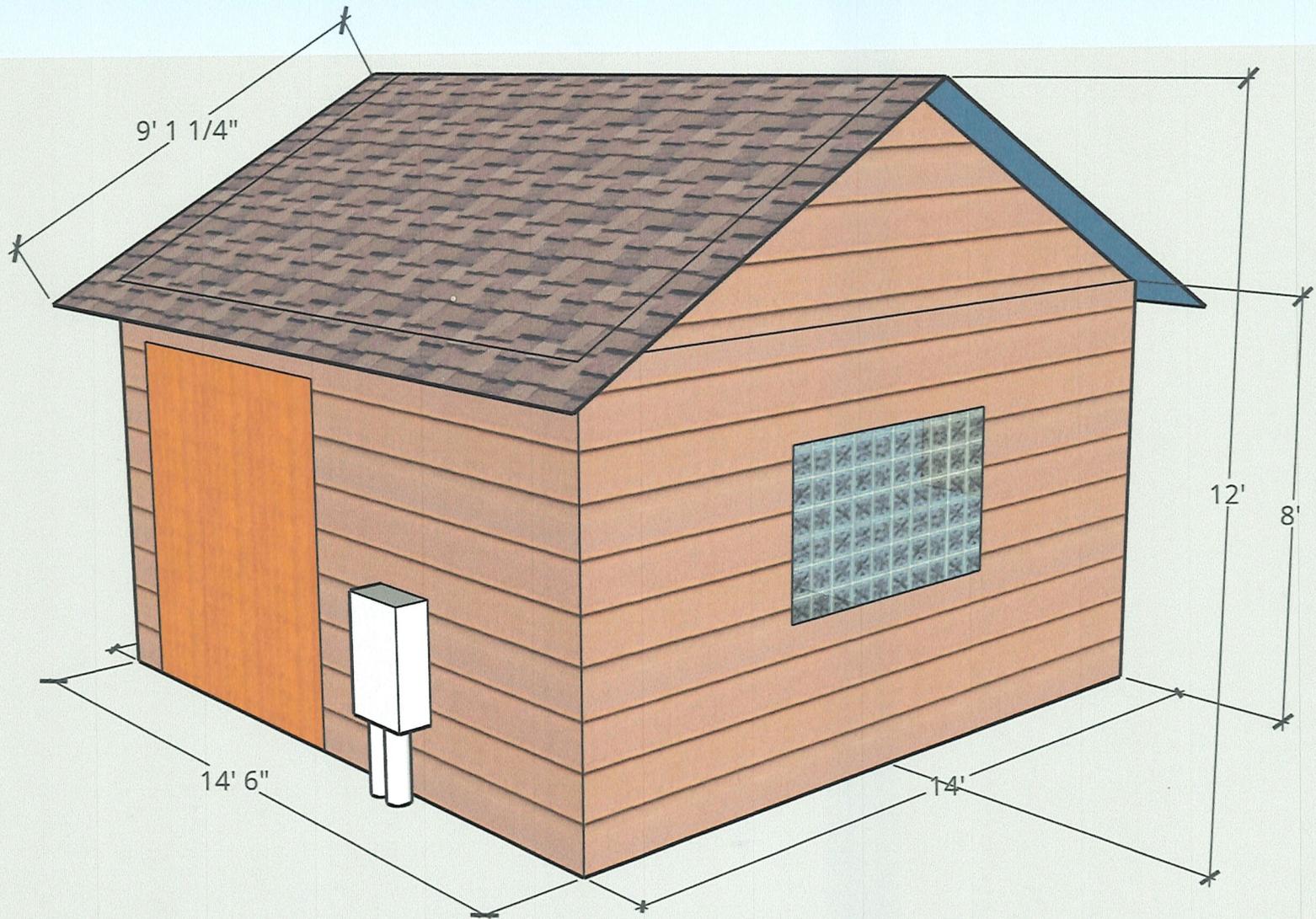
This architectural approval by the City Staff is authorized by Planning Commission resolution. **The approval is strictly limited to the above work.** Any other work may require Planning Commission approval. Please call City Hall if you have any questions regarding the extent of this approval.

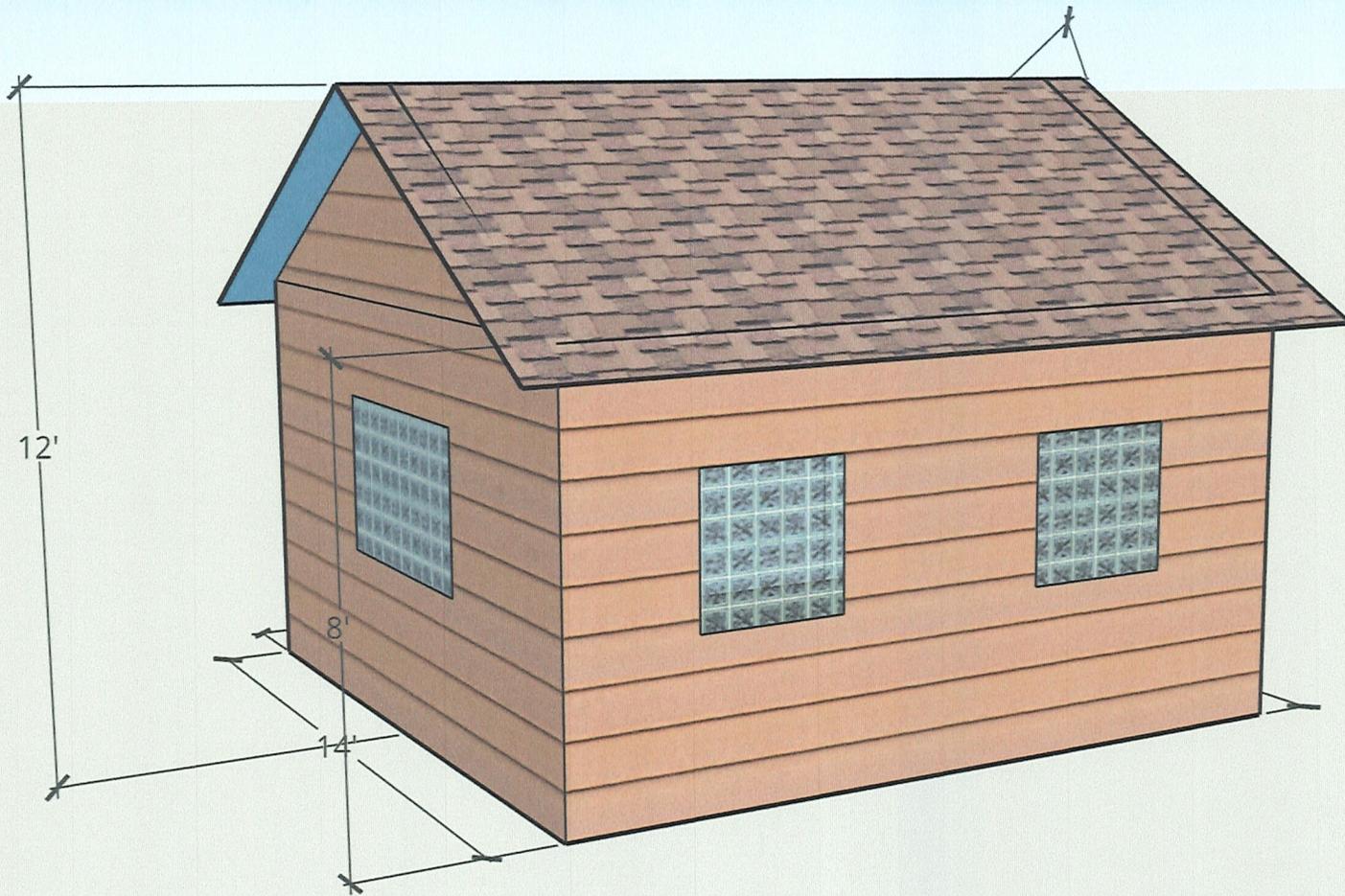
**This approval does not exempt the work from a building permit.** Contact the Nevada County Building Department (265-1222) to check whether a building permit is required. This form may be presented as evidence of City architectural approval for the above work.

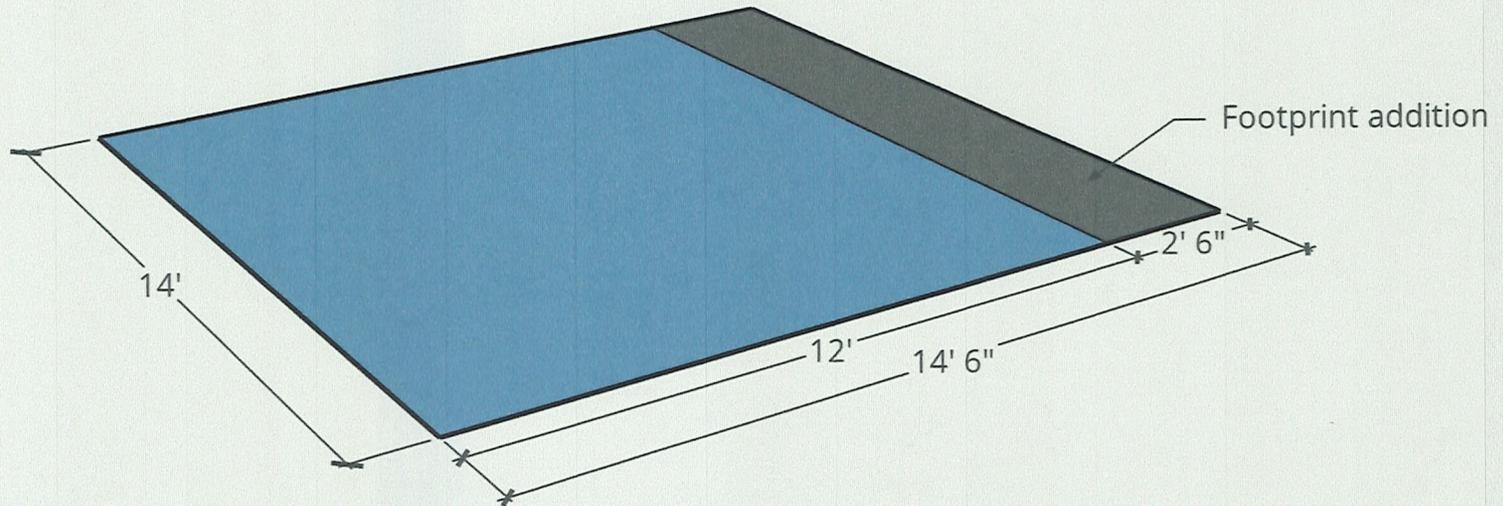
Contractors must have a current Business License on file with the City of Nevada City.

Approved by:

If checked, staff recognizes this building is located within the City's Historical District; said Historical District is listed on the National Register, listed in September 1985 and as such can be excepted per Title 24 part 8.

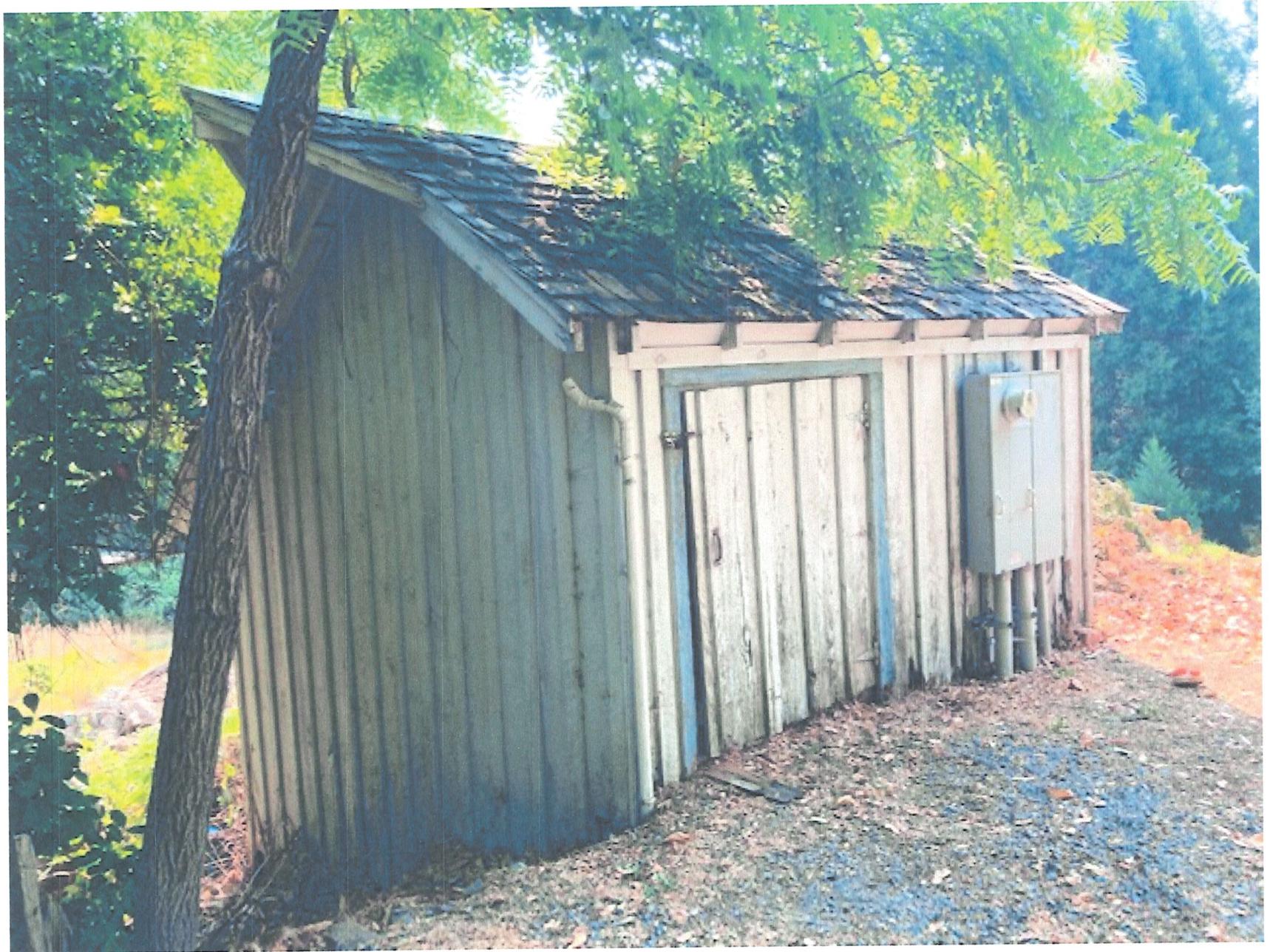
























# City of Nevada City

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**TO:** Planning Commission  
**FROM:** Amy Wolfson, City Planner  
**HEARING DATE:** October 15, 2020  
**APPLICANT:** Angie Urbino, property owner, represented by Steve Jung, project architect  
**RE:** **Application for Architectural Review and a Variance from Front Yard and Street side-yard Setback Standards at 627 West Broad Street**

## ATTACHMENTS:

1. Applications (Variance and Architectural Review)
2. Photos of Existing Residence
3. Proposed Floor Plan/elevations
4. Site Plan

## ACTIONS REQUESTED

1. Approve a Variance Request to allow the proposed residence to encroach into the standard 30-foot front yard setback and a future garage to encroach into the street side yard setback.
2. Approve Architectural Review application for exterior alterations to the existing residence

## SITE DEVELOPMENT STANDARDS

**Lot Size:** 6,098 square feet

**Zoning:** R1: Single-Family Residential

**Setbacks:** Front yard: 30-ft, Rear Yard: 25-ft, Interior side yards: 5-ft, exterior side: 10-ft

**Lot Coverage:** 50%

**Building Height:** 35-feet

**Historical District:** Outside

**BACKGROUND:** The subject parcel is developed with a 1,224 square foot residence that was constructed in 1900 according to Assessor records. The property is not located within the historic district.

## PROJECT PROPOSAL

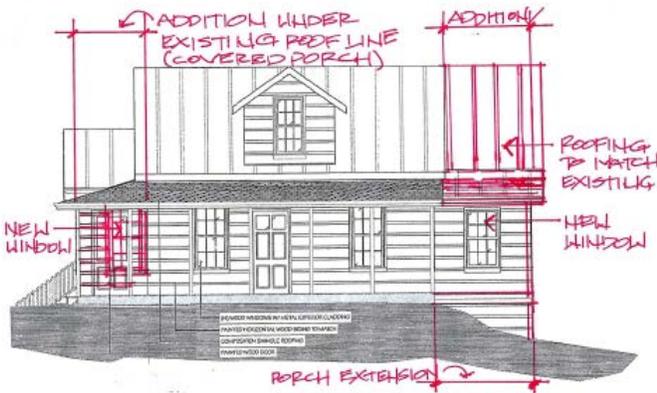
***Setback Variance:*** Property owner, Angie Urbino is requesting a setback Variance to allow for an expansion of the existing residence within the front yard setback and for future construction of a 2-car garage within the street-side yard setback. The property is 6,098 square feet in size and is bounded by a street along all sides except the eastern, side property line. A Site Plan has been prepared by architect Steve Jung that illustrates the extent of the existing and proposed encroachment. The standard front yard setback for the R1 zoning designation is 30-feet, the standard side yard setback is 10-feet, measured from the street right-of-way, and the standard rear yard setback is 25-feet. In this case the rear setback is measured from a line extending from the place where a 10-foot line can be drawn between the interior side yard and the exterior side yard.

Special circumstances to be considered for this property are its shape and the limited buildable area due to increased setbacks from street rights of way. Additionally size should be a consideration since standard R1 lot sizes are a minimum of 10,000 feet and this parcel is only 6,098 square feet. The surrounding neighborhood, both along Spring Street and along West Broad Street have structures that do not meet current setback standards since many were constructed before setbacks were enforced.



*Neighboring houses encroaching on setbacks*

**Residential Architectural Review:** The proposed residential addition will be approximately 216 square feet in size and will expand the front porch and deck. Expansion of the front of the house will be eight feet to the west and six feet to the east. Materials will include wood siding, wood decking, wood windows and trim, and a mix of metal and composition shingles to be consistent with the existing residence. The applicant has not provided architectural details for the future garage, but will be required to do so before any construction of that structure can take place.



*Front elevation (facing west Broad)*



*Existing front porch*

**REGULATORY CONSIDERATIONS:**

**Variance:** Pursuant to Section 17.88.030 of the City Municipal Code A Variance request can only be approved when the Commission can make a finding that there are “special circumstances applicable to the property, including size, shape, topography, location, or surroundings, [that] the strict application of [site development standards] deprives the property of privileges enjoyed by other properties in the vicinity and under identical classification.” A finding must also be made that a Variance does not constitute a special privilege inconsistent with the limitations upon other properties in the vicinity and zone and a project may be conditioned as necessary to make that finding.

**Architectural Review:** The Planning Commission, in their role as the Architectural Review Committee, is required to review proposals for the erection or exterior alterations of any structure, or the remodel, demolition, or razing of any structure. Findings must be made that the structure is generally compatible with Nevada City style architecture and compatible with the surrounding neighborhood.

**Environmental Review:** The proposed project is for a Variance to the City’s standard 30-foot front yard setback applicable to R1 zoned properties. Staff recommends that the Planning Commission find the project is exempt from environmental review pursuant to §15305 of the California Environmental Quality Act (CEQA) guidelines. The CEQA Guidelines for Categorical Exemption §15301(a), which “consists of minor alterations in land use limitations in areas where the average slope of less than 20%, which do not result in any changes in land use or density. Consistent with this exemption, the average slope in the area of proposed work is 18% and does not provide for an increase in density and merely allows for construction of a residence with a variance to the front setback standard.

**RECOMMENDED CONDITIONS OF APPROVAL:**

1. Nevada City contracts with the Nevada County Building Department for issuance of permits. The County will not issue permits unless the plans have been stamped and approved by Nevada City. Therefore, prior to issuance of a building permit, submit three sets of plans to Nevada City Planning Department, along with a filing fee of \$100 (made payable to the City of Nevada City). The plans will be reviewed by the City Planner and City Engineer for consistency with the approval and will require their signatures.
2. All improvements shall substantially comply with the exhibits presented to the Planning Commission.
3. All future structures shall conform to site development standards including setbacks unless another Variance is approved by the Planning Commission.
4. A Planning Commission member shall be appointed as a Liaison to assist the applicant with any minor modifications to the permit, if needed.

**RECOMMENDED FINDINGS:**

- A. Make a Motion to Approve a Variance Request making the following findings pursuant to Section 17.88.030 of the City Municipal Code:
  - 1) That there are special circumstances applicable to the property, including a lot that is smaller than the standard 10,000 square foot lot size at 6,098 square feet and that the strict application of the standard 30-foot front yard setback and the 10-foot street side yard setback, along with the circumstance of rights-of-way bounding three sides of the property, deprives the property of privileges enjoyed by other residential properties in the vicinity that are also within the R1 district.
  - 2) That conditions have been applied to this project that will assure that the Variance to the front yard setback shall not constitute a special privileges inconsistent with the limitations upon other properties in the vicinity and zone in which the such property is situated.
- B. Make a Motion to Approve the Architectural Review Application subject to the above Conditions of Approval or as modified, making findings 1 and 2, Sections 17.88.040 of the City Municipal Code:
  - 1) That the proposed residential structure is generally compatible with Nevada City style architecture; and
  - 2) That the proposed residence is compatible with the context of the surrounding neighborhood.

NEVADA CITY PLANNING COMMISSION

APPLICATION FOR VARIANCE

The undersigned, requests that a VARIANCE from the provisions of Ordinance No. 361 be granted, pursuant to Section 16.20 of said Ordinance, and hereby certifies as follows:

OWNER'S NAME: Angie Urbino

ADDRESS: 2825 Bidwell, Apt 4 Davis, CA 95618 PHONE: (530) 341-4924

LOCATION OF SUBJECT PROPERTY: 627 W. Broad Street

ASSESSOR'S PARCEL NO. 005-090-002-000 ZONE: R1 PRESENT USE: single family

NATURE OF REQUESTED VARIANCE: Allow additional living area to home. Extend existing deck + porch, proposed ADU/garage

STATEMENT OF HARDSHIP (Note: The Planning Commission is not authorized to grant a variance if the result would be to confer a special privilege inconsistent with the limitations placed upon other properties in the same zone):

(a) The following special circumstances or conditions applicable to subject property (including size, shape, topography, location or surroundings) do not generally apply to other properties in the same zone.

Current house is already non-conforming. The lot is very small and has a difficult shape to work within.

(b) The granting of a variance would not be materially detrimental to the health, safety or welfare of other persons residing in the vicinity of the subject property, or to other property or improvements in the vicinity, for the following reasons:

Most of the proposed improvements are within the "box" created by the footprint of the house. Proposed improvements are small, less than 500sf (not including garage)

ATTACH MAP or SKETCH showing boundary lines of subject property, adjacent streets, and other relevant facts. SUBMIT 10 COPIES OF APPLICATION AND ACCOMPANYING DOCUMENTS.

8/14/20  
Date

[Signature]  
Signature of Applicant (Agent)



# CITY OF NEVADA CITY

317 Broad Street • Nevada City, California 95959 • (530) 265-2496

OFFICE USE ONLY	
Filing Fees	
Chk <input type="checkbox"/>	Cash <input type="checkbox"/>
Bus. Lic.	

## APPLICATION FOR ARCHITECTURAL REVIEW

Applicant/Property Owner

Name Angie Urbino  
 Address 2825 Bidwell, Apt 4  
Davis, CA 95618  
 City, State (530) 341-4924  
 Phone angieurbino@hotmail.co.uk  
 email address

Check all that apply:

- A New Building
- Changes to Existing
- In the Historic District
- Other (Describe)
- Number of existing units 1
- Year of original construction \_\_\_\_\_

Supporting data must be attached:

- Color chips
- Material specs, i.e. roofing, windows, etc.
- Elevations/Site plans

Address and Assessor's parcel number of property where construction is proposed (also complete attached location key map):

627 W. Broad St.  
Street Address

005-080-002-000  
Assessor's Parcel Number

Nearest cross street Spring

New floor area proposed ±216 S.F.

Briefly describe proposed project:

Add square footage (living area) to existing residence. Extend front porch, extend existing deck, Proposed (future) garage and AOV

Number of dwelling units on property 1 current

### COMPLETE FOR ALTERATIONS TO EXISTING BUILDINGS:

Construction will involve (check all that apply):

- Foundation replacement
- Siding replacement -  All siding or  Repairs over 10 %
- Roof replacement
- Use of metal framed windows
- Removal of old materials. Describe: Remove portion of existing bldg and deck(s)

DESCRIPTION OF NEW CONSTRUCTION OR ALTERATIONS: Attach architectural elevations or perspective drawing showing all materials, colors, finish, lighting, ornamental devices, and any signs. The Commission prefers color chips.

SUPPORTING DOCUMENTS: Read and complete the attached pages and include any other statements or attach supporting information to substantiate that the architecture is consistent with the Mother Lode Era, or is otherwise consistent with the surroundings. Attach **TEN FOLDED COPIES** of the elevations and/or supporting information, including a site plan showing the existing and proposed building setbacks from all property lines. **ALL BUILDING DIMENSIONS, INCLUDING BUILDING HEIGHTS, MUST BE SHOWN ON THE ELEVATIONS.**

I am the owner or authorized agent for the subject property. If agent, submit letter from property owner.

[Signature]  
Signature

8/19/20  
Date

-----FOR OFFICE USE ONLY-----

Approved by:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**PLEASE ATTEND THE PLANNING COMMISSION MEETING TO DISCUSS YOUR REQUEST, OR YOUR APPLICATION  
WILL BE CONTINUED TO THE NEXT MEETING**

**CITY OF NEVADA CITY  
ARCHITECTURAL REVIEW GUIDELINES  
AND SUPPORTING INFORMATION**

Please read this document and provide the information that applies to your application. The City also maintains some reference material regarding historical architecture. Ask the City Planner for details.

**POLICY DECLARATION:**

The City's goal in requiring architectural review is to implement the goals of the City's General Plan by preserving the character of Nevada City architecture in terms of historical value, sit coverage and planning, volume and massing, materials, color, general design and details. Historical District work must be in strict compliance with the Mother Lode Era. Preservation of historic materials is encouraged.

The Planning Commission will review each application on its own merit and in the context of the neighborhood of the project. For example, plywood siding might be acceptable in an area of modern, similar homes, but not in a neighborhood of old Victorian homes.

Generally, Nevada City architecture is characterized by many of these design features typical of the Mother Lode Era: Steep peak roofs with pitches between 6:12 & 12:12, overhanging roofs with gable ends, covered porches and entries; multi-pane, vertical, and by windows, and use of horizontal painted rustic siding. Alterations to older homes should match existing historic materials. Vinyl siding has been declared potentially hazardous by the City's Fire Department.

**SITE PLAN AND ENVIRONMENTAL CONSIDERATIONS:**

**Provide a site plan** of the property to scale, showing any proposed tree removal, setbacks, building coverage, fencing and landscaping concepts. Attach a tree removal application form if there will be any trees removed. Show off-street parking areas.

Is the coverage and setback of the new construction compatible with surrounding houses?  Yes  No

Please explain how it is compatible

*similar to other non-conforming buildings*

**VOLUME AND MASSING**

Lot Size 0.14 ~~x~~ acre

- Will the proposed building or changes have a larger floor plan than surrounding buildings?
- Be taller than surrounding buildings?
- Block views or sunshine from existing buildings?
- Does the site plan provide a private yard area?

Yes	No
<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>

Discussion, if needed:

**MATERIALS**

Generally, the City prefers horizontal wood siding, treated wood shingles, composition shingles, or metal roofing, true used brick, new brick, or mine rock veneers and accents, wood windows in older neighborhoods, and roof pitches in excess of 6:12.

Please list all materials that you will use and alterations proposed:

Roof: metal and comp shingle to match existing Pitch: match existing

Siding: match existing wood

Windows: wood

Trim: wood

Foundation/Pony walls: N/A

Decks, porches, railings: wood to match existing

**COLORS** (Please provide ten color chips per color)

Color brand, name, number

Roof: \_\_\_\_\_

Trim: \_\_\_\_\_

Accents: \_\_\_\_\_

Railings/Decks: \_\_\_\_\_

**DETAILS**

Please provide sufficient information to allow review of the building's details, including:

- Foundation, rock work or veneer accents
- Vents and flues
- Door and window materials, trim and design detail
- Porch and deck framing and railing details
- Garage door

**OTHER APPLICABLE INFORMATION**

Use the space below to provide any additional information for the Planning Commission.

The character of the building is already in compliance with desired architectural style for Nevada City. addition will match what already exists.



SPRING ST



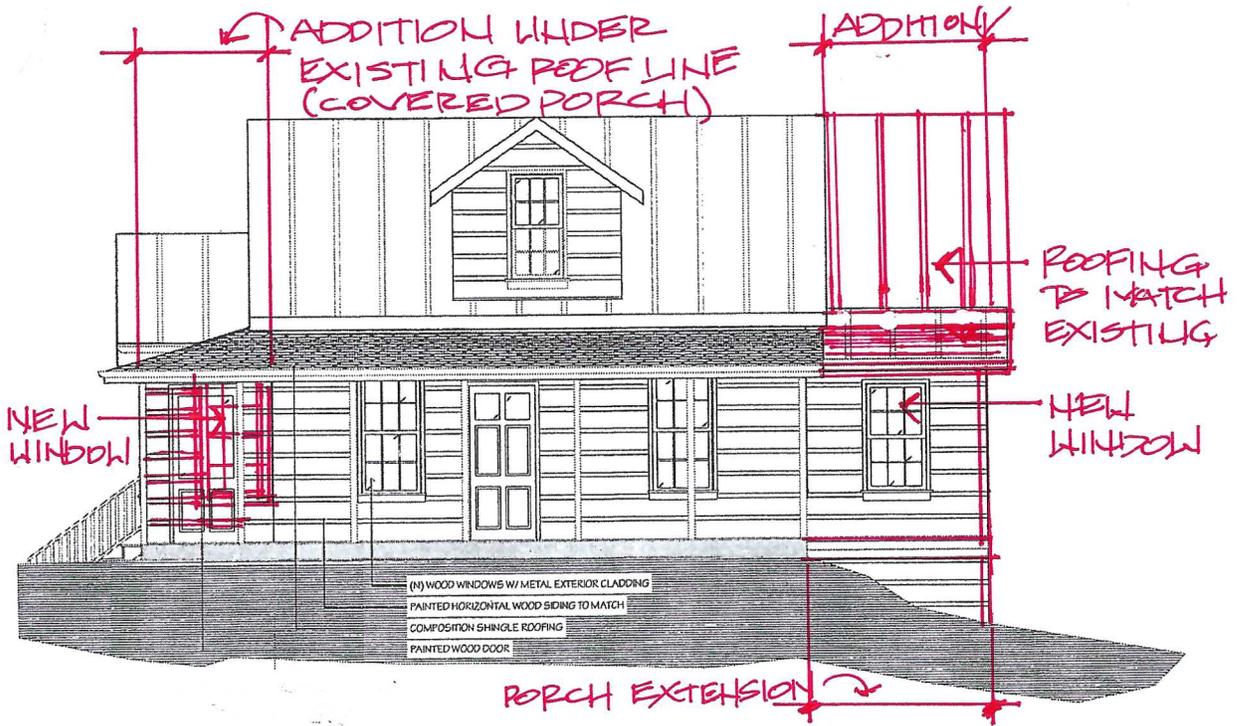
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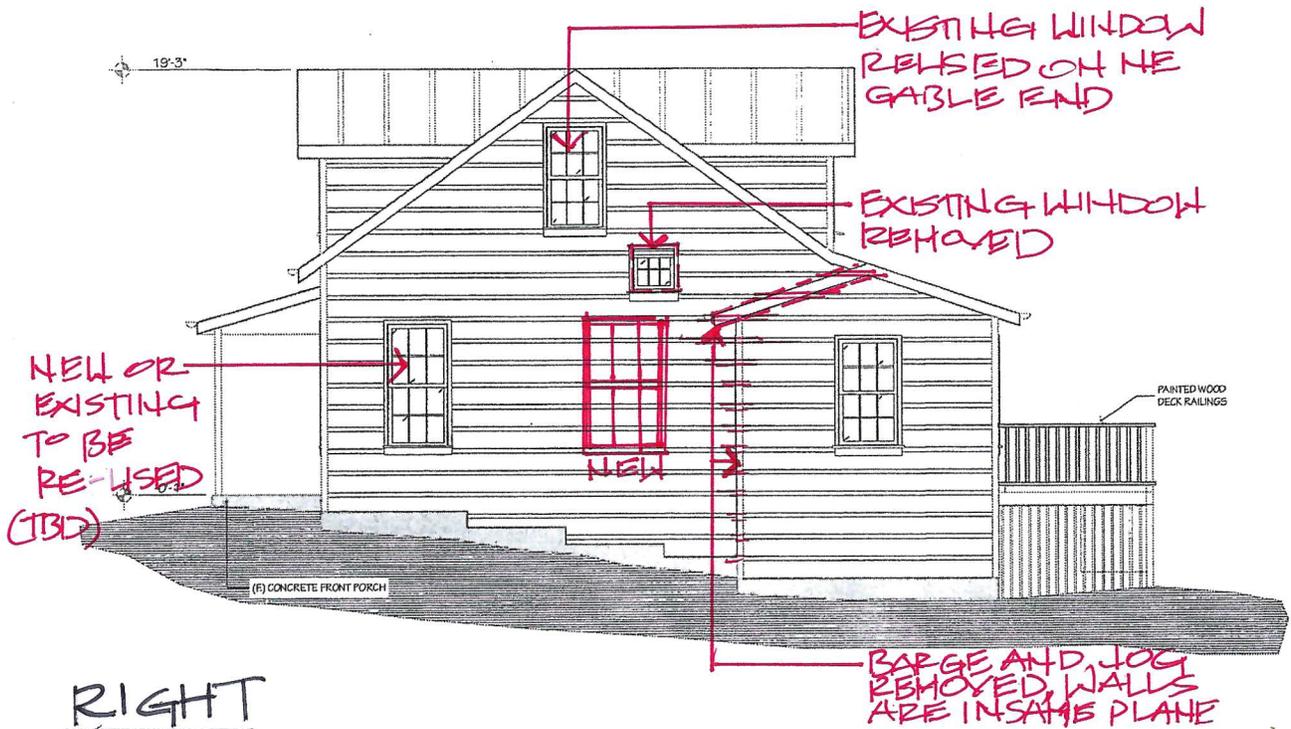
627







FRONT

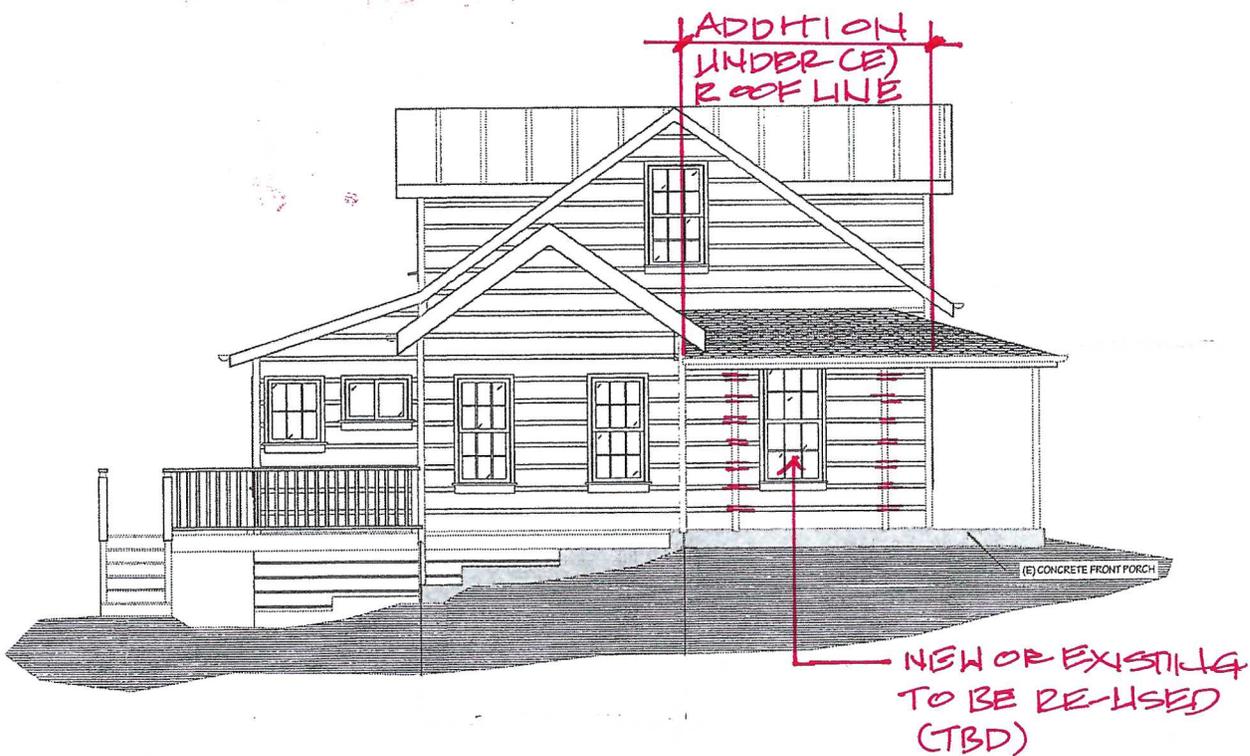


RIGHT

# PROPOSED ELEVATIONS

URBINO RESIDENCE

NTS



LEFT

**PROPOSED ELEVATIONS**  
 URBINO RESIDENCE





# City of Nevada City

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**TO:** Planning Commission

**FROM:** Amy Wolfson, City Planner

**MEETING DATE:** October 15, 2020

**RE:** Gold Country Growers Distributors - Medical Cannabis Distribution Business

**ATTACHMENTS:**

1. Redacted Application
2. Recommended Conditions of Approval
3. Response to Clarification Questions
4. Zoning Verification Letter

**APPLICATION REVIEW:** The subject application was submitted for the June 30, 2020 cannabis application deadline. Notification and an invitation to review and comment was sent to the Fire Chief, the Police Chief, our consulting attorney, the City Engineer, the City Manager, the Environmental Health Department, the Building Department, the Planning Commissioners, and to our reviewing consultant at SCI. A redacted version of the application is attached to the staff report. After the initial agency review, the applicant was asked to provide several incomplete items which delayed the meeting before the planning commission. The applicant also responded to staff requests for clarification. Both the added material and clarification responses have been added to the staff report. Applicable agency comments have been incorporated into the conditions of approval.

**PROJECT PROPOSAL:** Gold Country Growers Distributors is managed by Christopher Johnson and Rob Harris III. They are requesting approval for a distribution-only facility. Hours of operation are proposed to be 10am to 6pm, seven days per week. Daily trips are anticipated to amount to one to five per day. Only one to two distribution vehicle will be used to conduct the distribution operation in the beginning with possible expansion up to five distribution vehicles. The applicant will contract with a licensed cannabis waste disposal company for monthly pick-ups of cannabis waste. Employee needs will begin with one to two employees with a goal of two to five employees as the business grows. Peak employee operation on the premises is anticipated to be two to three employees.

The remaining suites of the building, A and B, are currently occupied by a previously authorized cannabis testing laboratory. With a total of 22 onsite parking spaces, seven of which are being occupied by the existing tenant. The building will be fully occupied by the existing tenant and Gold Country Growers Distributors. Staff has no concern regarding the applicant's ability to maintain off-street parking.

A background check has been conducted on Johnston and Harris and no disqualifying information was reported pursuant to Section 9.22.090 (M) of the City Municipal Code. The facility will be video surveilled in accordance with their application and Section 9.22.090 of the City Municipal Code. The Police Chief or designee will conduct an inspection of the facility prior to the city's issuance of a medical cannabis business permit.

**LOCATION:** The local ordinance allows cannabis distribution businesses within the Light Industrial (LI) zoning district. The proposed distribution business is proposed at 440 Lower Grass Valley Road, Suite C, totaling 1,140 square feet. Remaining suites A and B are currently being leased for a cannabis testing laboratory operation. Other nearby business uses include typical light industrial operations including Robinson Timber, Weiss Brothers Landscaping, a propane supplier. The Sierra Presbyterian Church and the Earle Jamieson School are located approximately 1,000 feet from the subject facility. A Zoning Verification letter has been issued for this business at the proposed location, verifying that the site meets local zoning and locational requirements of the Nevada City Ordinance Section 17.142 of the City Municipal Code. Because this location was previously proposed and authorized for a different cannabis business, staff has included a condition of approval requiring that either a withdrawal letter be submitted by the prior business or that the property owner provide a lease termination for that business. Two businesses cannot be authorized for the same space.

**RECOMMENDED MOTIONS:**

- 1) Make a Motion to find the project exempt pursuant to CEQA Guidelines Section 15301 (existing facilities) because the building is already existing and the proposed medical cannabis distribution use is consistent with the principal permitted uses allowed in the Light Industrial Zoning District pursuant to Section 17.48.020, and there is no expansion of use beyond what is already considered a permitted use.
- 2) Make a Motion to approve the application as presented to authorize a medical cannabis business permit to Gold Country Growers Distributors for a distribution operation at 440 Lower Grass Valley Avenue, Ste C, subject to the recommended Conditions of Approval, attached, as may be modified by the planning commission, making findings “a” and “b”:
  - a) As presented and conditioned, there is no reasonable argument that approval of the application is likely to be detrimental to the city, taking into account any health, safety, and welfare impacts on the community.
  - b) Finding that the application is consistent with Chapter 9.22 of the Nevada City Municipal Code.

OR

Make a Motion to reject the application for a medical cannabis business permit to Gold Country Growers Distributors finding that the application is not consistent with Chapter 9.22 of the Nevada City Municipal Code.

OR

Make a Motion to continue the decision for authorization of a medical cannabis business permit to Gold Country Growers Distributors with direction to the applicant regarding any inadequacies of their application that must be addressed.



**CITY OF NEVADA CITY**  
**Medical Cannabis Business**  
**Employee/Owner Background Application**

317 Broad Street  
 Nevada City, CA 95959  
 (530) 265-2496 Ext. 130

**MEDICAL CANNABIS BUSINESS APPLICANT INFORMATION**

<b>Name as Shown On Application</b>	LAST NAME ON APPLICATION	FIRST NAME ON APPLICATION	MIDDLE NAME ON APPLICATION
	JOHNSTON	CHRISTOPHER	ROBERT

**APPLICANT INFORMATION**

<b>Social Security Number</b>	LAST NAME ON SOCIAL SECURITY CARD	FIRST NAME ON SOCIAL SECURITY CARD	MIDDLE NAME ON SOCIAL SEC. CARD
	JOHNSTON	CHRISTOPHER	ROBERT
<b>California Driver's License</b>	LAST NAME ON CALIFORNIA DRIVER'S LICENSE	FIRST NAME ON CAL. DRIVER'S LICENSE	MIDDLE NAME ON CAL. DRIVER'S LIC.
	JOHNSTON	CHRISTOPHER	ROBERT

SEX	AGE	DATE OF BIRTH	RACE	HEIGHT	WEIGHT	HAIR	EYES
<input checked="" type="checkbox"/> Male <input type="checkbox"/> Female							

LIST YOUR CURRENT HOME ADDRESS, CITY, ZIP CODE ( <b>NO P.O. BOXES ALLOWED</b> )	CELL PHONE #

LIST ANY OTHER NAMES YOU HAVE EVER USED (Maiden, Married, Nicknames, etc.)	BIRTH COUNTRY/STATE	LANGUAGES SPOKEN
	USA/CA	ENGLISH

**CRIMINAL HISTORY**

**List all arrest or convictions other than infractions for traffic violations** IF ADDITIONAL SPACE IS NEEDED, ATTACH ADDITIONAL SHEETS TO THE APPLICATION. **PLEASE NOTE ANY FALSE STATEMENTS, MISLEADING STATEMENTS OR OMISSIONS ON THIS APPLICATION OR ON THE MCD PERMIT SHALL BE GROUNDS FOR DISQUALIFICATION.**

	ARREST DATE	ARRESTING AGENCY / LOCATION / COURT NAME	CHARGE / REASON FOR ARREST
1			
	DISPOSITION (WHAT WAS THE OUTCOME OF THE CASE: Were you sentenced? Did you have to pay a fine? Probation? Parole? Etc.)		
2			
	DISPOSITION (WHAT WAS THE OUTCOME OF THE CASE: Were you sentenced? Did you have to pay a fine? Probation? Parole? Etc.)		
3			
	DISPOSITION (WHAT WAS THE OUTCOME OF THE CASE: Were you sentenced? Did you have to pay a fine? Probation? Parole? Etc.)		

**STATEMENT OF PERJURY**

I DECLARE UNDER THE PENALTY OF PERJURY, UNDER THE LAWS OF THE STATE OF CALIFORNIA AND THE CITY OF NEVADA CITY, THAT THE FOREGOING IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

APPLICANT'S SIGNATURE	JOB TITLE (POSITION ON THE APPLICATION)	DATE
<i>[Signature]</i>	OWNER/CEO	6-29-20

**CITY STAFF USE ONLY**

DATE / TIME	\$ FEE AMOUNT PAID	\$ RECEIPT #	CITY STAFF'S NAME	CITY DEPARTMENT



**CITY OF NEVADA CITY**  
**Medical Cannabis Business**  
**Employee/Owner Background Information**

317 Broad Street  
 Nevada City, CA 95959  
 (530) 265-2496 Ext. 130

Page 2 of 2

**ADDITIONAL ARREST INFORMATION**

ARREST DATE	ARRESTING AGENCY / LOCATION / COURT NAME	CHARGE / REASON FOR ARREST
DISPOSITION (WHAT WAS THE OUTCOME OF THE CASE: Were you sentenced? Did you have to pay a fine? Probation? Parole? Etc.)		
ARREST DATE	ARRESTING AGENCY / LOCATION / COURT NAME	CHARGE / REASON FOR ARREST
DISPOSITION (WHAT WAS THE OUTCOME OF THE CASE: Were you sentenced? Did you have to pay a fine? Probation? Parole? Etc.)		
ARREST DATE	ARRESTING AGENCY / LOCATION / COURT NAME	CHARGE / REASON FOR ARREST
DISPOSITION (WHAT WAS THE OUTCOME OF THE CASE: Were you sentenced? Did you have to pay a fine? Probation? Parole? Etc.)		

**LIST ALL REGULATED ONLY COMMERCIAL CANNABIS EMPLOYMENT HISTORY**

BUSINESS NAME	CITY / STATE	PHONE	START DATE	END DATE
Gold Country Growers Clearlake, Inc.	Clearlake/CA	530-277-1098	11/2019	n/a
Greener Pasture Farms, Inc.	Nevada City/CA	530-277-1098	01/2019	n/a

**BACKGROUND INVESTIGATION RELEASE**

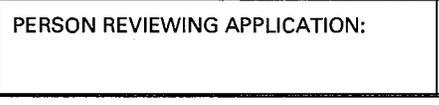
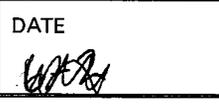
To Whom It May Concern:

I am an applicant/employee with a Medical Cannabis Business in the City. I desire and request the City Manager, or Chief of Police of the City of Nevada City, and/or his/her agents, employee or lawful representative(s) to take my photograph and fingerprints or use the information in this application for the purpose of conducting a background check to verify that I meet the qualifications required to obtain a Medical Cannabis Business Permit to operate or to be employed with such business as required by the City Municipal Code and/or State Law.

I agree to provide any information requested or deemed necessary to provide to the State of California Department of Justice and the Federal Bureau Investigation, or any other law enforcement agency or third-party consultant authorized by the City Manager or Chief of Police.

I understand this will serve to disclose any record of arrests to which I have been the subject that resulted in conviction. I further agree to hold the City of Nevada City, its officers, agents, or lawfully delegated representatives, harmless from any action(s), or damages whatsoever or at all, which may result from the taking of such fingerprints or forwarding them to the appropriate law enforcement agency for a records check, and/or obtaining access to any other documentation which pertains to meeting the qualifications for a Medical Cannabis Dispensary Permit or Employee Permit.

By signing this form, I acknowledge and agree to comply with all the conditions and terms of this application. I also understand that falsifying and/or omitting any information on this application may be grounds for denial of a permit or is grounds for termination of employment per the Nevada City Ordinance.

APPLICANT'S SIGNATURE 	DATE 6-29-20	PERSON REVIEWING APPLICATION: 	DATE 
--	-----------------	---	---



**Section A: Principal Background Information (Must be signed by all Principals)**

(Add more pages as necessary to accommodate signatures of all Cannabis Business Principals.)

Under penalty of perjury, I acknowledge that I have personal knowledge of the information stated in this application and that the information contained herein is true. I also understand that the information provided in this application, except the Safety and Security Plan in Section C and certain confidential information such as driver's license and social security number, which can be redacted, may be public information and subject to disclosure under the California Public Records Act.

**Principal Name:** CHRISTOPHER R. JOHNSTON

**Principal Title:** DIRECTOR, CEO & SECRETARY

**Principal Home or Cell Phone:** [REDACTED]

**Principal Home Address:** [REDACTED]

**Principal Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Attachments:**

If business will operate as a collective/cooperative provide proof of status as a qualified patient or primary caregiver (State card or doctor recommendation)

Receipt from Live Scan check

Copy of Social Security Card

Copy of Driver's License, OMV issued ID Card or Passport (must be a color copy)

Proof of address (DMV-issued ID/driver's license, and/or recent utility bill under Principal's name)

Staff use only: Pass background check \_\_\_\_\_

\*\*\*\*\*  
**Principal Name:** BOB ROY HARRIS III

**Principal Title:** DIRECTOR, CFO

**Principal Home or Cell Phone:** [REDACTED]

**Principal Home Address:** [REDACTED]

**Principal Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Attachments:**

If business will operate as a collective/cooperative provide proof of status as a qualified patient or primary caregiver (State card or doctor recommendation)

Receipt from Live Scan check

Copy of Social Security Card

Copy of Driver's License, OMV issued ID Card or Passport

Proof of address (DMV-issued ID/driver's license, and/or recent utility bill under Principal's name)

Staff use only: Pass background check \_\_\_\_\_

**Principal/Partner History:**

1. List whether, the applicant(s) has other licenses and/or permits issued to and/or revoked from the applicant, in the three years prior to the year of the permit application, such other licenses and or permits relating to similar business activities as in the permit application. If yes, please list the type, current status, issuing/denying for each license/permit. (Please attach a separate document explanation if necessary)

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**1. ACTIVE: Bureau of Cannabis Control of California: Adult-Use and Medicinal - Distributor License Provisional LICENSE NO: C11-0000042-LIC. Renews on 05/03/2021**

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**2. ACTIVE: Bureau of Cannabis Control of California: Adult-Use and Medicinal - Retailer Nonstorefront License Provisional - Delivery LICENSE NO: C9-0000123-LIC. Renews on 06/20/21**

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**3. ACTIVE: California Department of Food & Agriculture: Provisional Cannabis Cultivation License: Medicinal Small Outdoor LICENSE NO: CCL19-0001566. Renews on 10/16/20**

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**4. ACTIVE: Nevada County Annual Commercial Cannabis Permit - ACP19-0065.**

2. List any and all partners who have been found guilty of a violent felony, a felony or misdemeanor involving fraud, deceit, embezzlement, or moral turpitude, or the illegal use, possession, transportation, distribution or similar activities related to controlled substances, as defined in the Federal Controlled Substance Act, with the exception of cannabis related offenses for which the conviction occurred after the passage of the Compassionate Use Act of 1996. (Please attach a separate document explanation if necessary)

N/A

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**Section B: Business Organization Status**

1. Describe the Cannabis Business organizational status:

See attached

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Attach proof of status, such as articles of incorporation, by-laws, partnership agreements, and other documentation as may be appropriate or required by the City.

**Section C: Cannabis Business Description and Location**

1. Statement of Purpose of Cannabis Business (a separate sheet may be attached, labeled Section C.1):

See attached

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2. Proposed Location of Business: 440 Lower Grass Valley Rd, Suite C, Nevada City, CA 95959

3. Name and address of property owner: \_\_\_\_\_  
Grass Valley Hydrogarden, Inc. owns the property. Owners of Grass Valley Hydrogarden, Inc. are Bob Roy Harris III and Gwendolyn Harris. 124 Clydesdale Court, Ste. A-1, Grass Valley CA 959445

4. Name and address of school(s) and/or public park(s) closest to Proposed Location: \_\_\_\_\_  
See attached

5. Have you received a Zoning Verification Letter? (Please check the appropriate response)  
Yes \_\_\_\_\_ (If yes, include documentation with this section of the application) No X

6. Description of neighborhood around the proposed location surrounding uses, nearby sensitive uses (such as schools, churches, parks, daycares, or residents), transit access to site, etc. A separate sheet may be attached and labeled Section C.6.

See attached

7. Site plan must be dimensioned and show the entire parcel including parking and additional structures [recommended scale of 1"= 20']. In addition, please attach elevations and photos of proposed location. If any exterior alterations are proposed for the existing building, also attach a proposed site plan that is accurate, dimensioned and to-scale for each potential location and include elevation details. The scale should accommodate an accurate site plan on a sheet of paper no larger than 11X17.

8. Floor Plans shall be attached and shall be accurate, dimensioned and to-scale [recommended scale of 1/4"= 1'] for each potential location. If any interior alterations are proposed for the existing building, also attach proposed floor plans. The scale should accommodate an accurate floor plan on a sheet of paper no larger than 11X17.

9. Signage Plan. - NO SIGNAGE NEEDED, NOT OPEN TO THE PUBLIC.

10. Vicinity Map.

11. Photos of the site and building(s).

**Section D: Required supplemental information**

This information is required for this application to be considered complete. Attach the following reports to the application.

- Business and Parking Plan - See Business Plan Attached**
- Neighborhood Compatibility Plan - See Business Plan Attached**
- Safety and Security Plan - See Business Plan Attached**
- Environmental Benefits (Water/Energy Efficiency Measures) - See Business Plan Attached**
- Community Benefits - See Business Plan Attached**
- Labor and Employment - See Business Plan Attached**
- Local Enterprise - See Business Plan Attached**
- Qualifications of Principals - See Business Plan Attached**

**STAFF USE ONLY:**

Date of initial application: \_\_\_\_\_

File Number assigned to application:

\_\_\_\_\_

Date fee received \_\_\_\_\_

Date application reviewed for completeness:

\_\_\_\_\_

Complete

Incomplete

Date Proof of ownership was verified or a signed and  
notarized statement from the property owner was received

\_\_\_\_\_

Date application reviewed by Planning Commission: \_\_\_\_\_

Approved

Denied



### REQUEST FOR LIVE SCAN SERVICE

Downloaded from the State Bar of California

Applicant Submission CA 0290200

ORI (code assigned by DOJ) CA 0290200 Authorized Applicant Type CANNABIS LICENSING

Type of License/Certification/Permit OR Working Title (Maximum 30 characters - if assigned by DOJ, less space for assigned)

Contributing Agency Information:

NEVADA CITY POLICE DEPT. Mail Code (five-digit code assigned by DOJ) 24227  
Agency Authorized to Receive Criminal Record Information

317 BROAD STREET Street Address or P.O. Box CANNABIS COMPLIANCE / C. ELIUS Contact Name (mandatory for all school submissions)

NEVADA CITY CA 95959 City State ZIP Code (530) 765-4700 Contact Telephone Number

Applicant Information:

Last Name Johnston First Name Christopher Middle Initial R Suffix

Other Name (AKA or Alias) Last First Suffix

Date of Birth Sex  Male  Female Driver's License Number

Height Weight Eye Color Hair Color Billing Number 144354 (Agency Billing Number)

Place of Birth (State or Country) Social Security Number Misc. Number (Other Identification Number)

Home Address Newark City CA 95957 City State ZIP Code

Your Number: \_\_\_\_\_ Level of Service:  DOJ  FBI  
OCA Number (Agency Identifying Number)

If re-submission, list original ATI number. (Must provide proof of rejection) Original ATI Number

Employer (Additional response for agencies specified by statute):

Employer Name \_\_\_\_\_ Mail Code (five digit code assigned by DOJ) 24227

Street Address or P.O. Box \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP Code \_\_\_\_\_ Telephone Number (optional): \_\_\_\_\_

Live Scan Transaction Completed By:

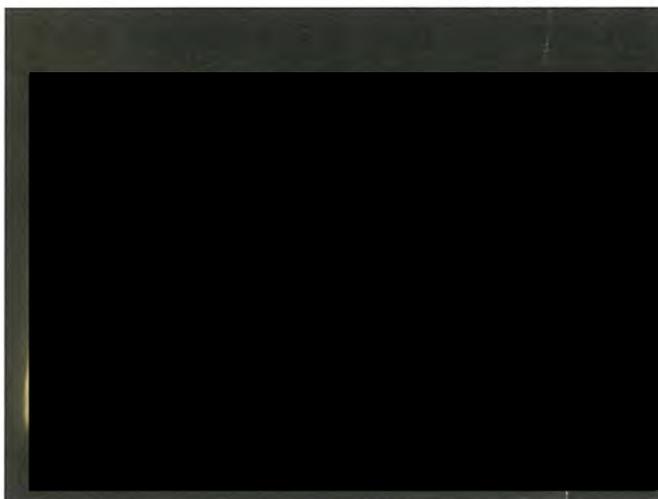
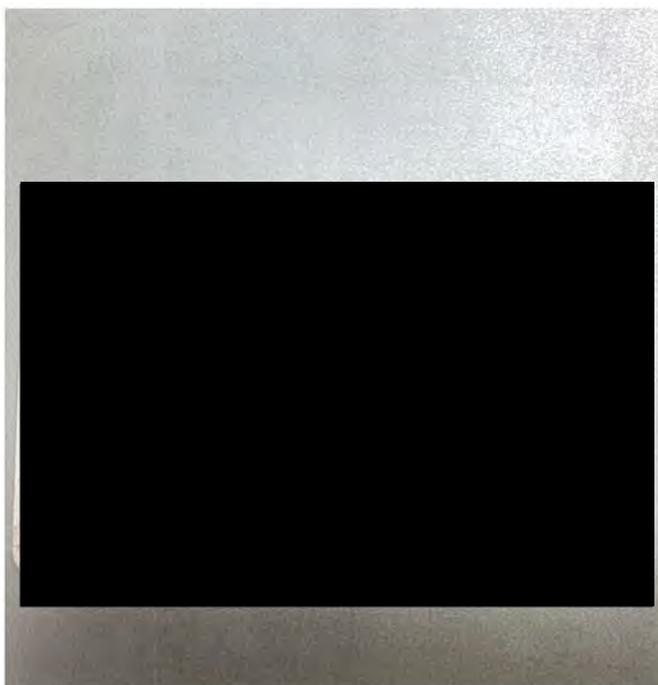
Name of Operator Orion Perez Date 6/12/2020

Transmitting Agency UPS Store 5417,NJ4 ATI Number B164500888 Amount Collected/Billed 24.50



Gold Country Growers Distribution  
PO Box 2511, Nevada City, CA 95959

Christopher R. Johnston, Director, CEO & Secretary





# ENERGY STATEMENT

www.pge.com/MyEnergy

Account No. 0682995375-8  
Statement Date: 03/19/2020  
Due Date: 04/09/2020

## Service For:

CHRISTOPHER JOHNSTON

## Your Account Summary

Amount Due on Previous Statement  
Payment(s) Received Since Last Statement  
Previous Unpaid Balance  
Current Electric Charges

### Questions about your bill?

Monday-Friday 7 a.m.-9 p.m.  
Saturday 8 a.m.-6 p.m.  
Phone: 1-800-743-5000  
www.pge.com/MyEnergy

**Total Amount Due by 04/09/2020**

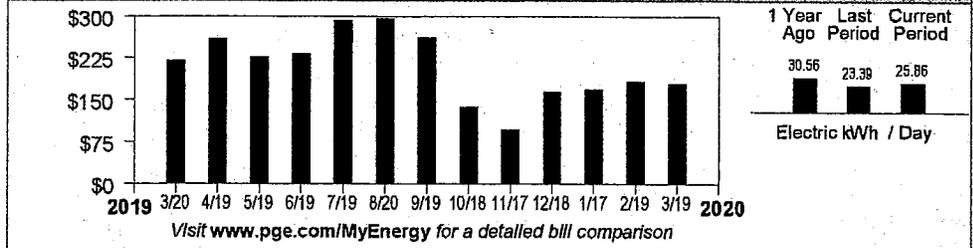
\$

### Ways To Pay

www.pge.com/waystopay

### Electric Monthly Billing History

Daily Usage Comparison



## Important Messages

**CARE Program** You may qualify for a monthly discount with the California Alternate Rates for Energy (CARE) Program. To find out more and apply online, visit [www.pge.com/care](http://www.pge.com/care).

Usted podría reunir los requisitos de un descuento mensual con el California Alternate Rates for Energy Program (CARE). Para obtener más información y hacer su solicitud en Internet, visite [www.pge.com/espanol/care](http://www.pge.com/espanol/care).

Please return this portion with your payment. No staples or paper clips. Do not fold. Thank you.

99900682995375800000178520000063148



Account Number: Due Date: Total Amount Due:

[Redacted]

Amount Enclosed:

\$ [Redacted]

CHRISTOPHER JOHNSTON

[Redacted]

PG&E  
BOX 997300  
SACRAMENTO, CA 95899-7300





### REQUEST FOR LIVE SCAN SERVICE

#### Applicant Submission

CA 0290200  
ORI (Case assigned by DOJ)

CANNABIS LICENSING  
Authorized Applicant Type

Type of License/Certification/Permit OR Working Title (Maximum 30 characters - If assigned by DOJ, use exact title assigned)

#### Contributing Agency Information:

NEVADA CITY POLICE DEPT.  
Agency Authorized to Receive Criminal Record Information

24227  
Mail Code (five-digit code assigned by DOJ)

317 BROAD STREET  
Street Address or P.O. Box

CANNABIS COMPLIANCE / C. ELUS  
Contact Name (mandatory for all school submissions)

NEVADA CITY CA 95959  
City State ZIP Code

(530) 765-4700  
Contact Telephone Number

#### Applicant Information:

ITACKIS  
Last Name

Bob R III  
First Name Middle Initial Suffix

HACKIS  
Other Name (AKA or Alias) Last

Ray  
First Suffix

[Redacted] Sex  Male  Female

[Redacted]  
Driver's License Number

[Redacted] Height [Redacted] Weight [Redacted] Eye Color [Redacted] Hair Color [Redacted]

144354  
Billing Number (Agency Billing Number)

[Redacted] Place of Birth (State or Country) [Redacted] Social Security Number

[Redacted] Misc. Number (Other Identification Number)

[Redacted] Home Address (Street Address or P.O. Box)

[Redacted] City State ZIP Code

Your Number: \_\_\_\_\_  
OCA Number (Agency Identifying Number)

Level of Service:  DOJ  FBI

If re-submission, list original ATI number:  
(Must provide proof of rejection)

Original ATI Number \_\_\_\_\_

Employer (Additional response for agencies specified by statute):

Employer Name \_\_\_\_\_

24227  
Mail Code (five digit code assigned by DOJ)

Street Address or P.O. Box \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ ZIP Code \_\_\_\_\_

Telephone Number (optional) \_\_\_\_\_

Live Scan Transaction Completed By:

Orion Perez  
Name of Operator

6/12/2020  
Date

UPS Store 5417 NJ4  
Transmitting Agency LSID

B164HAB887 24.50  
ATI Number Amount Collected/Billed



Gold Country Growers Distribution  
PO Box 2511, Nevada City, CA 95959

Bob Roy Harris III, Director & CFO





**BROWN'S  
GAS CO.**  
INCORPORATED  
P.O. BOX 469  
MARYSVILLE, CA 95901  
530-743-3976  
800-544-5336

**STATEMENT**

ACCOUNT I.D.	STMT. DATE
[REDACTED]	04/30/20

ROY & GWEN HARRIS  
[REDACTED]

DATE	REFERENCE #	LOC	DESCRIPTION	CHARGES	PAYMENTS	AMOUNT DUE
04/03/20	BAL FWRD	2	[REDACTED]			
04/14/20	U0379995	2	[REDACTED]			
04/14/20	U0379996	3	[REDACTED]			
**OFFICE HOURS ALL LOCATIONS 8AM-4PM**						
UNPAID FIN CHGS	CURRENT	30 DAYS	45 DAYS	60 DAYS	NEW FIN CHGS	TOTAL AMOUNT DUE
	[REDACTED]					[REDACTED]

*Pd 5/8/20  
Clk#*

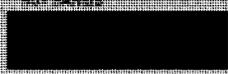
TERMS: NET 10 FROM INVOICE. BALANCES REMAINING UNPAID 30 DAYS AFTER DELIVERY MAY BE SUBJECT TO INTERRUPTED GAS SERVICE AND WILL BE ASSESSED A FINANCE CHARGE OF 1-1/2% WHICH IS AN ANNUAL PERCENTAGE RATE OF 18%





AT&T

ROY HARRIS



Page 1 of 3  
Account Number: [Redacted]  
Billing Date: May 31, 2020  
Web Site: att.com

# Monthly Statement

### Bill-At-A-Glance

Previous Bill	124.29
Payment Received 5-20 Thank you!	124.2900
Adjustments	.00
Balance	.00
Current Charges	123.32
<b>Amount to be Debited</b>	<b>\$123.32</b>
Your Credit Card will be Debited by	Jun 20, 2020

### Billing Summary

Contact att.com/myatt	
Plans and Services	123.32
1 800 288-2520	
Other AT&T Long Distance	.00
1 800 288-2020	
<b>Total Current Charges</b>	<b>123.32</b>

### AT&T Benefits

Thank you for choosing AT&T. Your ALL DISTANCE service includes a \$12 package discount for combining your voice service with an additional qualifying product.  
Your monthly savings: \$01.91

### Plans and Services

Monthly Service - May 20 thru Jun 19	
Service is billed in advance from the 20th of each month.	
Charges for [Redacted]	\$1.99
1 Combined Communications Svcs	
ALL DISTANCE	
by AT&T California	
Residence Flat Rate Service	
Caller ID	
Call Waiting	
Call Waiting ID	
Call Forwarding	
Call Return	
Call Screen	
Priority Ringing	
Select Call Forwarding	
Speed Calling 8	
Three-Way Calling	
WirePro	
Unlimited Nationwide Cig Plus 1	
by AT&T Long Distance	
2 Caller ID Selective Blocking	.00
3 800/976 Blocking	.00
Total Charges for [Redacted]	\$1.99
Charges for 530 531-3371	
4 Residence Flat Rate Service	25.96
5 Call Waiting	10.99
6 Caller ID Selective Blocking	.00
Total Charges for [Redacted]	36.96
<b>Total Monthly Service</b>	<b>101.97</b>

### News You Can Use Summary

- PREVENT DISCONNECT
- ELECTRONIC PAYMENTS
- COST ASSESSMENT CHRG
- YOUR BILL
- CARRIER INFORMATION
- THIRD-PARTY BLOCKING
- CARRIER COST REC FEE

See "News You Can Use" for additional information

Local Services provided by AT&T California or AT&T Nevada based upon the service address location.

GO GREEN - Enroll in paperless billing.

Your Credit Card will be Debited by **Jun 20, 2020** Amount to Be Debited **\$123.32**



Gold Country Growers Distribution  
PO Box 2511, Nevada City, CA 95959

## ***Section B: Business Organization Status***

### ***1. Describe the Cannabis Business organizational status.***

Gold Country Growers Clearlake, Inc. is doing business as Gold Country Growers Distribution, dba.

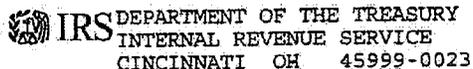
The company Gold Country Growers Clearlake, Inc. is a California stock corporation with EIN number [REDACTED], and California State Corporate number [REDACTED]. The company has been incorporated since April 9, 2018.

The directors of the corporation are Christopher R. Johnston and Bob Roy Harris III.

The corporate officers are Christopher R. Johnston as CEO and Secretary, and Bob Roy Harris III as CFO.

See attached corporate documents:

1. IRS Employer Identification Number Notice, dated 04/05/2018.
2. California Secretary of State Articles of Incorporation of a General Stock Corporation form filed 03/30/2018.
3. California Secretary of State Statement of Information form filed 06/17/2020.
4. California Department of Tax & Fee Administration Seller's Permit No. 209554432-00001.
5. California Department of Tax & Fee Administration Cannabis Tax Permit No. CD-STF-095-001915.



Date of this notice: 04-05-2018

Employer Identification Number:  
 [REDACTED]

Form: SS-4

Number of this notice: CP 575 A

GOLD COUNTRY GROWERS CLEARLAKE  
 14935 OLYMPIC DR STE B-1  
 CLEARLAKE, CA 95422For assistance you may call us at:  
 1-800-829-4933IF YOU WRITE, ATTACH THE  
 STUB AT THE END OF THIS NOTICE.

## WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 82-5075358. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear off stub and return it to us.

Based on the information received from you or your representative, you must file the following form(s) by the date(s) shown.

Form 1120

04/15/2019

If you have questions about the form(s) or the due date(s) shown, you can call us at the phone number or write to us at the address shown at the top of this notice. If you need help in determining your annual accounting period (tax year), see Publication 538, *Accounting Periods and Methods*.

We assigned you a tax classification based on information obtained from you or your representative. It is not a legal determination of your tax classification, and is not binding on the IRS. If you want a legal determination of your tax classification, you may request a private letter ruling from the IRS under the guidelines in Revenue Procedure 2004-1, 2004-1 I.R.B. 1 (or superseding Revenue Procedure for the year at issue). Note: Certain tax classification elections can be requested by filing Form 8832, *Entity Classification Election*. See Form 8832 and its instructions for additional information.

## IMPORTANT INFORMATION FOR S CORPORATION ELECTION:

If you intend to elect to file your return as a small business corporation, an election to file a Form 1120-S must be made within certain timeframes and the corporation must meet certain tests. All of this information is included in the instructions for Form 2553, *Election by a Small Business Corporation*.

(IRS USE ONLY)

575A

04-05-2018 GOLD B 999999999 SS-4

If you are required to deposit for employment taxes (Forms 941, 943, 940, 944, 945, CT-1, or 1042), excise taxes (Form 720), or income taxes (Form 1120), you will receive a Welcome Package shortly, which includes instructions for making your deposits electronically through the Electronic Federal Tax Payment System (EFTPS). A Personal Identification Number (PIN) for EFTPS will also be sent to you under separate cover. Please activate the PIN once you receive it, even if you have requested the services of a tax professional or representative. For more information about EFTPS, refer to Publication 966, *Electronic Choices to Pay All Your Federal Taxes*. If you need to make a deposit immediately, you will need to make arrangements with your Financial Institution to complete a wire transfer.

The IRS is committed to helping all taxpayers comply with their tax filing obligations. If you need help completing your returns or meeting your tax obligations, Authorized e-file Providers, such as Reporting Agents (payroll service providers) are available to assist you. Visit the IRS Web site at [www.irs.gov](http://www.irs.gov) for a list of companies that offer IRS e-file for business products and services. The list provides addresses, telephone numbers, and links to their Web sites.

To obtain tax forms and publications, including those referenced in this notice, visit our Web site at [www.irs.gov](http://www.irs.gov). If you do not have access to the Internet, call 1-800-829-3676 (TTY/TDD 1-800-829-4059) or visit your local IRS office.

**IMPORTANT REMINDERS:**

- \* Keep a copy of this notice in your permanent records. This notice is issued only one time and the IRS will not be able to generate a duplicate copy for you. You may give a copy of this document to anyone asking for proof of your EIN.
- \* Use this EIN and your name exactly as they appear at the top of this notice on all your federal tax forms.
- \* Refer to this EIN on your tax-related correspondence and documents.

If you have questions about your EIN, you can call us at the phone number or write to us at the address shown at the top of this notice. If you write, please tear off the stub at the bottom of this notice and send it along with your letter. If you do not need to write us, do not complete and return the stub.

Your name control associated with this EIN is GOLD. You will need to provide this information, along with your EIN, if you file your returns electronically.

Thank you for your cooperation.



4130856

	<b>Secretary of State</b> <b>Articles of Incorporation of a General Stock Corporation</b>	<b>ARTS-GS</b>
	<p><b>IMPORTANT — Read instructions before completing this form.</b></p> <p><b>Filing Fee - \$100.00</b></p> <p><b>Copy Fees - First page \$1.00; each attachment page \$0.50; Certification Fee - \$5.00</b></p> <p><b>Note: Corporations may have to pay minimum \$800 tax to the California Franchise Tax Board each year. For more information, go to <a href="https://www.ftb.ca.gov">https://www.ftb.ca.gov</a>.</b></p>	

**FILED** <sup>GLV</sup>  
 Secretary of State  
 State of California *SH*  
**MAR 30 2018**

*IPC*  
 This Space For Office Use Only

**1. Corporate Name** (Go to [www.sos.ca.gov/business/be/name-availability](http://www.sos.ca.gov/business/be/name-availability) for general corporate name requirements and restrictions.)

The name of the corporation is Gold Country Growers Clearlake

**2. Business Addresses** (Enter the complete business addresses.)

a. Initial Street Address of Corporation - Do not list a P.O. Box	City (no abbreviations)	State	Zip Code
14935 Olympic Drive Suite B-1	Clearlake	CA	95422
b. Initial Mailing Address of Corporation, if different than Item 2a	City (no abbreviations)	State	Zip Code

**3. Service of Process** (Must provide either individual OR Corporation.)

**INDIVIDUAL** - Complete items 3a and 3b only. Must include agent's full name and California street address.

a. California Agent's First Name (if agent is not a corporation)	Middle Name	Last Name	Suffix
[Redacted]		[Redacted]	
b. Street Address (if agent is not a corporation) - Do not enter a P.O. Box	City (no abbreviations)	State	Zip Code
12506 Loma Rica Drive	Grass Valley	CA	95945

**CORPORATION** - Complete item 3c. Only include the name of the registered agent Corporation.

c. California Registered Corporate Agent's Name (if agent is a corporation) - Do not complete item 3a or 3b

**4. Shares** (Enter the number of shares the corporation is authorized to issue. Do not leave blank or enter zero (0).)

This corporation is authorized to issue only one class of shares of stock.

The total number of shares which this corporation is authorized to issue is 99,000

**5. Purpose Statement** (Do not alter the Purpose Statement.)

The purpose of the corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

**6. Read and Sign Below** (This form must be signed by each incorporator. See instructions for signature requirements.)

Beau Mayfield  
 Signature

Beau Mayfield  
 Type or Print Name



**Results of search for: "GOLD COUNTRY GROWERS CLEARLAKE"**

Select a corporation name from the following list by clicking on the corporation additional information for the selected corporation will be displayed.

Corporate Number	Incorporation Date	Status	Corporation Name	Agent for Service of Process
	03/30/2018	ACTIVE	GOLD COUNTRY GROWERS CLEARLAKE	

[New Search](#)



CALIFORNIA

Secretary of State **ALEX PADILLA**
[SECRETARY OF STATE](#) | [ELECTIONS & VOTER INFO](#) | [CAMPAIGN FINANCE](#) | [CALIFORNIA BUSINESS PORTAL](#) | [ARCHIVES & MUSEUM](#)

### Results Detail

Corporation		
GOLD COUNTRY GROWERS CLEARLAKE		
<b>Number:</b> C4130856	<b>Incorporation Date:</b> 3/30/2018	<b>Status:</b> Active
<b>Jurisdiction:</b> CA	<b>Type:</b> Domestic Stock	
Address		
14935 OLYMPIC DR STE B-1, CLEARLAKE, CA 95422		
Agent For Service Of Process		
[REDACTED]		
12506 LOMA RICA DR, GRASS VALLEY, CA 95945		

Please review this information to determine if you have located the correct corporation.

[Search Results](#)
[Continue Filing](#)
[New Search](#)



**California Secretary of State**  
**Electronic Filing**



## Corporation - Statement of Information

Entity Name: GOLD COUNTRY GROWERS  
 CLEARLAKE

Entity (File) Number: C4130856

File Date: 06/17/2020

Entity Type: Corporation

Jurisdiction: CALIFORNIA

Document ID: GG37155

### Detailed Filing Information

1. Entity Name: GOLD COUNTRY GROWERS  
 CLEARLAKE
  
2. Business Addresses:
  - a. Street Address of Principal Office in California: 14935 Olympic Dr., Ste. B-1  
 Clearlake, California 95422  
 United States of America
  
  - b. Mailing Address: 14935 Olympic Dr., Ste. B-1  
 Clearlake, California 95422  
 United States of America
  
  - c. Street Address of Principal Executive Office: 14935 Olympic Dr., Ste. B-1  
 Clearlake, California 95422  
 United States of America
  
3. Officers:
  - a. Chief Executive Officer: Christopher R Johnston  
 14935 Olympic Dr., Ste. B-1  
 Clearlake, California 95422  
 United States of America
  
  - b. Secretary: Christopher R Johnston  
 14935 Olympic Dr., Ste. B-1  
 Clearlake, California 95422  
 United States of America

Document ID: GG37155



# California Secretary of State Electronic Filing

Officers (cont'd):

c. Chief Financial Officer:

Bob Roy Harris III  
14935 Olympic Dr., Ste. B-1  
Clearlake, California 95422  
United States of America

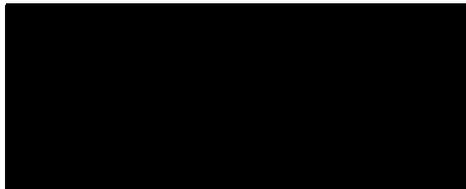
4. Director:

Christopher R Johnston  
14935 Olympic Dr., Ste. B-1  
Clearlake, California 95422  
United States of America

Number of Vacancies on the Board of  
Directors:

0

5. Agent for Service of Process:



6. Type of Business:

Distribution Services

By signing this document, I certify that the information is true and correct and that I am authorized by California law to sign.

Electronic Signature:



*Use [bizfile.sos.ca.gov](http://bizfile.sos.ca.gov) for online filings, searches, business records, and resources.*

DISPLAY CONSPICUOUSLY AT PLACE OF BUSINESS FOR WHICH ISSUED

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

SELLER'S PERMIT

November 01, 2018

ACCOUNT NUMBER

209554432 - 00001

GOLD COUNTRY GROWERS CLEARLAKE  
14935 OLYMPIC DR STE B-1  
CLEARLAKE CA 95422-9524



Office of Control:  
Santa Rosa Office

**NOTICE TO PERMITTEE:**  
You are required to obey all  
Federal and State laws that  
regulate or control your  
business. This permit does  
not allow you to do  
otherwise.

IS HEREBY AUTHORIZED PURSUANT TO SALES AND USE TAX LAW TO ENGAGE IN THE BUSINESS OF SELLING TANGIBLE PERSONAL PROPERTY AT THE ABOVE LOCATION. THIS PERMIT IS VALID ONLY AT THE ABOVE ADDRESS.

THIS PERMIT IS VALID UNTIL REVOKED OR CANCELED AND IS NOT TRANSFERABLE. IF YOU SELL YOUR BUSINESS OR DROP OUT OF A PARTNERSHIP, NOTIFY US OR YOU COULD BE RESPONSIBLE FOR SALES AND USE TAXES OWED BY THE NEW OPERATOR OF THE BUSINESS.

*Not valid at any other address*

For general tax questions, please call our Customer Service Center at 1-800-400-7115 (TTY:711).  
For information on your rights, contact the Taxpayers' Rights Advocate Office at 1-888-324-2798 or 1-916-324-2798.

CDTFA-442-R REV. 18 (5-18)

**A MESSAGE TO OUR NEW PERMIT HOLDER**

**As a seller, you have rights and responsibilities under the Sales and Use Tax Law. In order to assist you in your endeavor and to better understand the law, we offer the following sources of help:**

- Visiting our website at [www.cdtfa.ca.gov](http://www.cdtfa.ca.gov)
- Visiting an office
- Attending a Basic Sales and Use Tax Law class offered at one of our offices
- Sending your questions in writing to any one of our offices
- Calling our toll-free Customer Service Center at 1-800-400-7115 (TTY:711)

**As a seller, you have the right to issue resale certificates for merchandise that you intend to resell. You also have the responsibility of not misusing resale certificates. While the sales tax is imposed upon the retailer,**

- You have the right to seek reimbursement of the tax from your customer
- You are responsible for filing and paying your sales and use tax returns timely
- You have the right to be treated in a fair and equitable manner by the employees of the California Department of Tax and Fee Administration (CDTFA)
- You are responsible for following the regulations set forth by the CDTFA

As a seller, you are expected to maintain the normal books and records of a prudent businessperson. You are required to maintain these books and records for no less than four years, and make them available for inspection by a CDTFA representative when requested. You are also required to know and charge the correct sales or use tax rate, including any local and district taxes. The tax rate applicable to your sales or use may not necessarily correspond to the tax rate of your business address displayed on this permit. You are also expected to notify us if you are buying, selling, adding a location, or discontinuing your business, adding or dropping a partner, officer, or member, or when you are moving any or all of your business locations. If it becomes necessary to surrender this permit, you should only do so by mailing it to a CDTFA office, or giving it to a CDTFA representative.

If you would like to know more about your rights as a taxpayer, or if you are unable to resolve an issue with CDTFA, please contact the Taxpayers' Rights Advocate Office for help by calling toll-free, 1-888-324-2798 or 1-916-324-2798. Their fax number is 1-916-323-3319.

**Please post this permit at the address for which it was issued and at a location visible to your customers.**

California Department of Tax and Fee Administration

Business Tax and Fee Division

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION  
**CANNABIS TAX PERMIT**



PERMIT NUMBER

CD STF 095-001915

GOLD COUNTRY GROWERS CLEARLAKE  
 14935 OLYMPIC DR STE B-1  
 CLEARLAKE, CA 95422-9524

*THIS PERMIT HAS BEEN ISSUED TO YOU  
 UNDER SECTION 34014 OF THE CALIFORNIA  
 REVENUE AND TAXATION CODE. PLEASE  
 RETAIN FOR YOUR RECORDS.*

**THIS PERMIT IS NOT TRANSFERABLE.**

**For general tax questions, please call our Customer Service Center at 1-800-400-7115 (TTY: 711).  
 For information on your rights, contact the Taxpayers' Rights Advocate Office at 1-888-324-2798  
 or 1-916-324-2798.**

CDTFA-442-CD (1-18)

**A MESSAGE TO OUR PERMIT HOLDER**

**As a permittee, you have certain rights and responsibilities under the Cannabis Tax Law. To assist in your endeavor and help you understand the law, we offer these sources:**

- Our website at [www.cdtfa.ca.gov](http://www.cdtfa.ca.gov)
- Our toll-free Customer Service Center at 1-800-400-7115 (TTY:711)

As a permittee, you are expected to maintain the normal books and records of a prudent business person. You are required to maintain these books and records for no less than four years, and make them available for inspection by a California Department of Tax and Fee Administration (CDTFA) representative when requested.

You must notify us if you are buying, selling, or discontinuing your business; adding or dropping a partner, officer, or member; or when you are moving. This permit is valid only for the owner specified on the permit. A person who obtains a permit who ceases to do business, or who never commenced business, shall surrender their permit by immediately notifying the CDTFA in writing at this address: California Department of Tax and Fee Administration, Registration and Licensing, MIC:88, P.O. Box 942879, Sacramento, CA 94279-0088.

If you would like to know more about your rights as a taxpayer, or if you are unable to resolve an issue with the CDTFA, please contact the Taxpayers' Rights Advocate Office for help by calling 1-888-324-2798 or 1-916-324-2798. Their fax number is 1-916-323-3319.

As authorized by law, information provided by an applicant for a permit may be disclosed to other government agencies.

CALIFORNIA DEPARTMENT OF  
 TAX AND FEE ADMINISTRATION

Registration and Licensing Section



Gold Country Growers Distribution  
PO Box 2511, Nevada City, CA 95959

## ***Section C.1: Cannabis Business Description and Location***

### ***1. Statement of Purpose of Cannabis Business***

#### **Purpose of Cannabis Business:**

Gold Country Growers Distribution will work with retailers and wholesale distributors for the transportation of cannabis and cannabis products, in strict compliance with all California state and local laws.

The purpose of our cannabis distribution business is to legally distribute the highest quality of bulk flowers, brand labels, trim, concentrates, genetics, edibles, and other cannabis related products to licensed cannabis retailers and wholesale distributors ***for both Adult-use and Medical-use.***

#### **Distribution Business Activities:**

The Distribution facility will schedule intake of pre-packaged cannabis products only from state licensed Processing, Manufacturing or Cultivation companies. During deliveries, staff will monitor the transaction to ensure safety and security throughout the intake process. The Distribution employee will scan all received products into the Track and Trace METRC database.

Deliveries by third parties shall be required to schedule deliveries in advance. The distribution suite's manager shall maintain the scheduled deliveries in confidence, releasing details only to those with a business need to know, and only with as much advance notice as is reasonably required for cohesion in business operations.

Upon clearance by staff, the distribution facility's roll-up door will be opened, allowing the delivery vehicle to pull into the loading bay. Once the delivery vehicle is within the loading bay, the roll up door will be closed and locked without delay. The Manager/Owner will monitor the unloading and accounting procedures to deter diversion of products.

Delivered products will be accounted for, compared to manifests and transferred from the delivery organization's Track and Trace METRC to the distribution suite.

Once accounted for, the distribution manager will direct the movement of delivered products to the secure, limited access storage area of the distribution suite. The roll-up door will not be opened to provide for the delivery vehicle's departure until the delivered products have been secured in the limited access storage area. Thereafter, staff will escort the delivery vehicle from the premises, ensuring the roll up door is closed and locked behind the departing delivery vehicle.

Upon intake of cannabis products (flower, lead, edibles and concentrates), a storage and testing fee will be collected from the provider. Monies collected will be stored in a safe within the vault of the distribution facility and accounted for in the accounting software of the business and in the track and trace METRC database.

A sample of each product will be transported by the distribution suite owners and/or employees for batch testing by a licensed cannabis testing facility for THC content, pesticides, molds, moisture, content and contaminants.

Upon notification from the testing center that a batch sample has passed all requisite tests, the product will be cleared for distribution to retailers and relocated from the quarantine area of the secure storage area to the area designated for distribution to retailers.

In the event that a product fails to pass California testing requirements, all product related to the failing batch will be disposed of in accordance with California laws and regulations. Cannabis awaiting disposal will be stored in air-tight containers and in a separate area of the secure storage area.

The transportation of laboratory-certified cannabis products and the return of currency will be completed by a distribution owner/employee and by way of a distribution vehicle that meets all California cannabis transportation requirements and local ordinances. A manifest will be provided by the Distribution company reflecting each product within the vehicle. The manifest shall be carried by and within the control of the distribution driver.

As product is delivered to a retailer, the retailer will be required to intake the product into their Track and Trace METRC account; taking full responsibility of the product at the time of transaction. A manifest shall be required from the retailer detailing all payments, including all applicable taxes.

Distribution drivers shall be required to return to the distribution suite immediately upon collection of payments from retailers to reduce exposure time of in-transit currency and records.

The Distribution company will be responsible for collecting, accounting for and safekeeping all monies to be paid to the producers of cannabis products and related taxes due to local and state authorities. All accounting of monies, product transfers and accounts shall be stored through the California track and trace METRC system.

This distribution facility will process cannabis **for both Adult-use and Medical-use**, keeping cannabis for each separated through use of METRC UID tags and data entry of tag numbers into the state's track and trace database.



Gold Country Growers Distribution  
PO Box 2511, Nevada City, CA 95959

***Section C.4. Name and address of school(s) and/or public park(s) closest to Proposed Location:***

<u>Deer Creek Elementary School</u> 805 Lindley Ave., Nevada City CA 95959	K-4	0.5 mi
<u>Seven Hills Intermediate School</u> 700 Hoover Ln, Nevada City CA 95959	5-8	0.7 mi
<u>Launch School</u> 112 Nevada City Hwy, Nevada City CA 95959	7-12	0.2 mi
<u>Nevada County Special Education School</u> 400 Hoover Ln., Nevada City CA 95959	K-12	0.6 mi
Forest Charter 470 Searls Ave., Nevada City CA 95959	K-8	0.8 mi
<u>Muir Charter School</u> 117 New Mohawk Rd., Nevada City CA 95959	9-12	0.8 mi
<u>Echo Ridge Christian Private School</u>	K-8	1.4 mi

[Charis Youth Center Private School](#)

7-12

2.6 mi

Pioneer Park  
421 Nimrod Street  
Nevada City, CA 9595

Public  
Park

2.0 mi



Gold Country Growers Distribution  
PO Box 2511, Nevada City, CA 95959

### **Section C.6.**

***Description of neighborhood around the proposed location surrounding uses, nearby sensitive uses (such as schools, churches, parks, daycares, or residents), transit access to site, etc.***

Our proposed location at 440 Lower Grass Valley Road is at the end of Lower Grass Valley Road and sits between the Golden Chain Hwy 20 and the Nevada City Hwy. The building is tucked up above Lower Grass Valley Road and is surrounded by lots of trees in a very private location. You cannot see the building from the road or either highways. There are no residents, homes or apartments located near the location, nor on Lower Grass Valley Road.

Lower Grass Valley Road in Nevada City is a dead end road in an industrial business park that includes Robinson Enterprises, Inc., Robinson Gas Station, Robinson Tire Shop, Weiss Landscaping Inc., and Ferrell Gas. The neighborhood surrounding the proposed location is often referred to as the Robinson Industrial Park.

The closest church at 0.5 miles away is Sierra Presbyterian Church located at 175 Ridge Rd.; the closest school at 0.5 miles away is Deer Creek Elementary School located at 805 Lindley Ave., and the closest public park at 1.7 miles is Pioneer Park located at 421 Nimrod Street. Located on the same property, in the same building, is a legal cannabis testing lab, THC. Located just .07 miles away is a legal cannabis dispensary named Elevation 2477, located at 569 Searls Ave, Nevada City, CA 95959.



## BUSINESS PLAN

# Gold Country Growers Distribution

A Cannabis Distribution Company.

## Statement of Confidentiality

This confidential Business Plan has been prepared by Gold Country Growers Distribution for a limited number of parties and is privileged and confidential. In light of the sensitivity of these documents, we respectfully request prior written consent prior to reproduction or distribution of this Business Plan or any of its contents in any form or under any circumstances. The Recipient is responsible for returning all copies of the Business Plan upon request of the company.

Although the information contained herein is believed to be correct, Gold Country Growers Distribution and its principals disclaim any and all liability for representations and warranties, express or implied, contained in, or for omissions from this Business Plan or any other written or oral communication transmitted or made available to the Recipient. This Business Plan does not purport to be all-inclusive or to contain all the information prospective lenders or others may need or desire.

Furthermore, the potential fulfillment of 'forward looking statements' contained in the plan are subject to change due to unexpected events, market shifts, or circumstances that cannot be known at this time. Forward looking statements are based on expectations, estimates, and projections at the time the statements were made that involve a number of economic, business, and numerous risks and uncertainties which could cause actual results or events to differ materially from those presently anticipated. Forward looking statements in the plan may be identified through the use of words such as, but not exclusively limited to: "expects," "will," "anticipates," "estimates," "believes," or statements indicating certain actions "may," "could," or "might" occur. Such estimates and projections are subject to significant uncertainties beyond the control of the Company. Although such projections are believed to be realistic, no representations are made as to their ultimate attainability.

## Executive Summary

### Overview

Gold Country Growers Clearlake Inc., dba Gold Country Growers Distribution is a stock corporation registered in California. Gold Country Growers Distribution is organized and directed to operate in accordance with all applicable local and state laws—strict compliance with local and California law is our supreme mandate.

### Mission Statement

At Gold Country Growers Distribution, our mission is to revitalize Nevada City, California, by providing the highest caliber of cannabis to our qualified medical patient and adult-use customers through our distribution operations. Our mission includes a commitment to local philanthropy, education, and cooperative relationships with the community. Gold Country Growers Distribution will implement the highest standards of professionalism, integrity, and

ethics, with a dual focus of consumer access and community-centered advocacy. We are committed to partnering with local businesses, community leaders, government and law enforcement to enhance the surrounding community and maintain an industry-leading standard of professionalism in the emerging cannabis industry.

As a distributor, Gold Country Growers Distribution will transport cannabis and cannabis products for other licensees, including related activities permitted by a distribution licensee. We will comply with all state and local requirements, including regulations requiring distributors to work with licensed testing laboratories to ensure product safety. Gold Country Growers Distribution will ensure all vehicles used for the delivery and distribution of cannabis and cannabis products comply with regulations specifying vehicle equipment, safety protocols, and record-keeping requirements.

## Objectives

- The Company is a cannabis distribution company expected to be licensed under California Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”) as an *A/M-Type II: Distributor*.
- As a distribution service, our primary objective is to provide the highest caliber of access to quality cannabis and become a beacon of the community, leading the way in community education and localized philanthropy. We will provide education to our customers, and only transport to retailers and wholesale distributors who are also operating in strict compliance with all state and local requirements.
- The Company expects to deliver substantial philanthropic benefits to the City of Nevada City within the first twenty-four months of operation.

## Competitive Edge

The expert team delivers years of proven practices in diverse disciplines, including medicinal cannabis cultivation and collective-model distribution, small business management, and community involvement.

Gold Country Growers Distribution is a California corporation owned by Christopher R. Johnston aka “Redlocks” and Bob Roy Harris III, aka “Roy Harris.”

Upon issuance of a local permit, Gold Country Growers Distribution is committed to engaging the Nevada City community to address local concerns, and hire local members of the community for our staff. We take the privilege of operating in Nevada City seriously, and intend to give back to the community.

## **Employee Standards**

Each of Gold Country Growers Distribution's principals is highly credentialed and experienced across a diverse range of professional backgrounds, and intends to maintain high standards for all staff members.

Our staff will be required to submit to a thorough background check and aggressive pre-employment training. Pursuant to the State of California's laws and regulations, employees who will be handling cannabis shall be finger-printed for compliance with the laws and regulations.

Additionally, all staff will receive continuing training opportunities to ensure his/her compliance with the existing and ever-evolving laws and regulations at both the state and local level.

## **Organization and Compliance**

### ***Day to Day Operations***

Gold Country Growers Distribution shall be a premier establishment and will set the standard for cannabis distribution businesses in Nevada City. Our objective is to create safe access to cannabis for customers in surrounding Nevada County and neighboring counties. To do this, we understand the importance of having professional, highly trained staff and a managing body that is well organized.

### ***Environmental Impact***

Gold Country Growers Distribution will not have any negative environmental impact on the city and at its proposed location due to being an environmentally safe and eco-conscious company. Our company takes pride in taking the necessary steps to recycle, reduce waste and reuse all materials to run our business office and distribution company. There will be no sufficient change to the current buildings use of water and electricity use.

### ***Neighborhood Compatibility Plan***

The neighborhood surrounding our proposed location at 440 Lower Grass Valley Rd., is very compatible with our company mission and business plan. A cannabis testing lab is located in the same building and a legal cannabis dispensary is located just a few miles away.

### ***Hours of Operation***

Gold Country Growers Distribution will not be open to the public. GCGD is normally open for business between the hours of 10:00am and 6:00pm, Sunday through Saturday.

***Parking Plan***

Gold Country Growers Distribution's proposed location at 440 Lower Grass Valley Road has ample parking and only plans on having 1-2 vehicles parked at location during business hours.

***Staffing Requirements***

At Gold Country Growers Distribution, safety and security is our No. 1 priority. In order to provide these services to the best of our ability, we believe in the importance of having an extremely well-trained and effective staff. All employees shall acknowledge and agree to the requirements set forth in our Employee Handbooks before they are eligible to begin working for Gold Country Growers Distribution. (See Employee Handbook & Employee Training Handbook attached.)

***Safety & Security***

In order to ensure the safety and security of the business' employees, as well as the surrounding community, we have developed a comprehensive Security Plan to ensure safety on the premises, and for our neighbors, employees, and customers.

**Distribution Activities**

Gold Country Growers Clearlake will work with other retailers and wholesale distributors for the transportation of cannabis and cannabis products, in strict compliance with all California state and local laws. Emergency regulations implementing MAUCRSA were recently released, and detail requirements for distributors, including:

***Labeling and Packaging***

The emergency regulations allow distributors to package and label, or repackage and relabel, cannabis in the form of dried flower on behalf of a cultivator or another distributor (but not manufactured cannabis goods). In the event we work with cultivators to package and label cannabis, we will ensure we meet all guidelines related to information required to appear on labeling and inserts, and ensuring labeling is not designed to be attractive to children.

***Working with Testing Laboratories***

All cannabis and cannabis products must meet certain standards of quality prior to distribution. To ensure compliance with these requirements, Gold Country Growers Distribution will work with testing laboratories to ensure proper collection of product sample, and only transport cannabis and cannabis products after ensuring a proper certificate of analysis confirms the products meet all required testing standards.

***Transportation Safety and Security***

MAUCRSA requires all transportation of cannabis and cannabis products to occur in vehicles meeting specific requirements, including motor carrier permits, safety protocols, and record-keeping. Gold County Growers Distribution will strictly comply with all such requirements and

only transport cannabis and cannabis products to retailers and other distributors who also operate in strict compliance with state and local laws.

### ***Track and Trace Requirements***

In order to ensure cannabis shall be tracked and traced to prevent diversion, Gold Country Growers shall strictly comply with the Track and Trace program features of MAUCRSA. (*See, Cal.*

*B.P. § 26067 et seq.*)

Prior to opening its doors, Gold Country Growers Distribution shall obtain a state-of-the-art electronic Track and Trace program, which *at minimum* shall report the following:

1. The transaction date;
2. The identity of the employee receiving the product;
3. Exact times of arrival;
4. Categorization of the product, including strain and producer;
5. The quantity or weight.

Gold Country Growers Distribution is closely monitoring the ever-evolving regulations surrounding Track and Trace requirements and working with legal counsel to ensure strict compliance with all state requirements.

In addition to the reporting requirements, Gold Country Growers Distribution is required to keep records of all commercial cannabis activity and to maintain those records at the premises of the licensed location for seven (7) years. As a distributor, we will strictly adhere to all requirements related to maintenance of shipping manifests and record-transmission requirements to state and local government.

### ***Packaging and Labeling Requirements***

In its capacity as a distributor (when packaging and labeling dried flower), Gold Country Growers Distribution intends to strictly comply with all Packaging and Labeling requirements and acknowledges that state law requires all cannabis products to be packaged in tamper evident packaging and contain labels that are not made to be attractive to children. Moreover, all packaging shall prominently display, in clear and legible font, the following:

The manufacture date and source.

For cannabis, the statement: “GOVERNMENT WARNING: THIS PACKAGE CONTAINS CANNABIS, A SCHEDULE I CONTROLLED SUBSTANCE. KEEP OUT OF REACH OF CHILDREN AND ANIMALS.

CANNABIS MAY ONLY BE POSSESSED OR CONSUMED BY PERSONS 21 YEARS OF AGE OR OLDER UNLESS THE PERSON IS A QUALIFIED PATIENT. CANNABIS USE WHILE PREGNANT OR BREASTFEEDING MAY BE HARMFUL. CONSUMPTION OF CANNABIS IMPAIRS YOUR ABILITY TO DRIVE AND OPERATE MACHINERY. PLEASE USE EXTREME CAUTION.”

For cannabis products, the statement: “GOVERNMENT WARNING: THIS PRODUCT CONTAINS CANNABIS, A SCHEDULE I CONTROLLED SUBSTANCE. KEEP OUT OF REACH OF CHILDREN AND ANIMALS. CANNABIS PRODUCTS MAY ONLY BE POSSESSED OR CONSUMED BY PERSONS 21 YEARS OF AGE OR OLDER UNLESS THE PERSON IS A QUALIFIED PATIENT. THE INTOXICATING EFFECTS OF CANNABIS PRODUCTS MAY BE DELAYED UP TO TWO HOURS. CANNABIS USE WHILE PREGNANT OR BREASTFEEDING MAY BE HARMFUL. CONSUMPTION OF CANNABIS PRODUCTS IMPAIRS YOUR ABILITY TO DRIVE AND OPERATE MACHINERY. PLEASE USE EXTREME CAUTION.”

For packages containing only dried flower, the net weight of cannabis in the package.

Identification of the source and date of cultivation, the type of cannabis or cannabis product and the date of manufacturing and packaging.

The appellation of origin, if any.

List of pharmacologically active ingredients, including, but not limited to, tetrahydrocannabinol (THC), cannabidiol (CBD), and other cannabinoid content, the THC and other cannabinoid amount in milligrams per serving, servings per package, and the THC and other cannabinoid amount in milligrams for the package total.

A warning if nuts or other known allergens are used.

Information associated with the unique identifier issued by the Department of Food and Agriculture.

For medicinal cannabis products, the statement: “FOR MEDICAL USE ONLY.”

Any other requirement set by the Bureau of the State Department of Public Health.

Regarding marketing, Gold Country Growers Distribution acknowledges that it is illegal to market, label, or sell medical cannabis as being grown in a California county where it was not grown in that county. Further, MAUCRSA makes it illegal to even use the name of a California county in the labeling, marketing, or packaging of medical marijuana unless it was grown in that county.

# **GOLD COUNTRY GROWERS DISTRIBUTION**



## **Employee Handbook**

*Revised 06/2020*

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## **Required Policies**

### **At-Will Employment Status**

Gold Country Growers Distribution (GCGD) personnel are employed on an at-will basis. Employment at-will may be terminated or disciplined with or without cause and with or without advance notice at any time by the employee or the Company. Nothing in this handbook shall limit the right to terminate at-will employment. No manager, supervisor, or employee of the Company has any authority to enter into an agreement for employment for any specified period of time or to make an agreement for employment on other than at-will terms. Only the Corporate Officer of GCGD has the authority to make any such agreement, which is binding only if it is in writing.

### **Equal Employment Opportunity (5 or more Employees)**

Gold Country Growers Distribution (GCGD) is an equal opportunity employer and makes employment decisions on the basis of merit. We want to have the best available persons in every job. Company policy prohibits unlawful discrimination based on race, color, creed, gender, religion, marital status, registered domestic partner status, age, national origin or ancestry, physical or mental disability, medical condition including genetic characteristics, sexual orientation, or any other consideration made unlawful by federal, state, or local laws. It also prohibits unlawful discrimination based on the perception that anyone has any of those characteristics, or is associated with a person who has or is perceived as having any of those characteristics. All such discrimination is unlawful.

The Company is committed to compliance with all applicable laws providing equal employment opportunities. This commitment applies to all persons involved in Company operations and prohibits unlawful discrimination by any employee of the Company, including supervisors and coworkers. To comply with applicable laws ensuring equal employment opportunities to qualified individuals with a disability, the Company will make reasonable accommodations for the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or an employee unless undue hardship would result.

Any applicant or employee who requires an accommodation in order to perform the essential functions of the job should contact a Company representative with day-to-day personnel responsibilities and request such an accommodation. The individual with the disability should specify what accommodation he or she needs to perform the job. The Company then will conduct an investigation to identify the barriers that interfere with the equal opportunity of the applicant or employee to perform his or her job. The Company will identify possible accommodations, if any, that will help eliminate the limitation. If the accommodation is reasonable and will not impose an undue hardship, the Company will make the accommodation.

If you believe you have been subjected to any form of unlawful discrimination, submit a written complaint to your supervisor or the individual with day-to-day personnel responsibilities. Your complaint should be specific and should include the names of the individuals involved and the names of any witnesses. If you need assistance with your complaint, or if you prefer to make a complaint in person, contact your manager. The Company will immediately undertake an effective, thorough, and objective investigation and attempt to resolve the situation.

If the Company determines that unlawful discrimination has occurred, effective remedial action will be taken commensurate with the severity of the offense. Appropriate action also will be taken to deter any future discrimination. The Company will not retaliate against you for filing a complaint and will not knowingly permit retaliation by management employees or your coworkers.

### **Introductory Statement**

Welcome! As an employee of Gold Country Growers Distribution (the "Company"), you are an important member of a team effort. We hope that you will find your position with the Company rewarding, challenging, and productive.

Because our success depends upon the dedication of our employees, we are highly selective in choosing new members of our team. We look to you and the other employees to contribute to the success of the Company.

This employee handbook is intended to explain the terms and conditions of employment of all full- and part-time employees and supervisors. Written employment contracts between Gold Country Growers Distribution and some individuals may supersede some of the provisions of this handbook.

This handbook summarizes the policies and practices in effect at the time of publication. This handbook supersedes all previously issued handbooks and any policy or benefit statements or memoranda that are inconsistent with the policies described here. Your supervisor or manager will be happy to answer any questions you may have.

**Right to Revise**

This employee handbook contains the employment policies and practices of GCGD in effect at the time of publication. All previously issued handbooks and any inconsistent policy statements or memoranda are superseded.

GCGD reserves the right to revise, modify, delete, or add to any and all policies, procedures, work rules, or benefits stated in this handbook or in any other document, except for the policy of at-will employment. However, any such changes must be in writing and must be signed by the CEO of GCGD.

Any written changes to this handbook will be distributed to all employees so that employees will be aware of the new policies or procedures. No oral statements or representations can in any way alter the provisions of this handbook. This handbook sets forth the entire agreement between you and GCGD as to the duration of employment and the circumstances under which employment may be terminated. Nothing in this employee handbook or in any other personnel document, including benefit plan descriptions, creates or is intended to create a promise or representation of continued employment for any employee.

**Unlawful Harassment**

GCGD is committed to providing a work environment free of unlawful harassment. Company policy prohibits sexual harassment and harassment based on pregnancy, childbirth or related medical conditions, race, religious creed, color, gender, national origin or ancestry, physical or mental disability, medical condition, marital status, registered domestic partner status, age, sexual orientation or any other basis protected by federal, state or local law or ordinance or regulation. All such harassment is unlawful. The Company's anti-harassment policy applies to all persons involved in the operation of the Company and prohibits unlawful harassment by any employee of the Company, including supervisors and managers, as well as vendors, customers, independent contractors and any other persons. It also prohibits unlawful harassment based on the perception that anyone has any of those characteristics, or is associated with a person who has or is perceived as having any of those characteristics.

Prohibited unlawful harassment includes, but is not limited to, the following behavior:

- Verbal conduct such as epithets, derogatory jokes or comments, slurs or unwanted sexual advances, invitations or comments;
- Visual displays such as derogatory and/or sexually-oriented posters, photography, cartoons, drawings or gestures;
- Physical conduct including assault, unwanted touching, intentionally blocking normal movement or interfering with work because of sex, race or any other protected basis;
- Threats and demands to submit to sexual requests as a condition of continued employment, or to avoid some other loss and offers of employment benefits in return for sexual favors; and
- Retaliation for reporting or threatening to report harassment.

If you believe that you have been unlawfully harassed, bring your complaint to your own or any other Company supervisor, the president or the personnel administrator of the Company as soon as possible after the incident. You will be asked to provide details of the incident or incidents, names of individuals involved and names of any witnesses. It would be best to communicate your complaint in writing, but this is not mandatory. Supervisors will refer all harassment complaints to the personnel administrator, investigative officer or the CEO of the Company. The Company will immediately undertake an effective, thorough and objective investigation of the harassment allegations.

If the Company determines that unlawful harassment has occurred, effective remedial action will be taken in accordance with the circumstances involved. Any employee determined by the Company to be responsible for unlawful harassment will be subject to appropriate disciplinary action, up to and including termination. A Company representative will advise all parties concerned of the results of the investigation. The Company will not retaliate against you for filing a complaint and will not tolerate or permit retaliation by management, employees or co-workers.

The Company encourages all employees to report any incidents of harassment forbidden by this policy immediately so that complaints can be quickly and fairly resolved. You also should be aware that the Federal Equal Employment Opportunity Commission and the California Department of Fair Employment and Housing investigate and prosecute complaints of prohibited harassment in employment. If you think you have been harassed or that you have been retaliated against for resisting or complaining, you may file a complaint with the appropriate agency. The nearest office is listed online.

## **Hiring**

### **Job Duties**

During the introductory period, your supervisor will explain your job responsibilities and the performance standards expected of you. Be aware that your job responsibilities may change at any time during your employment. From time to time, you may be asked to work on special projects, or to assist with other work necessary or important to the operation of your department or GCGD. Your cooperation and assistance in performing such additional work is expected. GCGD reserves the right, at any time, with or without notice, to alter or change job responsibilities, reassign or transfer job positions, or assign additional job responsibilities.

### **Regular Employees**

Regular employees are those who are hired to work on a regular schedule. Regular employees may be classified as full-time or part-time.

### **New Hires**

The first 90 Days of continuous employment at GCGD is considered an introductory period. During this time you will learn your responsibilities, get acquainted with fellow employees, and determine whether or not you are happy with your job. Your supervisor will closely monitor your performance.

Upon completion of the introductory period, GCGD will review your performance. If the Company finds your performance satisfactory and decides to continue your employment, it will advise you of any improvements expected from you. At that time, you may express suggestions to improve the Company's efficiency and operations.

Completion of the introductory period does not entitle you to remain employed by GCGD for any definite period of time, but rather allows both you and the Company to evaluate whether or not you are right for the position.

## **Leaves of Absence**

### **Volunteer Civil Service Personnel**

No employee shall be disciplined for taking time off to perform emergency duty as a volunteer firefighter, peace officer, or emergency rescue personnel. You are also eligible for unpaid leave for required training. If you are an official volunteer firefighter, please alert your supervisor that you may have to take time off for emergency duty. When taking time off for emergency duty, please alert your supervisor before doing so when possible.

### **Time Off for Voting**

If an employee does not have sufficient time outside of working hours to vote in an official state-sanctioned election, the employee may take off enough working time to vote. Such time off shall be taken at the beginning or the end of the regular working shift, whichever allows for more free time, and the time taken off shall be combined with the voting time available outside of working hours to a maximum of two hours combined. Under these circumstances, an employee will be allowed a maximum of two hours of time off during an election day without loss of pay. When possible, an employee requesting time off to vote shall give his or her supervisor at least two days notice.

### **Victims of Crime Leave**

An employee who is themselves a victim or who is the family member of a victim of a violent felony or serious felony may take time off from work under the following circumstances:

- The crime must be a violent or serious felony, as defined by law; and
- You must be the victim of a crime, or you must be an immediate family member of a victim, a registered domestic partner of a victim, or the child of a registered domestic partner of a victim.

An immediate family member is defined as: a spouse, child, stepchild, brother, stepbrother, sister, stepsister, mother, stepmother, father or stepfather.

A registered domestic partner means a domestic partner who is registered in accordance with California state law.

The absence from work must be in order to attend judicial proceedings related to a crime listed above. Before you are absent for such a reason, you must provide documentation of the scheduled proceeding. Such notice is typically given to the victim of the crime by a court or government agency setting the hearing, a district attorney or prosecuting attorney's office or a victim/witness office. If advance notice is not possible, you must provide appropriate documentation within a reasonable time after the absence. Any absence from work to attend judicial proceedings will be unpaid.

## **Pregnancy Disability Leave (5 or more Employees)**

Pregnancy, childbirth, or related medical conditions will be treated like any other disability, and an employee on leave will be eligible for temporary disability benefits in the same amount and degree as any other employee on leave.

Any female employee planning to take pregnancy disability leave should advise the personnel department as early as possible. The individual should make an appointment with the personnel manager to discuss the following conditions:

- Employees who need to take pregnancy disability must inform GCGD when a leave is expected to begin and how long it will likely last. If the need for a leave or transfer is foreseeable, employees must provide notification at least 30 days before the pregnancy disability leave or transfer is to begin. Employees must consult with the personnel manager regarding the scheduling of any planned medical treatment or supervision in order to minimize disruption to the operations of the Company. Any such scheduling is subject to the approval of the employee's health care provider;
- If 30 days advance notice is not possible, notice must be given as soon as practical;
- Upon the request of an employee and recommendation of the employee's physician, the employee's work assignment may be changed if necessary to protect the health and safety of the employee and her child;
- Requests for transfers of job duties will be reasonably accommodated if the job and security rights of others are not breached;
- Temporary transfers due to health considerations will be granted when possible. However, the transferred employee will receive the pay that accompanies the job, as is the case with any other temporary transfer due to temporary health reasons;
- Pregnancy leave usually begins when ordered by the employee's physician. The employee must provide Grass Valley Hydrogarden, Inc. and AgNatural with a certification from a health care provider. The certification indicating disability should contain:
  - The date on which the employee became disabled due to pregnancy;
  - The probable duration of the period or periods of disability; and
  - A statement that, due to the disability, the employee is unable to perform one or more of the essential functions of her position without undue risk to herself, the successful completion of her pregnancy, or to other persons.

Leave returns will be allowed only when the employee's physician sends a release. Duration of the leave will be determined by the advice of the employee's physician, but employees disabled by pregnancy may take up to four months. Part-time employees are entitled to leave on a pro rata basis. The four months of leave includes any period of time for actual disability caused by the employee's pregnancy, childbirth, or related medical condition.

This includes leave for severe morning sickness and for prenatal care. Leave does not need to be taken in one continuous period of time and may be taken intermittently, as needed.

Under most circumstances, upon submission of a medical certification that an employee is able to return to work from a pregnancy disability leave, an employee will be reinstated to her same position held at the time the leave began or to an equivalent position, if available. An employee returning from a pregnancy disability leave has no greater right to reinstatement than if the employee had been continuously employed.

## **Benefits**

### **Workers' Compensation**

GCGD, in accordance with state law, provides insurance coverage for employees in case of work-related injury. The workers' compensation benefits provided to injured employees may include:

- Medical care;
- Cash benefits, tax free, to replace lost wages; and
- Assistance to help qualified injured employees return to suitable employment.

To ensure that you receive any workers' compensation benefits to which you may be entitled, you will need to:

- Immediately report any work-related injury to your supervisor;
- Seek medical treatment and follow-up care if required;
- Complete a written Employee's Claim for Workers Compensation Benefits (DWC Form I) and return it to the General Manager.
- Provide the Company with a certification from your health care provider regarding the need for workers' compensation disability leave, as well as your eventual ability to return to work from the leave.

Upon submission of a medical certification that an employee is able to return to work after a workers' compensation leave, the employee under most circumstances will be reinstated to his or her same position held at the time the leave began, or to an equivalent position, if available. An employee returning from a workers' compensation leave has no greater right to reinstatement than if the employee had been continuously employed rather than on leave. For example, if the employee on workers' compensation leave would have been laid off had he or she not gone on leave, or if the employee's position has been eliminated or filled in order to avoid undermining the Company's ability to operate safely and efficiently during the leave, and no equivalent or comparable positions are available, then the employee would not be entitled to reinstatement.

An employee's return depends on his or her qualifications for any existing openings. If, after returning from a workers' compensation disability leave, an employee is unable to perform the essential functions of his or her job because of a physical or mental disability, the Company's obligations to the employee may include reasonable accommodation, as governed by the Americans with Disabilities Act.

### **Workers' Compensation and FMLA/CFRA**

Employees who are ill or injured as a result of a work-related incident, and who are eligible for family and medical leave under state and federal law (Family Medical Leave Act (FMLA) and the California Family Rights Act (CFRA)), will be placed on FMLA/CFRA during the time they are disabled and not released to return to work. The leave under these laws runs concurrently, and eligible employees will be on FMLA/CFRA for a maximum of 12 weeks in a 12-month period January through December.

## **Management**

### **Personnel Records**

You have a right to inspect certain documents in your personnel file, as provided by law, in the presence of a Company representative at a mutually convenient time. No copies of documents in your file may be made, with the exception of documents that you have previously signed. You may add your comments to any disputed item in the file.

GCGD will restrict disclosure of your personnel file to authorized individuals within the Company. Any request for information contained in personnel files must be directed to the personnel manager. Only the personnel manager is authorized to release information about current or former employees. Disclosure of personnel information to outside sources will be limited. However, GCGD will cooperate with requests from authorized law enforcement or local, state, or federal agencies conducting official investigations and as otherwise legally required.

## **Performance Evaluations**

Each employee will receive periodic performance reviews conducted by his or her supervisor. Your first performance evaluation will take place in ~ Subsequent performance evaluations will be conducted bi-annually. The frequency of performance evaluations may vary depending upon length of service, job position, past performance, changes in job duties, or recurring performance problems.

Your performance evaluations may review factors such as the quality and quantity of the work you perform, your knowledge of the job, your initiative, your work attitude, and your attitude toward others. The performance evaluations are intended to make you aware of your progress, areas for improvement, and objectives or goals for future work performance. Favorable performance evaluations do not guarantee increases in salary or promotions. Salary increases and promotions are solely within the discretion of GCGD and depend upon many factors in addition to performance. After the review, you will be required to sign the evaluation report simply to acknowledge that it has been presented to you, that you have discussed it with your supervisor, and that you are aware of its contents.

## **Open Door**

Suggestions for improving GCGD are always welcome. At some time, you may have a complaint, suggestion, or question about your job, working conditions, or the treatment you are receiving. Your good-faith complaints, questions, and suggestions also are of concern to the Company. We ask you to first discuss your concerns with your supervisor, following these steps:

- Within a week of the occurrence, bring the situation to the attention of your immediate supervisor, who will then investigate and provide a solution or explanation.
- If the problem persists, you may describe it in writing and present it to the personnel manager, who will investigate and provide a solution or explanation. If you need assistance with your complaint, or you prefer to make a complaint in person, contact the General Manager. We encourage you to bring the matter to the personnel manager as soon as possible after you believe that your immediate supervisor has failed to resolve it.
- If the problem is not resolved, you may present the problem in writing to the CEO of GCGD, who will attempt to reach a final resolution. If you need assistance with the written complaint, contact your supervisor or head of HR for help.

This procedure, which we believe is important for both you and the Company, cannot guarantee that every problem will be resolved to your satisfaction. However, GCGD values your observations and you should feel free to raise issues of concern, in good faith, without the fear of retaliation.

## **Names and Addresses**

GCGD is required by law to keep current all employees' names and addresses. Employees are responsible for notifying the Company in the event of a name or address change.

## **Employment of Relatives**

GCGD may refuse to hire relatives of present employees if doing so could result in actual or potential problems in supervision, security, safety, or morale, or if doing so could create potential conflicts of interest. The Company defines "relatives" as spouses, registered domestic partners, children, siblings, parents, in-laws, and step-relatives.

If two employees marry, become registered domestic partners, or become related, causing actual or potential problems such as those described above, only one of the employees will be retained with the Company, unless reasonable accommodations can be made to eliminate the actual or potential problems. The employees will have 30 days to decide which relative will stay with the Company. If this decision is not made within the time allowed, the CEO of GCGD will make the decision, taking the employment history and job performance of both employees into account.

## **Employee Property**

An employee's personal property, including but not limited to lockers, packages, purses, and backpacks, may be inspected upon reasonable suspicion of unauthorized possession of GCGD property.

## **Company Property**

### **Nondisclosure and Use of Trade Secrets**

During the term of employment with GCGD, employees may have access to and become familiar with information of a confidential, proprietary, or secret nature, which is or may be either applicable or related to the present or future business of the Company, its research and development, or the business of its customers. For example, trade secret information includes, but is not limited to, devices, inventions, processes and compilations of information, records, specifications, and information concerning customers or vendors. Employees shall not disclose any of the above-mentioned trade secrets, directly or indirectly, or use them in any way, either during the term of their employment or at any time thereafter, except as required in the course of employment with the Company. The above agreement should not be construed as constituting a promise of continued employment for at-will employment purposes.

## **Customer Lists**

The employee understands that customer lists of GCGD, for which the employee has or will have access to during the employee's employment, are trade secrets and shall be solely the property of the employer. The employee agrees that he/she shall neither directly nor indirectly solicit business as to products or services competitive with those of the Company based on information from the customer lists.

## **Use of Electronic Media**

GCGD uses various forms of electronic communication including, but not limited to computers, e-mail, telephones and Internet. All electronic communications, including all software, databases, hardware, and digital files, remain the sole property of GCGD and are to be used only for Company business and not for any personal use.

Electronic communication and media may not be used in any manner that would be discriminatory, harassing, or obscene, or for any other purpose that is illegal, against Company policy, or not in the best interest of the Company.

Employees who misuse electronic communications and engage in defamation, copyright or trademark infringement, misappropriation of trade secrets, discrimination, harassment, or related actions will be subject to discipline and/or immediate termination.

Employees may not install personal software on Company computer systems.

All electronic information created by any employee using any means of electronic communication is the property of GCGD and remains the property of GCGC. Personal passwords may be used for purposes of security, but the use of a personal password does not affect the Company's ownership of the electronic information.

GCGD will override all personal passwords if necessary for any reason. GCGD reserves the right to access and review electronic files, messages, mail, and other digital archives, and to monitor the use of electronic communications as necessary to ensure that no misuse or violation of Company policy or any law occurs. Employees are not permitted to access the electronic communications of other employees or third parties unless directed to do so by Company management. No employee may install or use anonymous e-mail transmission programs or encryption of e-mail communications, except as specifically authorized by the CEO.

Employees who use devices on which information may be received and/or stored, including but not limited to cell phones, cordless phones, portable computers, fax machines, and voicemail communications are required to use these methods in strict compliance with the trade secrets and confidential communication policy established by the Company. These communications tools should not be used for communicating confidential or sensitive information or any trade secrets.

Access to the Internet, websites, and other types of Company-paid computer access are to be used for Company-related business only. Any information about GCGD, its products or services, or other types of information that will appear in the electronic media about the Company must be approved by the CEO before the information is placed on an electronic information resource that is accessible to others. Questions about access to electronic communications or issues relating to security should be addressed to your manager.

### **Off-Duty Use of Facilities**

Employees are prohibited from remaining on GCGD premises or making use of Company facilities while not on duty. Employees are expressly prohibited from using Company facilities, Company property, or Company equipment for personal use.

### **Housekeeping**

All employees are expected to keep their work areas clean and organized. People using common areas such as break rooms, and restrooms are expected to keep them sanitary. Please clean up after meals and dispose of trash properly.

### **Employer Property**

Desks, computers, vehicles and machinery are GCGD property and must be maintained according to Company rules and regulations. They must be kept clean and are to be used only for work-related purposes. GCGD reserves the right to inspect all Company property to ensure compliance with its rules and regulations, without notice to the employee and at any time, not necessarily in the employee's presence. Company voice mail and/or electronic mail (e-mail) are to be used for business purposes only. GCGD reserves the right to monitor voice mail messages and e-mail messages to ensure compliance with this rule, without notice to the employee and at any time, not necessarily in the employee's presence.

GCGD may periodically need to assign and/or change "passwords" and personal security codes for computers, email and online vendor accounts. These communication technologies and related storage media and databases are to be used only for Company business and they remain the property of GCGD. GCGD reserves the right to keep a record of all passwords and codes used and/or may be able to override any such password system. Prior authorization must be obtained before any Company property may be removed from the premises.

For security reasons, employees should not leave personal belongings of value in the workplace. Personal items are subject to inspection and search, with or without notice, with or without the employee's prior consent. Terminated employees should remove any personal items at the time they leave GCGD. Personal items left in the workplace are subject to disposal if not claimed at the time of an employee's termination.

## **Employee Conduct**

### **No Solicitation of Customers or Employees**

The employee agrees that customer lists of GCGD (the Company), for which the employee has or will have access to during the employee's employment, are trade secrets and shall be solely the property of the employer.

The employee agrees that he/she shall neither directly nor indirectly solicit business as to products or services competitive with those of the Company based on information from the customer lists.

### **Prohibited use of Company Cell Phone While Driving**

In the interest of the safety of our employees and other drivers, GCGD employees are prohibited from using cell phones while driving on Company business and/or Company time. If your job requires that you keep your cell phone turned on while you are driving, you must use a hands-free device. Under no circumstances should employees place phone calls while operating a motor vehicle while driving on Company business and/or Company time. Violating this policy is a violation of law beginning July 1, 2008 and a violation of Company rules. Writing, sending, or reading text-based communication - including text messaging, instant messaging, and e-mail - on a wireless device or cell phone while driving is also prohibited under this policy. Violating this policy is a violation of law beginning January 1, 2009 and a violation Company rules.

### **Punctuality and Attendance**

As an employee of GCGD, you are expected to be punctual and regular in attendance. Any tardiness or absence causes problems for your fellow employees and your supervisor. When you are absent, your assigned work must be performed by others.

Employees are expected to report to work as scheduled, on time, and prepared to start work. Employees also are expected to remain at work for their entire work schedule, except for meal periods or when required to leave on authorized Company business. Late arrival, early departure, or other unanticipated and unapproved absences from scheduled hours are disruptive and must be avoided.

If you are unable to report for work on any particular day, you must under all but the most extenuating circumstances call your supervisor at least 15 minutes before the time you are scheduled to begin working for that day. If you call less than 15 minutes before your scheduled time to begin work and do not arrive in time for your assigned shift, you will be considered tardy for that day. In all cases of absence or tardiness, employees must provide their supervisor with an honest reason or explanation.

Employees also must inform their supervisor of the expected duration of any absence. Excessive absenteeism or tardiness, whether excused or not, will not be tolerated. GCGD defines excessive absenteeism as more than 10 days absence in a 12-month period. If you fail to report for work without any notification to your supervisor and your absence continues for a period of 2 days GCGD will consider that you have voluntarily abandoned and/or quit your employment.

### **Prohibited Conduct**

The following conduct is prohibited and will not be tolerated by GCGD. This list of prohibited conduct is illustrative only; other types of conduct that threaten security, personal safety, employee welfare and Company operations also may be prohibited.

- Falsifying employment records, employment information, or other Company records;
- Recording the work time of another employee or allowing any other employee to record your work time, or falsifying any time card, either your own or another employee's;
- Theft and deliberate or careless damage or destruction of any Company property, or the property of any employee or customer;
- Removing or borrowing Company property without prior authorization;
- Unauthorized use of Company equipment, time, materials, or facilities;
- Provoking a fight or fighting during working hours or on Company property;
- Participating in horseplay or practical jokes on Company time or on Company premises;
- Carrying firearms or any other dangerous weapons on Company premises at any time;
- Engaging in criminal conduct whether or not related to job performance;
- Causing, creating, or participating in a disruption of any kind during working hours on Company property;
- Insubordination, including but not limited to failure or refusal to obey the orders or instructions of a supervisor or member of management, or the use of abusive or threatening language toward a supervisor or member of management;
- Using abusive language at any time on Company premises;
- Failing to notify a supervisor when unable to report to work;
- Unreported absence of 2 days.

- Failing to obtain permission to leave work for any reason during normal working hours;
- Failing to observe working schedules, including rest and lunch periods;
- Failing to provide a physician's certificate when requested or required to do so;
- Sleeping or malingering on the job;
- Making or accepting personal telephone calls, including cell phone calls, of more than three minutes in duration during working hours, except in cases of emergency;
- Working overtime without authorization or refusing to work assigned overtime;
- Wearing disturbing, unprofessional or inappropriate styles of dress or hair while working;
- Violating any safety, health, security or Company policy, rule, or procedure;
- Committing a fraudulent act or a breach of trust under any circumstances; and
- Committing of or involvement in any act of unlawful harassment of another individual.

This statement of prohibited conduct does not alter the Company's policy of at-will employment. Either you or GCGD remain free to terminate the employment relationship at any time, without reason or advance notice.

### **Drug and Alcohol Abuse**

GCGD is concerned about the use of alcohol, illegal drugs, or controlled substances as it affects the workplace. Use of these substances, whether on or off the job can detract from an employee's work performance, efficiency, safety, and health, and therefore seriously impair the employee's value to the Company. In addition, the use or possession of these substances on the job constitutes a potential danger to the welfare and safety of other employees and exposes the Company to the risks of property loss or damage, or injury to other persons.

Furthermore, the use of prescription drugs and/or over-the-counter drugs also may affect an employee's job performance and may seriously impair the employee's value to the Company. The following rules and standards of conduct apply to all employees either on Company property or during the workday (including meals and rest periods). Behavior that violates Company policy includes:

- Possession and/or use of an illegal or controlled substance, or being under the influence of an illegal controlled substance while on the job;
- Driving a Company vehicle while under the influence of alcohol; and
- Distribution, sale, or purchase of an illegal or controlled substance while on the job.

- Violation of these rules and standards of conduct will not be tolerated. GCGD also may bring the matter to the attention of appropriate law enforcement authorities.
- In order to enforce this policy, GCGD will conduct searches of Company property or employees and/or their personal property, and to implement other measures necessary to deter and detect abuse of this policy.
- An employee's conviction on a charge of illegal sale or possession of any controlled substance while off Company property will not be tolerated because such conduct, even though off duty, reflects adversely on GCGD.

In addition, the Company must keep people who sell or possess controlled substances off Company premises in order to keep the controlled substances themselves off the premises. Any employee who is using prescription or over-the-counter drugs that may impair the employee's ability to safely perform the job, or affect the safety or well-being of others, must notify a supervisor of such use immediately before starting or resuming work.

Gold Country Growers Distribution (GCGD) will encourage and reasonably accommodate employees with alcohol or drug dependencies to seek treatment and/or rehabilitation. Employees desiring such assistance should request a treatment or rehabilitation leave. The Company is not obligated, however, to continue to employ any person whose performance of essential job duties is impaired because of drug or alcohol use, nor is the Company obligated to re-employ any person who has participated in treatment and/or rehabilitation if that person's job performance remains impaired as a result of dependency. Additionally, employees who are given the opportunity to seek treatment and/or rehabilitation, but fail to successfully overcome their dependency or problem, will not automatically be given a second opportunity to seek treatment and/or rehabilitation. This policy on treatment and rehabilitation is not intended to affect the Company's treatment of employees who violate the regulations described previously. Rather, rehabilitation is an option for an employee who acknowledges a chemical dependency and voluntarily seeks treatment to end that dependency.

## **Customer Relations**

Employees are expected to be polite, courteous, prompt, and attentive to every customer. When an employee encounters an uncomfortable situation that he or she does not feel capable of handling, the general manager should be called immediately.

Ours is a service business and all of us must remember that the customer always comes first. Remember, while the customer is not always right, the customer is never wrong. Never argue with a customer. If a problem develops or if a customer remains dissatisfied, ask your supervisor or the general manager to intervene.

Customers are to be treated courteously and given proper attention at all times. Never regard a customer's question or concern as an interruption or an annoyance. You must respond to inquiries from customers, whether in person or by telephone, promptly and professionally.

Never place a telephone caller on hold for an extended period. Direct incoming calls to the appropriate person and make sure the call is received. Through your conduct, show your desire to assist the customer in obtaining the help he or she needs. If you are unable to help a customer, find someone who can.

All correspondence and documents, whether to customers or others, must be neatly prepared and error-free. Attention to accuracy and detail in all paperwork demonstrates your commitment to those with whom we do business.

## **Conflicts of Interest**

All employees must avoid situations involving actual or potential conflict of interest. Personal or romantic involvement with a competitor, supplier, or subordinate employee of GCGD, which impairs an employee's ability to exercise good judgment on behalf of the Company, creates an actual or potential conflict of interest. Supervisor-subordinate romantic or personal relationships also can lead to supervisory problems, possible claims of sexual harassment, and morale problems. An employee involved in any of the types of relationships or situations described in this policy should immediately and fully disclose the relevant circumstances to his or her immediate supervisor, or any other appropriate supervisor, for a determination about whether a potential or actual conflict exists. If an actual or potential conflict is determined, GCGD may take whatever corrective action appears appropriate according to the circumstances. Failure to disclose facts shall constitute grounds for disciplinary action.

## **Confidentiality**

Each employee is responsible for safeguarding the confidential information obtained during employment. In the course of your work, you may have access to confidential information regarding GCGC its suppliers, its customers, or perhaps even fellow employees. You have a responsibility to prevent revealing or divulging any such information unless it is necessary for you to do so in the performance of your duties. Access to confidential information should be on a "need-to-know" basis and must be authorized by your supervisor. Any breach of this policy will not be tolerated and legal action may be taken by the Company.

## **Conducting Personal Business**

Employees are to conduct only GCGD business while at work. Employees may not conduct personal business or business for another employer during their scheduled working hours.

## **Wages**

### **Work Schedules**

GCGD is normally open for business between the hours of 10:00am and 6:00pm, Sunday through Saturday. Your supervisor will assign your individual work schedule. All employees are expected to be at their desks or workstations at the start of their scheduled shifts, ready to work. Exchanging work schedules with other employees is discouraged. However, if you need to exchange schedules, notify your supervisor, who may authorize an exchange if possible. Work schedule exchanges will not be approved for the mere convenience of an employee or if the exchange interferes with normal operations or results in excessive overtime.

### **Timekeeping Requirements**

All non-exempt employees are required to use a time clock to record time worked for payroll purposes. Employees must record their own time at the start and at the end of each work period, including before and after the lunch break. Employees also must record their time whenever they leave the building for any reason other than GCGD business. Any handwritten marks or changes on the timecard must be initialed by a supervisor. Punching another employee's timecard, allowing another employee to punch your timecard, or altering a timecard is not permissible and is subject to disciplinary action. Any errors on your timecard should be reported immediately to your supervisor.

## **Payment of Wages**

Paychecks are normally available by Friday at 3:00p.m. If you observe an error on your check, please report it immediately to your supervisor.

All employees of GCGD are paid every other Friday for work performed during the previous two-week pay period. If a regular payday falls on a holiday, employees will be paid on the last day worked before the holiday. GCGD offers automatic payroll deposit for their employees. You may begin and stop automatic payroll deposit at any time. To begin automatic payroll deposit, you must complete a form which is available from your supervisor. To stop automatic payroll deposit, see your supervisor.

## **Overtime for Non-Exempt Employees**

Employees may be required to work overtime as necessary. Only actual hours worked in a given workday or workweek can apply in calculating overtime. GCGD will attempt to distribute overtime evenly and accommodate individual schedules. All overtime work must be previously authorized by a supervisor. GCGD provides compensation for all overtime hours worked by non-exempt employees in accordance with state and federal law as follows:

- All hours worked in excess of eight hours in one workday or 40 hours in one workweek will be treated as overtime. A workday begins at 12:01 a.m. and ends at midnight 24 hours later. Workweeks begin each Sunday at 12:01 a.m;
- Compensation for hours in excess of 40 for the workweek, or in excess of eight and not more than 12 for the workday, and for the first eight hours on the seventh consecutive day of work in one workweek, shall be paid at a rate one and one-half times the employee's regular rate of pay;
- Compensation for hours in excess of 12 in one workday and in excess of eight on the seventh consecutive workday in a workweek shall be paid at double the regular rate of pay; and
- Exempt employees may have to work hours beyond their normal schedules as work demands require. No overtime compensation will be paid to exempt employees.

## **Meal and Rest Periods**

All nonexempt employees are entitled to periodic rest break periods during their workday. If you are a nonexempt employee, you will be paid for all such break periods and you will not clock out. Your supervisor will advise you of the time and duration of your breaks and you are expected to return to work promptly at the end of any rest break.

Generally, you will be entitled to one (1) 10-minute rest break for every four (4) hours you work (or major fraction thereof, which is defined as two (2) hours). If you work more than six (6) hours and up to 10 hours in a workday, you will receive one (1) rest break during the first half of your shift and one (1) rest break during the second half of your shift. If you work more than 10 hours and up to 14 hours, you will be entitled to an additional paid 10 minute rest break.

If you work more than five (5) hours in a workday, you are also entitled to an unpaid meal period of at least 30 minutes. If you work more than 10 hours, you are entitled to a second, unpaid meal period of at least 30 minutes.

Depending on the circumstances, you may be able to waive your second meal period if you took the first one. You must clock out for your meal period. Your supervisor will advise you of the scheduling of your meal period. You must not perform any work during your meal period, and you must stop working for at least 30 full, consecutive minutes. All rest breaks and meal periods must be taken away from the regular work area. You may leave the premises for your meal periods. If for any reason you do not take the applicable rest breaks and/or meal periods, You must notify your supervisor immediately.

## **Safety and Health**

### **Workplace Violence**

GCGD has adopted the following workplace violence policy to ensure a safe working environment for all employees.

The Company has a zero tolerance for acts of violence and threats of violence. Without exception, acts and threats of violence are not permitted. All such acts and threats, even those made in apparent jest, will be taken seriously, and will lead to discipline up to and including termination.

Possession of non-work related weapons on Company premises and at Company-sponsored events shall constitute a threat of violence. It is every employee's responsibility to assist in establishing and maintaining a violence-free work environment. Therefore, each employee is expected and encouraged to report any incident which may be threatening to you or your co-workers or any event which you reasonably believe is threatening or violent. You may report an incident to any supervisor or manager.

A threat includes, but is not limited to, any indication of intent to harm a person or damage Company property. Threats may be direct or indirect, and they may be communicated verbally or nonverbally.

### **Heat Illness**

The Company is concerned with employee health and safety. Employees who may be exposed to extreme temperatures or adverse working conditions, particularly in the summer months.

All supervisors are trained in the prevention of heat illness. Please refer to the Company's Injury Illness and Prevention Program or talk to your supervisor for details on how to ensure you are protected from heat illness dangers.

### **Employees Who Are Requested to Drive**

Employees who are required to drive a Company vehicle or their own vehicles on Company business will be required to show proof of current valid driving licenses and current effective insurance coverage before the first day of employment.

GCGD participates in a system that regularly checks state Department of Motor Vehicles (DMV) records of all employees who drive as part of their job.

GCGD retains the right to transfer to an alternative position, suspend, or terminate an employee whose license is revoked, or who fails to maintain personal automobile insurance coverage or who is uninsurable under the Company's policy.

## **Termination**

### **Voluntary Resignation**

Voluntary resignation results when an employee voluntarily quits his or her employment at GCGD, or fails to report to work for two consecutively scheduled workdays without notice to, or approval by, his or her supervisor. All Company-owned property, including vehicles, keys, uniforms, identification badges, and credit cards, must be returned immediately upon termination of employment.

### **Reductions in Force**

Under some circumstances, GCGD may need to restructure or reduce its workforce. If restructuring our operations or reducing the number of employees becomes necessary, the Company will attempt to provide advance notice, if possible, to help prepare affected individuals. If possible, employees subject to layoff will be informed of the nature of the layoff and the foreseeable duration of the layoff, whether short-term or indefinite.

In determining which employees will be subject to layoff, GCGD will take into account, among other things, operation and requirements, the skill, productivity, ability, and past performance of those involved, and also, when feasible, the employee's length of service.

## **Involuntary Termination and Progressive Discipline**

Violation of GCGD policies and rules may warrant disciplinary action. The Company has established a system of progressive discipline that includes verbal warnings, written warnings, and suspension. The system is not formal and GCGD may, in its sole discretion, utilize whatever form of discipline is deemed appropriate under the circumstances, up to, and including, termination of employment. The Company's policy of progressive discipline in no way limits or alters the at-will employment relationship.

## **Confirmation of Receipt**

### **Confirmation of Receipt**

I have received my copy of the Company's employee handbook. I understand and agree that it is my responsibility to read and familiarize myself with the policies and procedures contained in the handbook.

I understand that except for employment at-will status, any and all policies or practices can be changed at any time by the Company. Gold Country Growers Distribution (GCGD) reserves the right to change my hours, wages, and working conditions at any time. I understand and agree that other than the CEO of GCGD, no manager, supervisor, or representative of the Company has authority to enter into any agreement, express or implied, for employment for any specific period of time, or to make any agreement for employment other than at-will; only the CEO has the authority to make any such agreement and then only in writing, signed by the CEO.

I understand and agree that nothing in the employee handbook creates or is intended to create a promise or representation of continued employment and that employment at GCGD is employment at-will; employment may be terminated at the will of either the Company or myself.

My signature certifies that I understand that the foregoing agreement on at-will status is the sole and entire agreement between GCGD and myself concerning the duration of my employment and the circumstances under which my employment may be terminated. It supersedes all prior agreements, understandings, and representations concerning my employment with Gold Country Growers Distribution.

Employee's Signature \_\_\_\_\_

Date \_\_\_\_\_

# **GOLD COUNTRY GROWERS DISTRIBUTION**

## **Employee & Supervisor Training Handbook**



### **Section 1: Distribution Employee Training - SOP's**

*Revised 06/2020*

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## **A: Within 30-days of Start of Employment:**

### **Train Personnel on the following:**

#### **Quality Control Procedures:**

##### **Definitions**

Certificate of Analysis (COA) - the report prepared by the laboratory about the analytical testing performed and results obtained by the laboratory.

Quality Control (QC) - a planned and systematic operation or procedure for ensuring the quality of a cannabis product.

##### **QC Procedures**

- Proper handling and storage practices for maintaining product quality and preventing the deterioration of cannabis goods stored on-site.
- Properly conducting a quality assurance review, including how to ensure the compliance of a certificate of analysis.
- Proper packaging and labeling of cannabis goods prior to distribution.
- Arranging for sampling and testing of batches of cannabis goods.
- Not handling cannabis goods or materials that come into contact with cannabis goods when showing signs of illness, open wounds, sores or skin infections.
- Proper hygiene practices for employees who handle cannabis goods with specific attention to preventing microbial contamination.

##### **First Aid Procedures:**

- 1. Before administering care to an ill or injured person, check the scene and the person. Size up the scene and form an initial impression. Pause and look at the scene and the person before responding. Answer the following questions:**
  - Is the scene safe to enter?
  - What happened?
  - How many people are involved?
  - What is my initial impression about the nature of the person's illness or injury?
  - Does the person have any life-threatening conditions, such as severe, life-threatening bleeding?
  - Is anyone else available to help?

**2. If the Person is awake and Responsive and there is no severe life-threatening bleeding:**

- Obtain consent: Tell the person your name, describes type and level of training, states what you think is wrong and what you plans to do, and asks permission to provide care.
- Tell a bystander to get the first aid kit: Point to a bystander and speak out loud.
- Interview the person: Uses SAMPLE questions to gather more information about signs and symptoms, allergies, medications, pertinent medical history, last food or drink and events leading up to the incident.
- Conduct a head-to-toe check: Check head and neck, shoulders, chest and abdomen, hips, legs and feet, arms and hands for signs of injury.
- Provide care consistent with knowledge and training according to the conditions you find.

**3. If the Person Appears Unresponsive:**

-Shout to get the person's attention, using the person's name if it is known. If there is no response, tap the person's shoulder (if the person is an adult or child) or the bottom of the person's foot (if the person is an infant) and shout again, while checking for normal breathing. Check for Responsiveness and breathing for no more than 5-10 seconds.

**4. If the person is breathing:**

- Send someone to call 911 or the designated emergency number and obtain a first aid kit.
- Proceed with gathering information from bystanders.
- Conduct a head-to-toe check.
- Roll the person onto his or her side into a recovery position if there are no obvious signs of injury.

**5. If the person is NOT breathing:**

- **Call 911 or send someone to call 911 or the designated emergency number and obtain a first aid kit.**
- **Ensure that the person is face-up on a firm, flat surface such as the floor or ground.**
- **Begin CPR (starting with compressions) or use an AED if one is immediately available, if you are trained in giving CPR and using an AED.**
- **Continue administering CPR until the person exhibits signs of life, such as breathing, an AED becomes available, or EMS or trained medical responders arrive on scene.**

**Record Keeping and Compliance**

To stay compliant with our License, the company is responsible for maintaining records of employee training which will contain the following:

1. A list of all personnel at the premises, including at a minimum, each employee's full name, social security or individual taxpayer identification number, date employment begins, and the date of termination of employment, if applicable. Keep the personnel records on file for at least 7 years.
2. Documentation of quality control training records including, but not limited to, the content of the training provided and the names of the employees that received the training. Keep the training records on file for at least 7 years.
3. When giving an employee supplemental training, document the completion of the supplementary training session thereafter in COMPANY personnel records.

## **Health & Safety Hazards**

### **Employee Sanitation and Health**

#### **A. Do not allow an employee to work if that employee has:**

1. A communicable disease, such as diphtheria, measles, Salmonella enterica serotype Typhi infection, shigellosis, Shiga-toxigenic Escherichia coli (STEC) infection, hepatitis A, and tuberculosis;
2. An open or draining skin lesion unless the individual wears an absorbent dressing and protective gloves; or
3. Any illness accompanied by diarrhea or vomiting if the individual has a reasonable possibility of contact with marijuana items on the licensed premises.

**B. When an employee notifies you that they may have a sickness or injury that could potentially result in the contamination of Gold Country Growers Clearlake products, or infection of surfaces and colleagues, determine whether the employee is eligible to remain working at the facility or should be sent home. If you send the employee home, you may request that the employee obtain certification from his or her physician that he or she is well and free of any open wounds before returning to work, as appropriate.**

**C. Each day, stock the hand-washing facilities with effective hand-cleaning products, such as soap and paper towels. Confirm that the water is running properly and is at a suitable temperature.**

**D. Inspect the facility to confirm that it is maintained in a way that allows for employees to work in a safe, healthy, and sanitary environment. Note: Please see our Daily Facility Cleaning SOP for more details on this process.**

**E. As employees show up for their shifts at the facility and begin working on assigned tasks, confirm that they:**

- 1.** Are wearing clean garments and appropriate outer garments when necessary to protect against allergen cross-contamination and contamination of cannabis products, contact surfaces, or packaging materials;
- 2.** Are maintaining good personal hygiene standards, including, but not limited to, keeping fingernails manicured and long hair kept back away from the face, etc.
- 3.** Have removed all unsecured jewelry and other objects that might fall into marijuana products or containers, and remove hand jewelry that cannot be adequately sanitized during periods in which cannabis products are manipulated by hand. When such hand jewelry cannot be removed, make sure it is covered by material which can be maintained in an intact, clean, and sanitary condition; and
- 4.** Thoroughly wash their hands prior to starting their shift.

**F: Instruct employees to wash their hands any time when their hands may have become soiled or contaminated.**

**G: If employees do not conform to the above hygienic practices, ask that they leave the licensed premises and correct the issue.**

## **IT Security Procedures**

**Instruct employees on the following IT security procedures:**

- 1.** Password creation, such as using passwords that are no less than 10 characters. Include symbols, numbers, and upper and lowercase letters.
- 2.** Password protection, such as treating passwords as sensitive, confidential company information and never revealing them to anyone, not storing them or writing them down anywhere in their offices, and changing them every six months.
- 3.** Reporting incidents, such as suspicion of a compromised password, and changes in passwords.
- 4.** Following the clean desk policy. (See company handbook for a description.)
- 5.** Never leaving their keys or employee key card access credentials unattended.
- 6.** Locking up workstations when the workspace is unoccupied.
- 7.** Regularly backing up all data.
- 8.** Maintaining anti-malware software.

## **B: Prior to Independently Engaging in Cannabis Dispensing:**

### **Train Personnel on the following:**

#### **Unlawful Harassment**

GCGC is committed to providing a work environment free of unlawful harassment. Company policy prohibits sexual harassment and harassment based on pregnancy, childbirth or related medical conditions, race, religious creed, color, gender, national origin or ancestry, physical or mental disability, medical condition, marital status, registered domestic partner status, age, sexual orientation or any other basis protected by federal, state or local law or ordinance or regulation. All such harassment is unlawful. The Company's anti-harassment policy applies to all persons involved in the operation of the Company and prohibits unlawful harassment by any employee of the Company, including supervisors and managers, as well as vendors, customers, independent contractors and any other persons. It also prohibits unlawful harassment based on the perception that anyone has any of those characteristics, or is associated with a person who has or is perceived as having any of those characteristics.

Prohibited unlawful harassment includes, but is not limited to, the following behavior:

- Verbal conduct such as epithets, derogatory jokes or comments, slurs or unwanted sexual advances, invitations or comments;
- Visual displays such as derogatory and/or sexually-oriented posters, photography, cartoons, drawings or gestures;
- Physical conduct including assault, unwanted touching, intentionally blocking normal movement or interfering with work because of sex, race or any other protected basis;
- Threats and demands to submit to sexual requests as a condition of continued employment, or to avoid some other loss and offers of employment benefits in return for sexual favors; and
- Retaliation for reporting or threatening to report harassment.

If you believe that you have been unlawfully harassed, bring your complaint to your own or any other Company supervisor, the president or the personnel administrator of the Company as soon as possible after the incident. You will be asked to provide details of the incident or incidents, names of individuals involved and names of any witnesses. It would be best to communicate your complaint in writing, but this is not mandatory. Supervisors will refer all harassment complaints to the personnel administrator, investigative officer or the CEO of the Company. The Company will immediately undertake an effective, thorough and objective investigation of the harassment allegations.

If the Company determines that unlawful harassment has occurred, effective remedial action will be taken in accordance with the circumstances involved. Any employee determined by the Company to be responsible for unlawful harassment will be subject to appropriate disciplinary action, up to and including termination. A Company representative will advise all parties concerned of the results of the investigation. The Company will not retaliate against you for filing a complaint and will not tolerate or permit retaliation by management, employees or co-workers.

The Company encourages all employees to report any incidents of harassment forbidden by this policy immediately so that complaints can be quickly and fairly resolved. You also should be aware that the Federal Equal Employment Opportunity Commission and the California Department of Fair Employment and Housing investigate and prosecute complaints of prohibited harassment in employment. If you think you have been harassed or that you have been retaliated against for resisting or complaining, you may file a complaint with the appropriate agency. The nearest office is listed online.

## **Hiring**

### **Job Duties**

During the introductory period, your supervisor will explain your job responsibilities and the performance standards expected of you. Be aware that your job responsibilities may change at any time during your employment. From time to time, you may be asked to work on special projects, or to assist with other work necessary or important to the operation of your department or GCGC. Your cooperation and assistance in performing such additional work is expected. GCGC reserves the right, at any time, with or without notice, to alter or change job responsibilities, reassign or transfer job positions, or assign additional job responsibilities.

### **Regular Employees**

Regular employees are those who are hired to work on a regular schedule. Regular employees may be classified as full-time or part-time.

### **New Hires**

The first 90 Days of continuous employment at GCGC is considered an introductory period. During this time you will learn your responsibilities, get acquainted with fellow employees, and determine whether or not you are happy with your job. Your supervisor will closely monitor your performance.

Upon completion of the introductory period, GCGC will review your performance. If the Company finds your performance satisfactory and decides to continue your employment, it will advise you of any improvements expected from you. At that time, you may express suggestions to improve the Company's efficiency and operations.

Completion of the introductory period does not entitle you to remain employed by GCGC for any definite period of time, but rather allows both you and the Company to evaluate whether or not you are right for the position.

## **Leaves of Absence**

### **Volunteer Civil Service Personnel**

No employee shall be disciplined for taking time off to perform emergency duty as a volunteer firefighter, peace officer, or emergency rescue personnel. You are also eligible for unpaid leave for required training. If you are an official volunteer firefighter, please alert your supervisor that you may have to take time off for emergency duty. When taking time off for emergency duty, please alert your supervisor before doing so when possible.

## **Time Off for Voting**

If an employee does not have sufficient time outside of working hours to vote in an official state-sanctioned election, the employee may take off enough working time to vote. Such time off shall be taken at the beginning or the end of the regular working shift, whichever allows for more free time, and the time taken off shall be combined with the voting time available outside of working hours to a maximum of two hours combined. Under these circumstances, an employee will be allowed a maximum of two hours of time off during an election day without loss of pay. When possible, an employee requesting time off to vote shall give his or her supervisor at least two days notice.

## **Victims of Crime Leave**

An employee who is themselves a victim or who is the family member of a victim of a violent felony or serious felony may take time off from work under the following circumstances:

- The crime must be a violent or serious felony, as defined by law; and
- You must be the victim of a crime, or you must be an immediate family member of a victim, a registered domestic partner of a victim, or the child of a registered domestic partner of a victim.

An immediate family member is defined as: a spouse, child, stepchild, brother, stepbrother, sister, stepsister, mother, stepmother, father or stepfather.

A registered domestic partner means a domestic partner who is registered in accordance with California state law.

The absence from work must be in order to attend judicial proceedings related to a crime listed above. Before you are absent for such a reason, you must provide documentation of the scheduled proceeding. Such notice is typically given to the victim of the crime by a court or government agency setting the hearing, a district attorney or prosecuting attorney's office or a victim/witness office. If advance notice is not possible, you must provide appropriate documentation within a reasonable time after the absence. Any absence from work to attend judicial proceedings will be unpaid.

## **Pregnancy Disability Leave (5 or more Employees)**

Pregnancy, childbirth, or related medical conditions will be treated like any other disability, and an employee on leave will be eligible for temporary disability benefits in the same amount and degree as any other employee on leave.

Any female employee planning to take pregnancy disability leave should advise the personnel department as early as possible. The individual should make an appointment with the personnel manager to discuss the following conditions:

- Employees who need to take pregnancy disability must inform GCGC when a leave is expected to begin and how long it will likely last. If the need for a leave or transfer is foreseeable, employees must provide notification at least 30 days before the pregnancy disability leave or transfer is to begin. Employees must consult with the personnel manager regarding the scheduling of any planned medical treatment or supervision in order to minimize disruption to the operations of the Company. Any such scheduling is subject to the approval of the employee's health care provider;
- If 30 days advance notice is not possible, notice must be given as soon as practical;
- Upon the request of an employee and recommendation of the employee's physician, the employee's work assignment may be changed if necessary to protect the health and safety of the employee and her child;
- Requests for transfers of job duties will be reasonably accommodated if the job and security rights of others are not breached;
- Temporary transfers due to health considerations will be granted when possible. However, the transferred employee will receive the pay that accompanies the job, as is the case with any other temporary transfer due to temporary health reasons;
- Pregnancy leave usually begins when ordered by the employee's physician. The employee must provide Grass Valley Hydrogarden, Inc. and AgNatural with a certification from a health care provider. The certification indicating disability should contain:
  - The date on which the employee became disabled due to pregnancy;
  - The probable duration of the period or periods of disability; and
  - A statement that, due to the disability, the employee is unable to perform one or more of the essential functions of her position without undue risk to herself, the successful completion of her pregnancy, or to other persons.

Leave returns will be allowed only when the employee's physician sends a release. Duration of the leave will be determined by the advice of the employee's physician, but employees disabled by pregnancy may take up to four months. Part-time employees are entitled to leave on a pro rata basis. The four months of leave includes any period of time for actual disability caused by the employee's pregnancy, childbirth, or related medical condition.

This includes leave for severe morning sickness and for prenatal care. Leave does not need to be taken in one continuous period of time and may be taken intermittently, as needed.

Under most circumstances, upon submission of a medical certification that an employee is able to return to work from a pregnancy disability leave, an employee will be reinstated to her same position held at the time the leave began or to an equivalent position, if available. An employee returning from a pregnancy disability leave has no greater right to reinstatement than if the employee had been continuously employed.

## **Benefits**

### **Workers' Compensation**

GCGC, in accordance with state law, provides insurance coverage for employees in case of work-related injury. The workers' compensation benefits provided to injured employees may include:

- Medical care;
- Cash benefits, tax free, to replace lost wages; and
- Assistance to help qualified injured employees return to suitable employment.

To ensure that you receive any workers' compensation benefits to which you may be entitled, you will need to:

- Immediately report any work-related injury to your supervisor;
- Seek medical treatment and follow-up care if required;
- Complete a written Employee's Claim for Workers Compensation Benefits (DWC Form I) and return it to the General Manager.
- Provide the Company with a certification from your health care provider regarding the need for workers' compensation disability leave, as well as your eventual ability to return to work from the leave.

Upon submission of a medical certification that an employee is able to return to work after a workers' compensation leave, the employee under most circumstances will be reinstated to his or her same position held at the time the leave began, or to an equivalent position, if available. An employee returning from a workers' compensation leave has no greater right to reinstatement than if the employee had been continuously employed rather than on leave. For example, if the employee on workers' compensation leave would have been laid off had he or she not gone on leave, or if the employee's position has been eliminated or filled in order to avoid undermining the Company's ability to operate safely and efficiently during the leave, and no equivalent or comparable positions are available, then the employee would not be entitled to reinstatement.

An employee's return depends on his or her qualifications for any existing openings. If, after returning from a workers' compensation disability leave, an employee is unable to perform the essential functions of his or her job because of a physical or mental disability, the Company's obligations to the employee may include reasonable accommodation, as governed by the Americans with Disabilities Act.

### **Workers' Compensation and FMLA/CFRA**

Employees who are ill or injured as a result of a work-related incident, and who are eligible for family and medical leave under state and federal law (Family Medical Leave Act (FMLA) and the California Family Rights Act (CFRA)), will be placed on FMLA/CFRA during the time they are disabled and not released to return to work. The leave under these laws runs concurrently, and eligible employees will be on FMLA/CFRA for a maximum of 12 weeks in a 12-month period January through December.

## **Management**

### **Personnel Records**

You have a right to inspect certain documents in your personnel file, as provided by law, in the presence of a Company representative at a mutually convenient time. No copies of documents in your file may be made, with the exception of documents that you have previously signed. You may add your comments to any disputed item in the file.

GCGC will restrict disclosure of your personnel file to authorized individuals within the Company. Any request for information contained in personnel files must be directed to the personnel manager. Only the personnel manager is authorized to release information about current or former employees. Disclosure of personnel information to outside sources will be limited. However, GCGC will cooperate with requests from authorized law enforcement or local, state, or federal agencies conducting official investigations and as otherwise legally required.

## **Performance Evaluations**

Each employee will receive periodic performance reviews conducted by his or her supervisor. Your first performance evaluation will take place in ~ Subsequent performance evaluations will be conducted bi-annually. The frequency of performance evaluations may vary depending upon length of service, job position, past performance, changes in job duties, or recurring performance problems.

Your performance evaluations may review factors such as the quality and quantity of the work you perform, your knowledge of the job, your initiative, your work attitude, and your attitude toward others. The performance evaluations are intended to make you aware of your progress, areas for improvement, and objectives or goals for future work performance. Favorable performance evaluations do not guarantee increases in salary or promotions. Salary increases and promotions are solely within the discretion of GCGC and depend upon many factors in addition to performance. After the review, you will be required to sign the evaluation report simply to acknowledge that it has been presented to you, that you have discussed it with your supervisor, and that you are aware of its contents.

## **Open Door**

Suggestions for improving GCGC are always welcome. At some time, you may have a complaint, suggestion, or question about your job, working conditions, or the treatment you are receiving. Your good-faith complaints, questions, and suggestions also are of concern to the Company. We ask you to first discuss your concerns with your supervisor, following these steps:

- Within a week of the occurrence, bring the situation to the attention of your immediate supervisor, who will then investigate and provide a solution or explanation.
- If the problem persists, you may describe it in writing and present it to the personnel manager, who will investigate and provide a solution or explanation. If you need assistance with your complaint, or you prefer to make a complaint in person, contact the General Manager. We encourage you to bring the matter to the personnel manager as soon as possible after you believe that your immediate supervisor has failed to resolve it.
- If the problem is not resolved, you may present the problem in writing to the CEO of GCGC, who will attempt to reach a final resolution. If you need assistance with the written complaint, contact your supervisor or head of HR for help.

This procedure, which we believe is important for both you and the Company, cannot guarantee that every problem will be resolved to your satisfaction. However, GCGC values your observations and you should feel free to raise issues of concern, in good faith, without the fear of retaliation.

## **Names and Addresses**

GCGC is required by law to keep current all employees' names and addresses. Employees are responsible for notifying the Company in the event of a name or address change.

## **Employment of Relatives**

GCGC may refuse to hire relatives of present employees if doing so could result in actual or potential problems in supervision, security, safety, or morale, or if doing so could create potential conflicts of interest. The Company defines "relatives" as spouses, registered domestic partners, children, siblings, parents, in-laws, and step-relatives.

If two employees marry, become registered domestic partners, or become related, causing actual or potential problems such as those described above, only one of the employees will be retained with the Company, unless reasonable accommodations can be made to eliminate the actual or potential problems. The employees will have 30 days to decide which relative will stay with the Company. If this decision is not made within the time allowed, the CEO of GCGC will make the decision, taking the employment history and job performance of both employees into account.

## **Employee Property**

An employee's personal property, including but not limited to lockers, packages, purses, and backpacks, may be inspected upon reasonable suspicion of unauthorized possession of GCGC property.

## **Company Property**

### **Nondisclosure and Use of Trade Secrets**

During the term of employment with GCGC, employees may have access to and become familiar with information of a confidential, proprietary, or secret nature, which is or may be either applicable or related to the present or future business of the Company, its research and development, or the business of its customers. For example, trade secret information includes, but is not limited to, devices, inventions, processes and compilations of information, records, specifications, and information concerning customers or vendors. Employees shall not disclose any of the above-mentioned trade secrets, directly or indirectly, or use them in any way, either during the term of their employment or at any time thereafter, except as required in the course of employment with the Company. The above agreement should not be construed as constituting a promise of continued employment for at-will employment purposes.

## **Customer Lists**

The employee understands that customer lists of GCGC, for which the employee has or will have access to during the employee's employment, are trade secrets and shall be solely the property of the employer. The employee agrees that he/she shall neither directly nor indirectly solicit business as to products or services competitive with those of the Company based on information from the customer lists.

## **Use of Electronic Media**

GCGC uses various forms of electronic communication including, but not limited to computers, e-mail, telephones and Internet. All electronic communications, including all software, databases, hardware, and digital files, remain the sole property of GCGC and are to be used only for Company business and not for any personal use.

Electronic communication and media may not be used in any manner that would be discriminatory, harassing, or obscene, or for any other purpose that is illegal, against Company policy, or not in the best interest of the Company.

Employees who misuse electronic communications and engage in defamation, copyright or trademark infringement, misappropriation of trade secrets, discrimination, harassment, or related actions will be subject to discipline and/or immediate termination.

Employees may not install personal software on Company computer systems.

All electronic information created by any employee using any means of electronic communication is the property of GCGC and remains the property of GCGC. Personal passwords may be used for purposes of security, but the use of a personal password does not affect the Company's ownership of the electronic information.

GCGC will override all personal passwords if necessary for any reason. GCGC reserves the right to access and review electronic files, messages, mail, and other digital archives, and to monitor the use of electronic communications as necessary to ensure that no misuse or violation of Company policy or any law occurs. Employees are not permitted to access the electronic communications of other employees or third parties unless directed to do so by Company management. No employee may install or use anonymous e-mail transmission programs or encryption of e-mail communications, except as specifically authorized by the CEO.

Employees who use devices on which information may be received and/or stored, including but not limited to cell phones, cordless phones, portable computers, fax machines, and voicemail communications are required to use these methods in strict compliance with the trade secrets and confidential communication policy established by the Company. These communications tools should not be used for communicating confidential or sensitive information or any trade secrets.

Access to the Internet, websites, and other types of Company-paid computer access are to be used for Company-related business only. Any information about GCGC, its products or services, or other types of information that will appear in the electronic media about the Company must be approved by the CEO before the information is placed on an electronic information resource that is accessible to others. Questions about access to electronic communications or issues relating to security should be addressed to your manager.

### **Off-Duty Use of Facilities**

Employees are prohibited from remaining on GCGC premises or making use of Company facilities while not on duty. Employees are expressly prohibited from using Company facilities, Company property, or Company equipment for personal use.

### **Housekeeping**

All employees are expected to keep their work areas clean and organized. People using common areas such as break rooms, and restrooms are expected to keep them sanitary. Please clean up after meals and dispose of trash properly.

### **Employer Property**

Desks, computers, vehicles and machinery are GCGC property and must be maintained according to Company rules and regulations. They must be kept clean and are to be used only for work-related purposes. GCGC reserves the right to inspect all Company property to ensure compliance with its rules and regulations, without notice to the employee and at any time, not necessarily in the employee's presence. Company voice mail and/or electronic mail (e-mail) are to be used for business purposes only. GCGC reserves the right to monitor voice mail messages and e-mail messages to ensure compliance with this rule, without notice to the employee and at any time, not necessarily in the employee's presence.

GCGC may periodically need to assign and/or change "passwords" and personal security codes for computers, email and online vendor accounts. These communication technologies and related storage media and databases are to be used only for Company business and they remain the property of GCGC. GCGC reserves the right to keep a record of all passwords and codes used and/or may be able to override any such password system. Prior authorization must be obtained before any Company property may be removed from the premises.

For security reasons, employees should not leave personal belongings of value in the workplace. Personal items are subject to inspection and search, with or without notice, with or without the employee's prior consent. Terminated employees should remove any personal items at the time they leave GCGC. Personal items left in the workplace are subject to disposal if not claimed at the time of an employee's termination.

## **Employee Conduct**

### **No Solicitation of Customers or Employees**

The employee agrees that customer lists of GCGC (the Company), for which the employee has or will have access to during the employee's employment, are trade secrets and shall be solely the property of the employer.

The employee agrees that he/she shall neither directly nor indirectly solicit business as to products or services competitive with those of the Company based on information from the customer lists.

### **Prohibited use of Company Cell Phone While Driving**

In the interest of the safety of our employees and other drivers, GCGC employees are prohibited from using cell phones while driving on Company business and/or Company time. If your job requires that you keep your cell phone turned on while you are driving, you must use a hands-free device. Under no circumstances should employees place phone calls while operating a motor vehicle while driving on Company business and/or Company time. Violating this policy is a violation of law beginning July 1, 2008 and a violation of Company rules. Writing, sending, or reading text-based communication - including text messaging, instant messaging, and e-mail - on a wireless device or cell phone while driving is also prohibited under this policy. Violating this policy is a violation of law beginning January 1, 2009 and a violation Company rules.

### **Punctuality and Attendance**

As an employee of GCGC, you are expected to be punctual and regular in attendance. Any tardiness or absence causes problems for your fellow employees and your supervisor. When you are absent, your assigned work must be performed by others.

Employees are expected to report to work as scheduled, on time, and prepared to start work. Employees also are expected to remain at work for their entire work schedule, except for meal periods or when required to leave on authorized Company business. Late arrival, early departure, or other unanticipated and unapproved absences from scheduled hours are disruptive and must be avoided.

If you are unable to report for work on any particular day, you must under all but the most extenuating circumstances call your supervisor at least 15 minutes before the time you are scheduled to begin working for that day. If you call less than 15 minutes before your scheduled time to begin work and do not arrive in time for your assigned shift, you will be considered tardy for that day. In all cases of absence or tardiness, employees must provide their supervisor with an honest reason or explanation.

Employees also must inform their supervisor of the expected duration of any absence. Excessive absenteeism or tardiness, whether excused or not, will not be tolerated. GCGC defines excessive absenteeism as more than 10 days absence in a 12-month period. If you fail to report for work without any notification to your supervisor and your absence continues for a period of 2 days GCGC will consider that you have voluntarily abandoned and/or quit your employment.

### **Prohibited Conduct**

The following conduct is prohibited and will not be tolerated by GCGC. This list of prohibited conduct is illustrative only; other types of conduct that threaten security, personal safety, employee welfare and Company operations also may be prohibited.

- Falsifying employment records, employment information, or other Company records;
- Recording the work time of another employee or allowing any other employee to record your work time, or falsifying any time card, either your own or another employee's;
- Theft and deliberate or careless damage or destruction of any Company property, or the property of any employee or customer;
- Removing or borrowing Company property without prior authorization;
- Unauthorized use of Company equipment, time, materials, or facilities;
- Provoking a fight or fighting during working hours or on Company property;
- Participating in horseplay or practical jokes on Company time or on Company premises;
- Carrying firearms or any other dangerous weapons on Company premises at any time;
- Engaging in criminal conduct whether or not related to job performance;
- Causing, creating, or participating in a disruption of any kind during working hours on Company property;
- Insubordination, including but not limited to failure or refusal to obey the orders or instructions of a supervisor or member of management, or the use of abusive or threatening language toward a supervisor or member of management;
- Using abusive language at any time on Company premises;
- Failing to notify a supervisor when unable to report to work;
- Unreported absence of 2 days.

- Failing to obtain permission to leave work for any reason during normal working hours;
- Failing to observe working schedules, including rest and lunch periods;
- Failing to provide a physician's certificate when requested or required to do so;
- Sleeping or malingering on the job;
- Making or accepting personal telephone calls, including cell phone calls, of more than three minutes in duration during working hours, except in cases of emergency;
- Working overtime without authorization or refusing to work assigned overtime;
- Wearing disturbing, unprofessional or inappropriate styles of dress or hair while working;
- Violating any safety, health, security or Company policy, rule, or procedure;
- Committing a fraudulent act or a breach of trust under any circumstances; and
- Committing of or involvement in any act of unlawful harassment of another individual.

This statement of prohibited conduct does not alter the Company's policy of at-will employment. Either you or GCGC remain free to terminate the employment relationship at any time, without reason or advance notice.

### **Drug and Alcohol Abuse**

GCGC is concerned about the use of alcohol, illegal drugs, or controlled substances as it affects the workplace. Use of these substances, whether on or off the job can detract from an employee's work performance, efficiency, safety, and health, and therefore seriously impair the employee's value to the Company. In addition, the use or possession of these substances on the job constitutes a potential danger to the welfare and safety of other employees and exposes the Company to the risks of property loss or damage, or injury to other persons.

Furthermore, the use of prescription drugs and/or over-the-counter drugs also may affect an employee's job performance and may seriously impair the employee's value to the Company. The following rules and standards of conduct apply to all employees either on Company property or during the workday (including meals and rest periods). Behavior that violates Company policy includes:

- Possession and/or use of an illegal or controlled substance, or being under the influence of an illegal controlled substance while on the job;
- Driving a Company vehicle while under the influence of alcohol; and
- Distribution, sale, or purchase of an illegal or controlled substance while on the job.

- Violation of these rules and standards of conduct will not be tolerated. GCGC also may bring the matter to the attention of appropriate law enforcement authorities.
- In order to enforce this policy, GCGC will conduct searches of Company property or employees and/or their personal property, and to implement other measures necessary to deter and detect abuse of this policy.
- An employee's conviction on a charge of illegal sale or possession of any controlled substance while off Company property will not be tolerated because such conduct, even though off duty, reflects adversely on GCGC.

In addition, the Company must keep people who sell or possess controlled substances off Company premises in order to keep the controlled substances themselves off the premises. Any employee who is using prescription or over-the-counter drugs that may impair the employee's ability to safely perform the job, or affect the safety or well-being of others, must notify a supervisor of such use immediately before starting or resuming work.

Gold Country Growers Clearlake (GCGC) will encourage and reasonably accommodate employees with alcohol or drug dependencies to seek treatment and/or rehabilitation. Employees desiring such assistance should request a treatment or rehabilitation leave. The Company is not obligated, however, to continue to employ any person whose performance of essential job duties is impaired because of drug or alcohol use, nor is the Company obligated to re-employ any person who has participated in treatment and/or rehabilitation if that person's job performance remains impaired as a result of dependency. Additionally, employees who are given the opportunity to seek treatment and/or rehabilitation, but fail to successfully overcome their dependency or problem, will not automatically be given a second opportunity to seek treatment and/or rehabilitation. This policy on treatment and rehabilitation is not intended to affect the Company's treatment of employees who violate the regulations described previously. Rather, rehabilitation is an option for an employee who acknowledges a chemical dependency and voluntarily seeks treatment to end that dependency.

## **Customer Relations**

Employees are expected to be polite, courteous, prompt, and attentive to every customer. When an employee encounters an uncomfortable situation that he or she does not feel capable of handling, the general manager should be called immediately.

Ours is a service business and all of us must remember that the customer always comes first. Remember, while the customer is not always right, the customer is never wrong. Never argue with a customer. If a problem develops or if a customer remains dissatisfied, ask your supervisor or the general manager to intervene.

Customers are to be treated courteously and given proper attention at all times. Never regard a customer's question or concern as an interruption or an annoyance. You must respond to inquiries from customers, whether in person or by telephone, promptly and professionally.

Never place a telephone caller on hold for an extended period. Direct incoming calls to the appropriate person and make sure the call is received. Through your conduct, show your desire to assist the customer in obtaining the help he or she needs. If you are unable to help a customer, find someone who can.

All correspondence and documents, whether to customers or others, must be neatly prepared and error-free. Attention to accuracy and detail in all paperwork demonstrates your commitment to those with whom we do business.

## **Conflicts of Interest**

All employees must avoid situations involving actual or potential conflict of interest. Personal or romantic involvement with a competitor, supplier, or subordinate employee of GCGC, which impairs an employee's ability to exercise good judgment on behalf of the Company, creates an actual or potential conflict of interest. Supervisor-subordinate romantic or personal relationships also can lead to supervisory problems, possible claims of sexual harassment, and morale problems. An employee involved in any of the types of relationships or situations described in this policy should immediately and fully disclose the relevant circumstances to his or her immediate supervisor, or any other appropriate supervisor, for a determination about whether a potential or actual conflict exists. If an actual or potential conflict is determined, GCGC may take whatever corrective action appears appropriate according to the circumstances. Failure to disclose facts shall constitute grounds for disciplinary action.

## **Confidentiality**

Each employee is responsible for safeguarding the confidential information obtained during employment. In the course of your work, you may have access to confidential information regarding GCGC its suppliers, its customers, or perhaps even fellow employees. You have a responsibility to prevent revealing or divulging any such information unless it is necessary for you to do so in the performance of your duties. Access to confidential information should be on a "need-to-know" basis and must be authorized by your supervisor. Any breach of this policy will not be tolerated and legal action may be taken by the Company.

## **Conducting Personal Business**

Employees are to conduct only GCGC business while at work. Employees may not conduct personal business or business for another employer during their scheduled working hours.

## **Wages**

### **Work Schedules**

GCGC is normally open for business between the hours of 10:00am and 6:00pm, Sunday through Saturday. Your supervisor will assign your individual work schedule. All employees are expected to be at their desks or workstations at the start of their scheduled shifts, ready to work. Exchanging work schedules with other employees is discouraged. However, if you need to exchange schedules, notify your supervisor, who may authorize an exchange if possible. Work schedule exchanges will not be approved for the mere convenience of an employee or if the exchange interferes with normal operations or results in excessive overtime.

### **Timekeeping Requirements**

All non-exempt employees are required to use a time clock to record time worked for payroll purposes. Employees must record their own time at the start and at the end of each work period, including before and after the lunch break. Employees also must record their time whenever they leave the building for any reason other than GCGC business. Any handwritten marks or changes on the timecard must be initialed by a supervisor. Punching another employee's timecard, allowing another employee to punch your timecard, or altering a timecard is not permissible and is subject to disciplinary action. Any errors on your timecard should be reported immediately to your supervisor.

## **Payment of Wages**

Paychecks are normally available by Friday at 3:00p.m. If you observe an error on your check, please report it immediately to your supervisor.

All employees of GCGC are paid every other Friday for work performed during the previous two-week pay period. If a regular payday falls on a holiday, employees will be paid on the last day worked before the holiday. GCGC offers automatic payroll deposit for their employees. You may begin and stop automatic payroll deposit at any time. To begin automatic payroll deposit, you must complete a form which is available from your supervisor. To stop automatic payroll deposit, see your supervisor.

## **Overtime for Non-Exempt Employees**

Employees may be required to work overtime as necessary. Only actual hours worked in a given workday or workweek can apply in calculating overtime. GCGC will attempt to distribute overtime evenly and accommodate individual schedules. All overtime work must be previously authorized by a supervisor. GCGC provides compensation for all overtime hours worked by non-exempt employees in accordance with state and federal law as follows:

- All hours worked in excess of eight hours in one workday or 40 hours in one workweek will be treated as overtime. A workday begins at 12:01 a.m. and ends at midnight 24 hours later. Workweeks begin each Sunday at 12:01 a.m;
- Compensation for hours in excess of 40 for the workweek, or in excess of eight and not more than 12 for the workday, and for the first eight hours on the seventh consecutive day of work in one workweek, shall be paid at a rate one and one-half times the employee's regular rate of pay;
- Compensation for hours in excess of 12 in one workday and in excess of eight on the seventh consecutive workday in a workweek shall be paid at double the regular rate of pay; and
- Exempt employees may have to work hours beyond their normal schedules as work demands require. No overtime compensation will be paid to exempt employees.

## **Meal and Rest Periods**

All nonexempt employees are entitled to periodic rest break periods during their workday. If you are a nonexempt employee, you will be paid for all such break periods and you will not clock out. Your supervisor will advise you of the time and duration of your breaks and you are expected to return to work promptly at the end of any rest break.

Generally, you will be entitled to one (1) 10-minute rest break for every four (4) hours you work (or major fraction thereof, which is defined as two (2) hours). If you work more than six (6) hours and up to 10 hours in a workday, you will receive one (1) rest break during the first half of your shift and one (1) rest break during the second half of your shift. If you work more than 10 hours and up to 14 hours, you will be entitled to an additional paid 10 minute rest break.

If you work more than five (5) hours in a workday, you are also entitled to an unpaid meal period of at least 30 minutes. If you work more than 10 hours, you are entitled to a second, unpaid meal period of at least 30 minutes.

Depending on the circumstances, you may be able to waive your second meal period if you took the first one. You must clock out for your meal period. Your supervisor will advise you of the scheduling of your meal period. You must not perform any work during your meal period, and you must stop working for at least 30 full, consecutive minutes. All rest breaks and meal periods must be taken away from the regular work area. You may leave the premises for your meal periods. If for any reason you do not take the applicable rest breaks and/or meal periods, You must notify your supervisor immediately.

## **Safety and Health**

### **Workplace Violence**

GCGC has adopted the following workplace violence policy to ensure a safe working environment for all employees.

The Company has a zero tolerance for acts of violence and threats of violence. Without exception, acts and threats of violence are not permitted. All such acts and threats, even those made in apparent jest, will be taken seriously, and will lead to discipline up to and including termination.

Possession of non-work related weapons on Company premises and at Company-sponsored events shall constitute a threat of violence. It is every employee's responsibility to assist in establishing and maintaining a violence-free work environment. Therefore, each employee is expected and encouraged to report any incident which may be threatening to you or your co-workers or any event which you reasonably believe is threatening or violent. You may report an incident to any supervisor or manager.

A threat includes, but is not limited to, any indication of intent to harm a person or damage Company property. Threats may be direct or indirect, and they may be communicated verbally or nonverbally.

### **Heat Illness**

The Company is concerned with employee health and safety. Employees who may be exposed to extreme temperatures or adverse working conditions, particularly in the summer months.

All supervisors are trained in the prevention of heat illness. Please refer to the Company's Injury Illness and Prevention Program or talk to your supervisor for details on how to ensure you are protected from heat illness dangers.

### **Employees Who Are Requested to Drive**

Employees who are required to drive a Company vehicle or their own vehicles on Company business will be required to show proof of current valid driving licenses and current effective insurance coverage before the first day of employment.

GCGC participates in a system that regularly checks state Department of Motor Vehicles (DMV) records of all employees who drive as part of their job.

GCGC retains the right to transfer to an alternative position, suspend, or terminate an employee whose license is revoked, or who fails to maintain personal automobile insurance coverage or who is uninsurable under the Company's policy.

## **Termination**

### **Voluntary Resignation**

Voluntary resignation results when an employee voluntarily quits his or her employment at GCGC, or fails to report to work for two consecutively scheduled workdays without notice to, or approval by, his or her supervisor. All Company-owned property, including vehicles, keys, uniforms, identification badges, and credit cards, must be returned immediately upon termination of employment.

### **Reductions in Force**

Under some circumstances, GCGC may need to restructure or reduce its workforce. If restructuring our operations or reducing the number of employees becomes necessary, the Company will attempt to provide advance notice, if possible, to help prepare affected individuals. If possible, employees subject to layoff will be informed of the nature of the layoff and the foreseeable duration of the layoff, whether short-term or indefinite.

In determining which employees will be subject to layoff, GCGC will take into account, among other things, operation and requirements, the skill, productivity, ability, and past performance of those involved, and also, when feasible, the employee's length of service.

## **Involuntary Termination and Progressive Discipline**

Violation of GCGC policies and rules may warrant disciplinary action. The Company has established a system of progressive discipline that includes verbal warnings, written warnings, and suspension. The system is not formal and GCGC may, in its sole discretion, utilize whatever form of discipline is deemed appropriate under the circumstances, up to, and including, termination of employment. The Company's policy of progressive discipline in no way limits or alters the at-will employment relationship.

## **Confirmation of Receipt**

### **Confirmation of Receipt**

I have received my copy of the Company's employee handbook. I understand and agree that it is my responsibility to read and familiarize myself with the policies and procedures contained in the handbook.

I understand that except for employment at-will status, any and all policies or practices can be changed at any time by the Company. Gold Country Growers Clearlake (GCGC) reserves the right to change my hours, wages, and working conditions at any time. I understand and agree that other than the CEO of GCGC, no manager, supervisor, or representative of the Company has authority to enter into any agreement, express or implied, for employment for any specific period of time, or to make any agreement for employment other than at-will; only the CEO has the authority to make any such agreement and then only in writing, signed by the CEO.

I understand and agree that nothing in the employee handbook creates or is intended to create a promise or representation of continued employment and that employment at GCGC is employment at-will; employment may be terminated at the will of either the Company or myself.

My signature certifies that I understand that the foregoing agreement on at-will status is the sole and entire agreement between GCGC and myself concerning the duration of my employment and the circumstances under which my employment may be terminated. It supersedes all prior agreements, understandings, and representations concerning my employment with Gold Country Growers Clearlake.

Employee's Signature \_\_\_\_\_

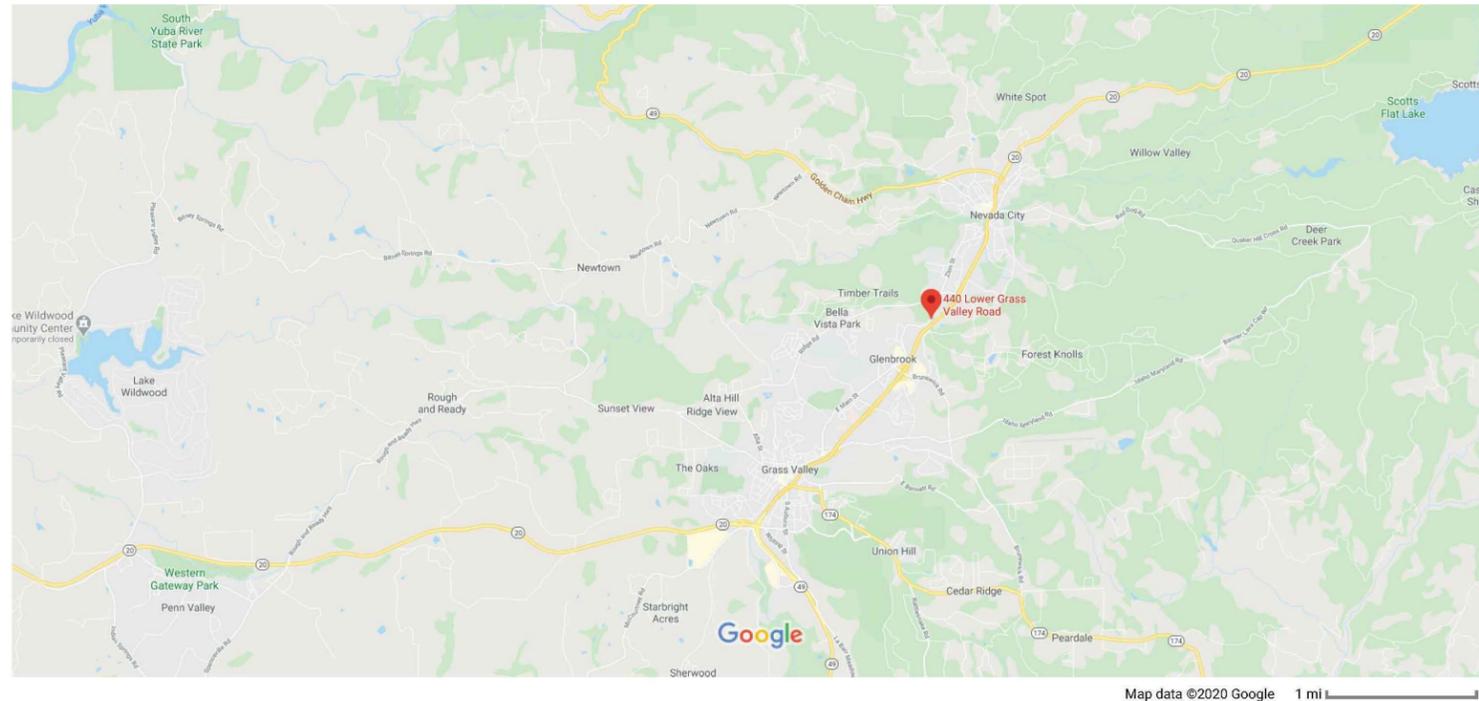
Date \_\_\_\_\_

# CONCEPTUAL IMPROVEMENT PLANS FOR GOLD COUNTRY DISTRIBUTION CENTER

APN: 035-221-007-000  
440 LOWER GRASS VALLEY, SUITE C  
NEVADA CITY, CALIFORNIA 95959

## PROJECT

IMPROVEMENT PLANS FOR AN ADULT USE CANNABIS DISTRIBUTION FACILITY. USES INCLUDE LIGHT INDUSTRIAL ACTIVITIES INCLUDING PRODUCT PACKAGING, TRANSPORT, AND STORAGE. PLANS PREPARED IN COMPLIANCE WITH ALL APPLICABLE NEVADA CITY CODES, AS WELL AS TITLE 16, DIVISION 42 CCR SECTION 5006 - PREMISES DIAGRAM.



## SHEET INDEX

- 0.0 COVER
- 1.0 NEIGHBORHOOD CONTEXT
- 2.0 EXISTING SITE PLAN
- 3.0 EXISTING FLOOR PLAN
- 3.1 EXISTING BASEMENT PLAN
- 4.0 PROPOSED FLOOR PLAN
- 4.1 SECURITY PLAN
- 4.2 EXTERIOR SECURITY PLAN
- 5.0 EXISTING ELEVATIONS

## PROPERTY INFO

ZONING: LI / OS  
LOT AREA: 1.5 AC / 65,340 S.F.  
BLDG AREA: 3,131 S.F.  
GARAGE AREA: 876  
YEAR BUILT: 1959  
EFFECTIVE YEAR: 2000  
BLDG CLASS: B

Prepared For:

GCG-D.f-95



begreenlegal

Date: June 27, 2020

COVER

GOLD COUNTRY DISTRIBUTORS • APN: 035-221-007-000  
440 Lower Grass Valley Rd, Ste A, Nevada City, CA 95959

0.0





Prepared For:

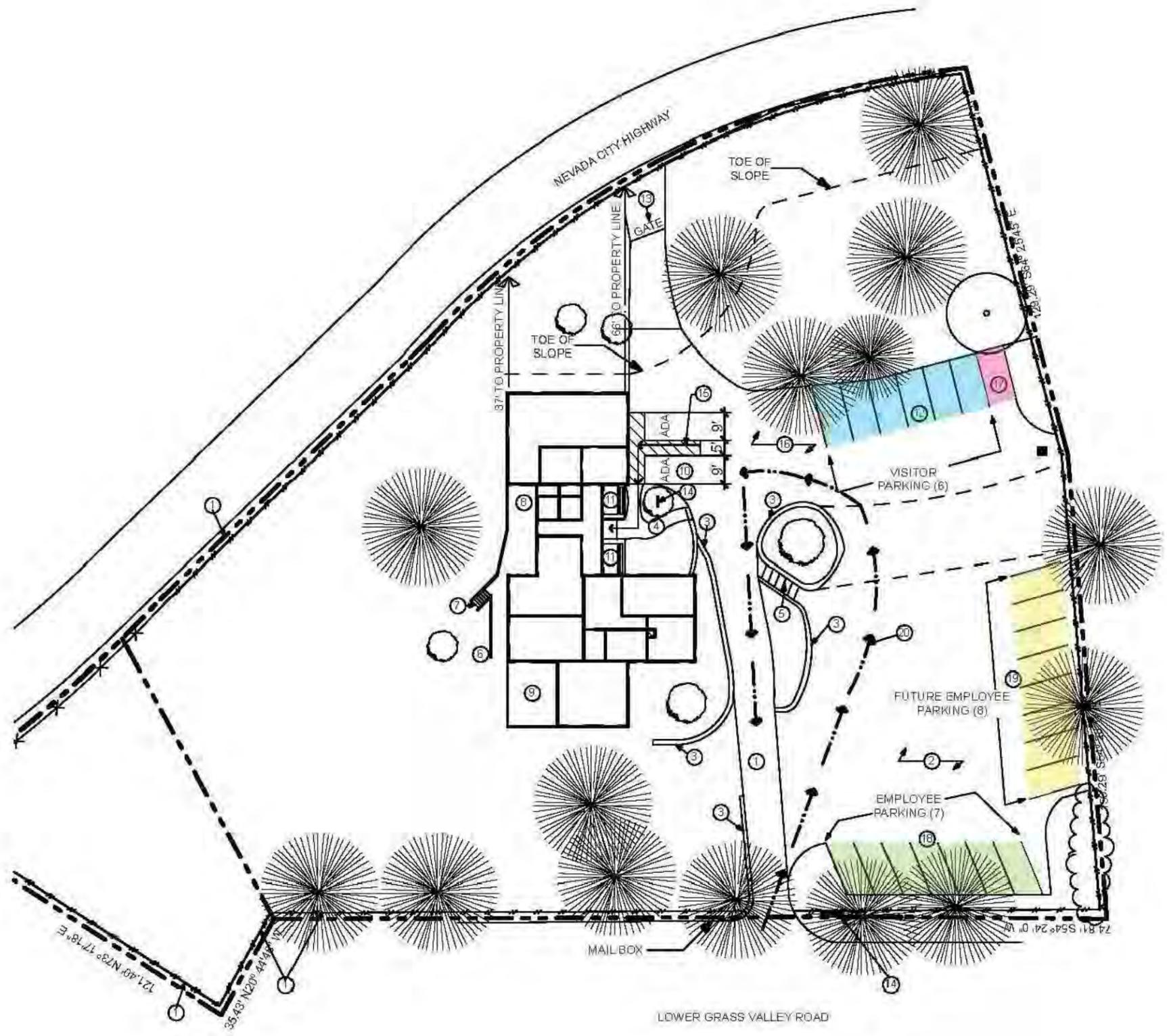


Date: June 27, 2020

# EXISTING SITE PLAN

GOLD COUNTRY DISTRIBUTORS • APN: 035-221-007-000  
440 Lower Grass Valley Rd, Ste A, Nevada City, CA 95959

# 2.0

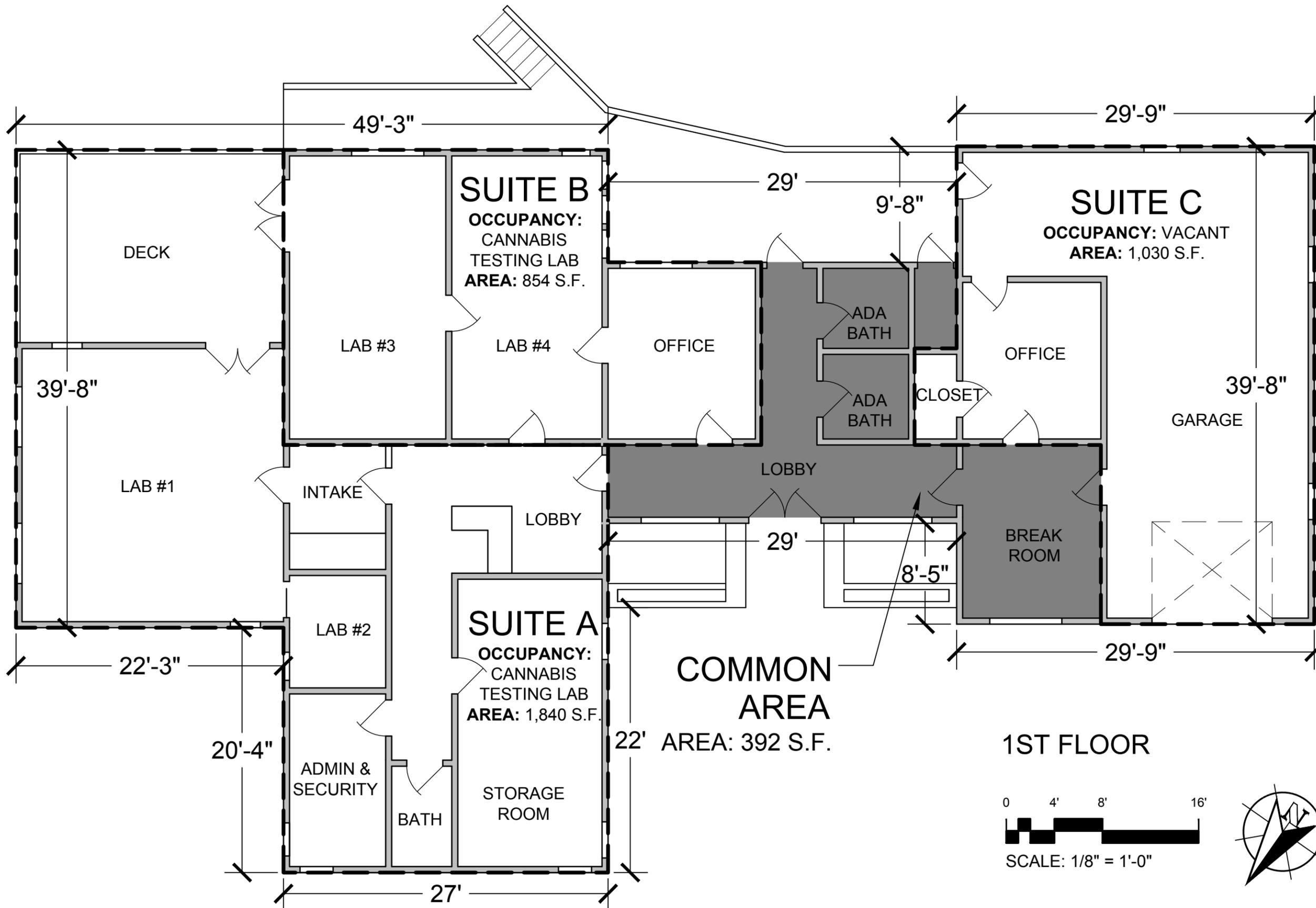


KEY NOTES	
①	PAVED ENTRY ROAD (E)
②	GRAVEL LOT (E)
③	LOW STONE WALLS (E)
④	BUILDING ENTRY PATH - CONCRETE (E)
⑤	STEPS (E)
⑥	CONCRETE RETAINING WALL (E)
⑦	CONCRETE STEPS (E)
⑧	CONCRETE PATIO (E)
⑨	WOOD DECK W/ RAILING (E)
⑩	ADA PARKING 2 @ 9' x 18' - 1(E) + 1(N)
⑪	RAISED PLANTER (E)
⑫	VISITOR PARKING (E) 6 @ 9' x 18'
⑬	EMERGENCY EGRESS GATE (E)
⑭	SIGNAGE EXISTING - REVISE WITH THE HIGHER COMMITMENT LOGO
⑮	ADA PATH OF TRAVEL (N)
⑯	ASPHALT LOT (E)
⑰	DESIGNATED HIGHER COMMITMENT CARRIER VEHICLE PARKING SPACE
⑱	EMPLOYEE PARKING SPACE (N) 7 @ 9' x 18'
⑲	FUTURE EXPANSION AREA FOR EMPLOYEE PARKING
⑳	PATH OF VEHICULAR CIRCULATION



SCALE: 1" = 40'





1ST FLOOR

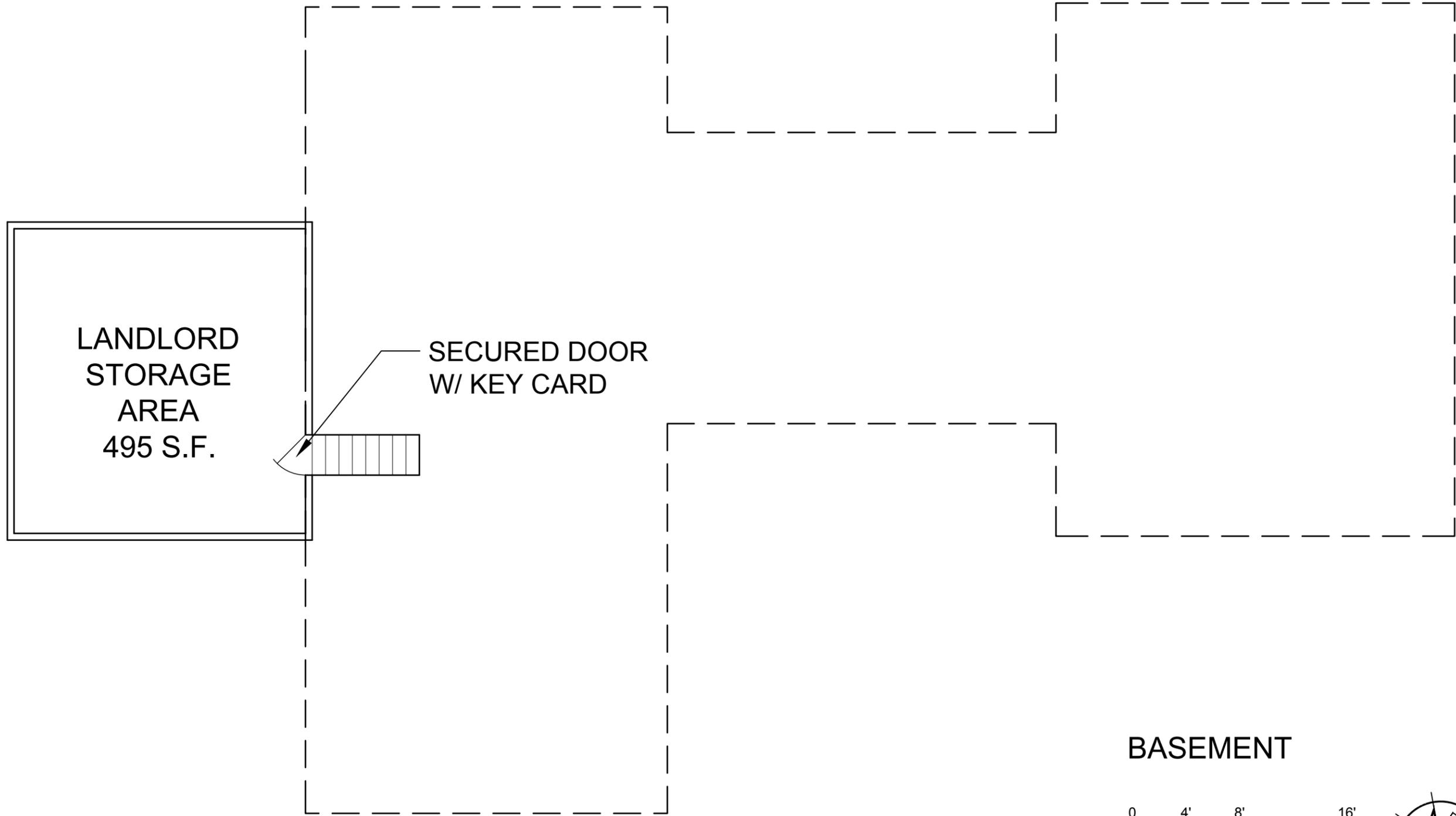


SCALE: 1/8" = 1'-0"



EXISTING FLOOR PLAN

GOLD COUNTRY DISTRIBUTORS • APN: 035-221-007-000  
440 Lower Grass Valley Rd, Ste A, Nevada City, CA 95959



**BASEMENT**



SCALE: 1/8" = 1'-0"



**EXISTING FLOOR PLAN**

Date: June 27, 2020



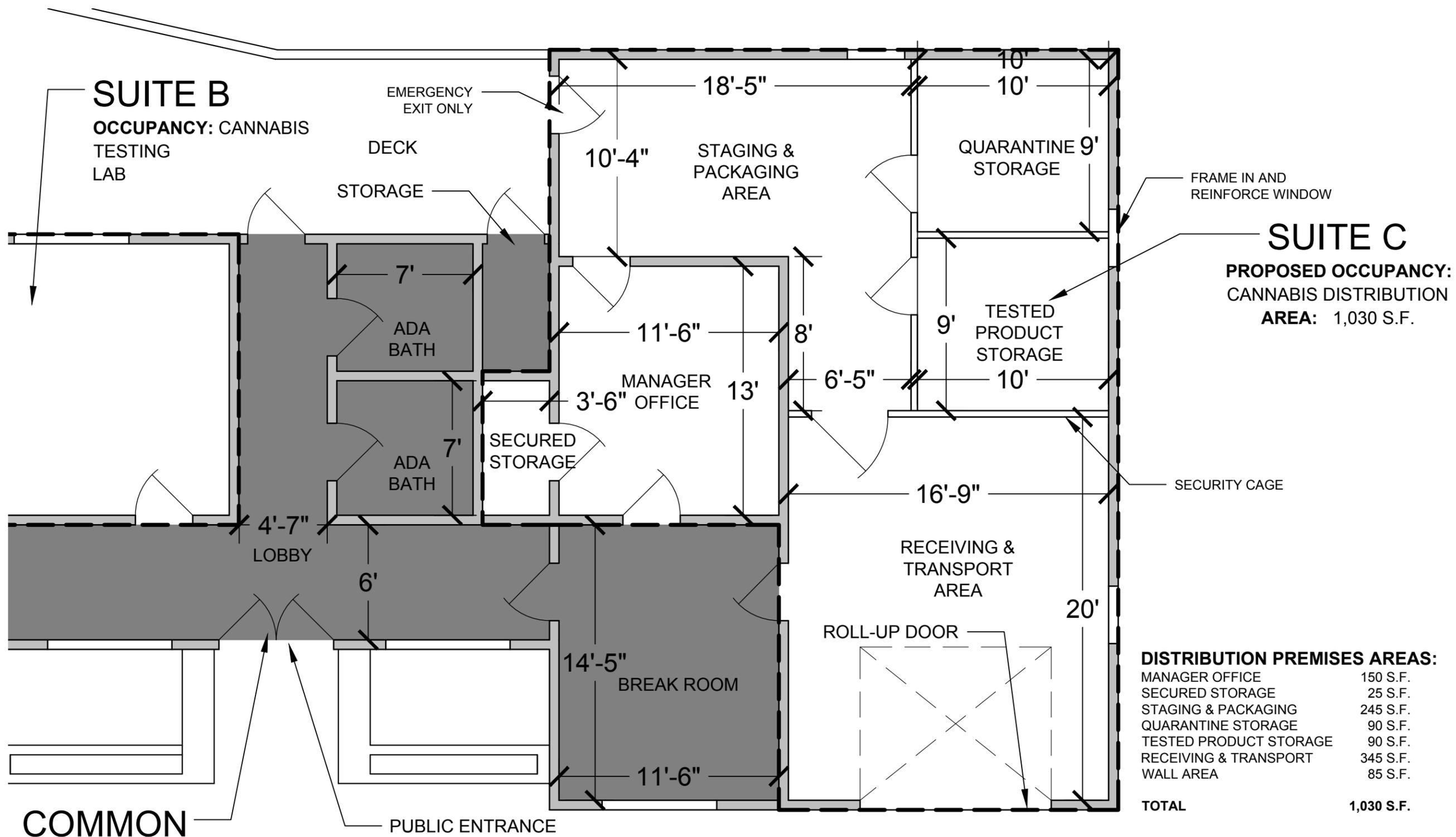
Prepared For:



GCG-D.f-99

GOLD COUNTRY DISTRIBUTORS • APN: 035-221-007-000  
440 Lower Grass Valley Rd, Ste A, Nevada City, CA 95959

**0.0**



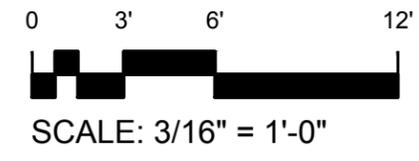
**SUITE B**  
**OCCUPANCY: CANNABIS TESTING LAB**

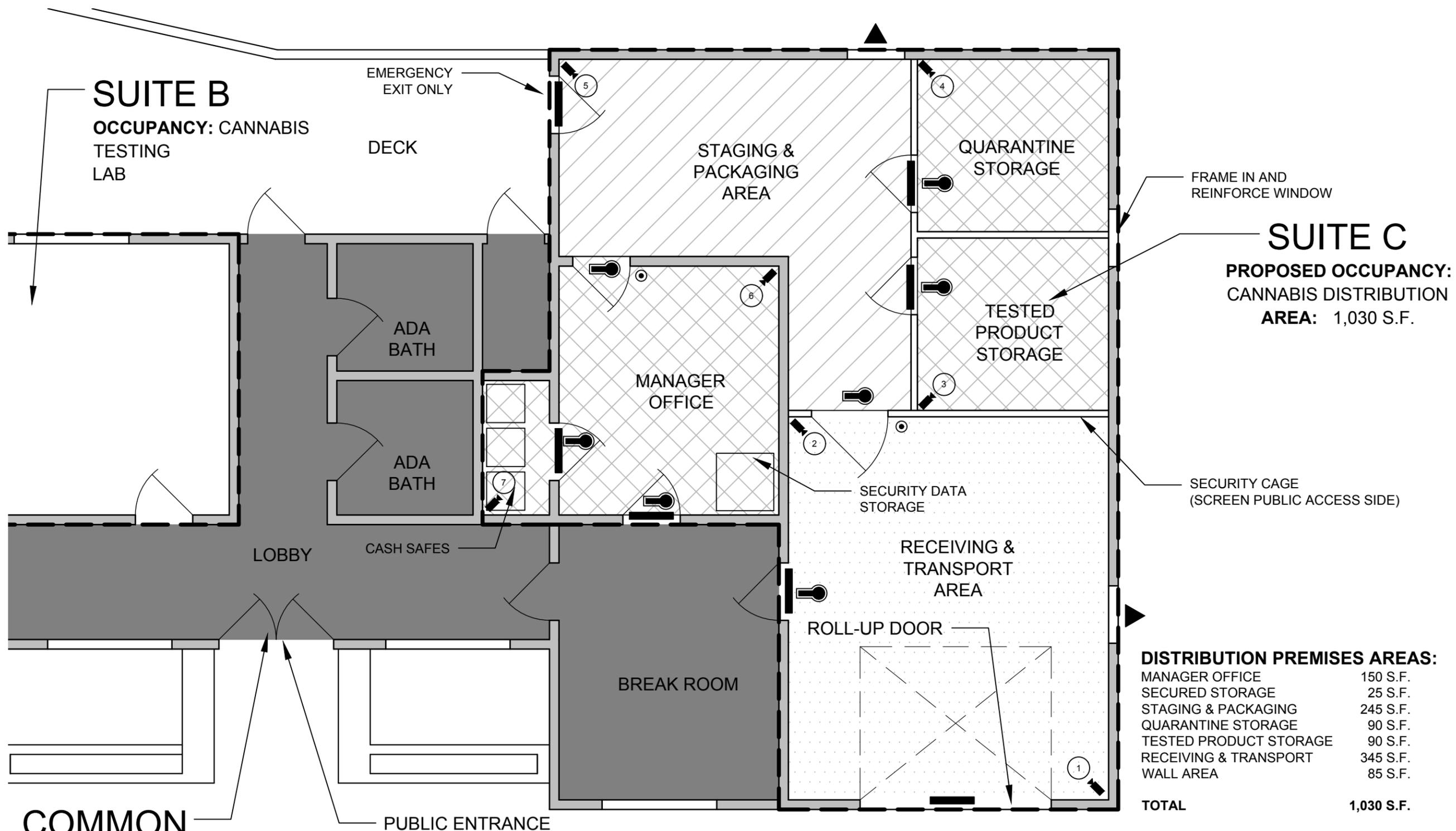
**SUITE C**  
**PROPOSED OCCUPANCY: CANNABIS DISTRIBUTION**  
**AREA: 1,030 S.F.**

**COMMON AREA**  
 AREA: 392 S.F.

**DISTRIBUTION PREMISES AREAS:**

MANAGER OFFICE	150 S.F.
SECURED STORAGE	25 S.F.
STAGING & PACKAGING	245 S.F.
QUARANTINE STORAGE	90 S.F.
TESTED PRODUCT STORAGE	90 S.F.
RECEIVING & TRANSPORT WALL AREA	345 S.F.
<b>TOTAL</b>	<b>1,030 S.F.</b>





**SUITE B**  
**OCCUPANCY: CANNABIS TESTING LAB**

**SUITE C**  
**PROPOSED OCCUPANCY: CANNABIS DISTRIBUTION**  
**AREA: 1,030 S.F.**

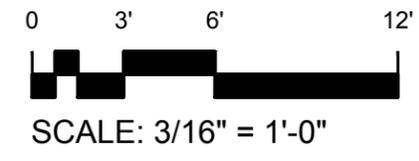
**COMMON AREA**  
**AREA: 392 S.F.**

**DISTRIBUTION PREMISES AREAS:**

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TESTED PRODUCT STORAGE	90 S.F.
RECEIVING & TRANSPORT WALL AREA	345 S.F.
<b>TOTAL</b>	<b>1,030 S.F.</b>

**SECURITY LEGEND**

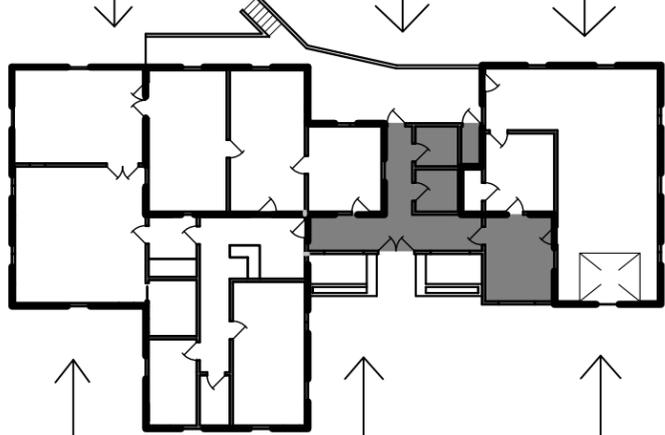
-  DOOR CONTACT  
 WINDOW CRASH SENSOR  
 CAMERA
-  RESTRICTED ACCESS  
 LIMITED ACCESS  
 PUBLIC ACCESS
-  KEY CARD ACCESS  
 PANIC BUTTON  
 CAMERA NUMBER



**SECURITY PLAN**

**GOLD COUNTRY DISTRIBUTORS • APN: 035-221-007-000**  
**440 Lower Grass Valley Rd, Ste A, Nevada City, CA 95959**





EXISTING ELEVATIONS

GOLD COUNTRY DISTRIBUTORS • APN: 035-221-007-000  
440 Lower Grass Valley Rd, Ste A, Nevada City, CA 95959

5.0



Gold Country Growers Distribution  
PO Box 2511, Nevada City, CA 95959

September 21, 2020

City of Nevada City  
Planning Department  
Attn: Amy Wolfson  
317 Broad Street  
Nevada City, CA 95959

Re: Application Clarification Request Response to Nevada City Planning Department addressed to letter dated September 4, 2020

1. Gold Country Growers Distribution only references “deliveries” as a term for distribution deliveries ONLY. We do not deliver to end-users. *Please see the **updated Section C.1: Cannabis Business Description and Location addendum** attached to this letter.*
2. Gold Country Growers Distribution anticipates 1-3 vehicles parked onsite. Which does in fact include all employees and all distribution vehicles. *As stated in the **Business Plan Addendum section Parking Plan on page 8**: “Gold Country Growers Distribution’s proposed location at 440 Lower Grass Valley Road has ample parking and only plans on having 1-3 vehicles parked at location during business hours. These vehicles include: 1-2 Transportation Vehicles and 1 employee/staff vehicle.”*
3. Gold Country Growers Distribution plans on hiring 2 employees during the start up phase and will only have 2 employees on site during start up business hours. The future plan is to have up to 5 employees and only 2 to 3 employees on site during business hours. This answer is located in the ***Business Plan Addendum** sections **Day to Day Operations on page 6** and **Staffing Requirements on pages 8-9**.*

4. The Waste Plan was updated in the *Business Plan Addendum* section *Waste Plan on pages 6-7* and includes the following:

**-Rendering and Disposing of Cannabis Waste:**

Gold Country Growers Distribution is required to render all unusable cannabis and cannabinoid-containing products into cannabis waste before removing the waste from the licensed premises. Only authorized staff, within the designated destruction area and under supervision, will have the authority to destroy cannabis and cannabis products, and to enter destroyed cannabis and cannabis waste into CCTT-METRC and our computerized seed-to-sale system. All waste disposal activities will be performed in a designated area, under video surveillance.

It is the responsibility of the Distribution Manager to instruct the employees authorized to render cannabis waste on all procedures associated with rendering cannabis waste. Additionally, it is the responsibility of the Distribution Manager to ensure that no cannabis waste or any cannabis products awaiting destruction will be distributed to licensees. All waste disposal activities will be performed in a designated limited access area, under video surveillance. Areas of procedure that the rendering of cannabis waste covers include:

- Proper disposal of waste;
- Inventory monitoring requirements;
- Segregating the cannabis waste; and Record-keeping.

Cannabis goods that are outdated, damaged, deteriorated, mislabeled, contaminated, improperly stored, or recalled will be destroyed and properly disposed of.

**-Accidental Cannabis Waste:**

Any plant material that has fallen on the floor or has been contaminated with foreign materials renders the product unfit for sale and must be disposed of and properly destroyed in accordance with GCGD cannabis waste procedures. Areas of procedure, covered by the handling of accidental cannabis waste include:

- Segregating the accidental cannabis waste;
- Rendering the accidental waste unusable and unrecognizable;
- Proper disposal of waste;
- Statewide monitoring requirements (CCTT-METRC); and Record-keeping.

It is the responsibility of the Distribution Manager to ensure that all staff are trained on how to handle accidental cannabis waste and what classifies cannabis as “accidental cannabis waste”. Additionally, it is the responsibility of the Distribution Manager to ensure that all cannabis products to be destroyed and all cannabis waste will not be sold. Accidental cannabis waste may occur from improper storage conditions, including: Extremes in temperature; Humidity; Smoke and/or fumes; Pressure; and/or Age or radiation due to natural disasters, fires, accidents, equipment failures.

GCGD will have separate storage areas for quarantined accidental cannabis, such as cannabis that has failed testing and cannot be remediated, is outdated, damaged, deteriorated, mislabeled, or contaminated, or whose containers or packaging have been opened or breached, until such products are destroyed and disposed of.

The disposal of Cannabis Waste whether planned or accidental will be hauled away by a paid professional cannabis waste company and will be hired on a monthly pick up contract once we have started operation. The monthly pickup contract can be modified to weekly or daily pickups based on the amount of cannabis waste that is created over time.

5. Gold Country Growers Distribution plans on making 1 to 2 daily distribution trips during the start up phase and 1 to 5 daily distribution trips in the business future. The company currently owns 1 vehicle: 2016 Ford Transit Connect VIN# NMOGE9F78G1277764. This information can be found in the *Security & Transportation Plan, page 10*.

6. In reference to the **SCI Consulting Group: City of Nevada City: Distribution Application Summary Report** that was also included with this response letter:

Gold Country Growers Distribution has added all of the Not-Included “NI” items from the Application Compliance Checklist that our company was unaware of at the time of our initial application. Once we were informed of these compliancy items, we hired a multitude of professionals to update our business plans accordingly. Please see the document named *GoldCountryGrowersDistribution\_Addendums\_9.21.20.pdf* sent to Amy Wolfson via email today.

Thank you for your continued support. If you have any questions related to our response, please contact Christopher Johnston at 530-277-1098 or [christopher@goldcountrygrowers.com](mailto:christopher@goldcountrygrowers.com).

Sincerely,

Christopher R. Johnston



Gold Country Growers Distribution  
440 Lower Grass Valley Road  
Nevada City, CA 95959

## Section C.1: Cannabis Business Description and Location

### 1. Statement of Purpose of Cannabis Business

Gold Country Growers will work with retailers and wholesale distributors for the transportation of cannabis and cannabis products, in strict compliance with all California state and local laws. The purpose of our cannabis distribution business is to legally distribute the highest quality of bulk flowers, brand labels, trim, concentrates, genetics, edibles, and other cannabis related products to licensed cannabis retailers and wholesale distributors.

**Distribution Activities - All “Delivery” activities ONLY refer to Distribution Activities, not Retail. We do not deliver to end-users.**

The Distribution facility will schedule intake of pre-packaged cannabis products only from state licensed Processing, Manufacturing or Cultivation companies. During wholesale deliveries, staff will monitor the transaction to ensure safety and security throughout the intake process. The Distribution employee will scan all received products into the Track and Trace METRC database.

Wholesale distribution deliveries by third parties shall be required to schedule deliveries in advance. The distribution suite’s manager shall maintain the scheduled wholesale distribution deliveries in confidence, releasing details only to those with a business need to know, and only with as much advance notice as is reasonably required for cohesion in business operations.

Delivered wholesale distribution products will be accounted for, compared to manifests and transferred from the delivery organization’s Track and Trace METRC to the distribution suite. Once accounted for, the distribution manager will direct the movement of delivered products to the secure, limited access storage area of the distribution suite. The roll-up door will not be opened to provide for the delivery vehicle’s departure until the delivered products have been secured in the limited access storage area. Thereafter, staff will escort the delivery vehicle from the premises, ensuring the roll up door is closed and locked behind the departing delivery vehicle.

Upon intake of cannabis products (flower, lead, edibles and concentrates), a storage and testing fee will be collected from the provider. Monies collected will be stored in a safe within the vault of the distribution facility and accounted for in the accounting software of the business and in the track and trace METRC database.

A sample of each product will be transported by the distribution suite employees for batch testing by a licensed cannabis testing facility for THC content, pesticides, molds, moisture, content and contaminants.

Upon notification from the testing center that a batch sample has passed all requisite tests, the product will be cleared for distribution to retailers and relocated from the quarantine area of the secure storage area to the area designated for distribution to retailers.

In the event that a product fails to pass California testing requirements, all product related to the failing batch will be disposed of in accordance with California laws and regulations. Cannabis awaiting disposal will be stored in air-tight containers and in a separate area of the secure storage area.

The transportation of laboratory-certified cannabis products and the return of currency will be completed by a distribution employee and by way of a distribution vehicle that meets all California cannabis transportation requirements and local ordinances. A manifest will be provided by the Distribution company reflecting each product within the vehicle. The manifest shall be carried by and within the control of the distribution driver.

As product is delivered to a retailer, the retailer will be required to intake the product it into their Track and Trace METRC account; taking full responsibility of the product at the time of transaction. A manifest shall be required from the retailer detailing all payments, including all applicable taxes.

Distribution drivers shall be required to return to the distribution suite immediately upon collection of payments from retailers to reduce exposure time of in-transit currency and records.

The Distribution company will be responsible for collecting, accounting for and safekeeping all monies to be paid to the producers of cannabis products and related taxes due to local and state authorities. All accounting of monies, product transfers and accounts shall be stored through the California track and trace METRC system.

This distribution facility will process cannabis for both Adult-use and Medical-use, keeping cannabis for each separated through use of METRC UID tags and data entry of tag numbers into the state's track and trace database.



# BUSINESS PLAN

# Gold Country Growers Distribution

A Cannabis Distribution Company.

## Statement of Confidentiality

This confidential Business Plan has been prepared by Gold Country Growers Distribution for a limited number of parties and is privileged and confidential. In light of the sensitivity of these documents, we respectfully request prior written consent prior to reproduction or distribution of this Business Plan or any of its contents in any form or under any circumstances. The Recipient is responsible for returning all copies of the Business Plan upon request of the company.

Although the information contained herein is believed to be correct, Gold Country Growers Distribution and its principals disclaim any and all liability for representations and warranties, express or implied, contained in, or for omissions from this Business Plan or any other written or oral communication transmitted or made available to the Recipient. This Business Plan does not purport to be all-inclusive or to contain all the information prospective lenders or others may need or desire.

Furthermore, the potential fulfillment of 'forward looking statements' contained in the plan are subject to change due to unexpected events, market shifts, or circumstances that cannot be known at this time. Forward looking statements are based on expectations, estimates, and projections at the time the statements were made that involve a number of economic, business, and numerous risks and uncertainties which could cause actual results or events to differ materially from those presently anticipated. Forward looking statements in the plan may be identified through the use of words such as, but not exclusively limited to: “expects,” “will,” “anticipates,” “estimates,” “believes,” or statements indicating certain actions “may,” “could,” or “might” occur. Such estimates and projections are subject to significant uncertainties beyond the control of the Company. Although such projections are believed to be realistic, no representations are made as to their ultimate attainability.

## Executive Summary

### **Overview**

Gold Country Growers Clearlake Inc., dba Gold Country Growers Distribution (GCGD) is a stock corporation registered in California. Gold Country Growers Distribution (GCGD) is organized and directed to operate in accordance with all applicable local and state laws—strict compliance with local and California law is our supreme mandate.

### **Mission Statement**

At Gold Country Growers Distribution, our mission is to revitalize Nevada City, California, by providing the highest caliber of cannabis to our qualified medical patient and adult-use customers through our distribution operations. Our mission includes a commitment to local philanthropy, education, and cooperative relationships with the community. Gold Country

Growers Distribution will implement the highest standards of professionalism, integrity, and ethics, with a dual focus of consumer access and community-centered advocacy. We are committed to partnering with local businesses, community leaders, government and law enforcement to enhance the surrounding community and maintain an industry-leading standard of professionalism in the emerging cannabis industry.

As a distributor, Gold Country Growers Distribution will transport cannabis and cannabis products for other licensees, including related activities permitted by a distribution licensee. We will comply with all state and local requirements, including regulations requiring distributors to work with licensed testing laboratories to ensure product safety. Gold Country Growers Distribution will ensure all vehicles used for the distribution of cannabis and cannabis products comply with regulations specifying vehicle equipment, safety protocols, and record-keeping requirements.

## Objectives

- The Company is a cannabis distribution company expected to be licensed under California Medicinal and Adult-Use Cannabis Regulation and Safety Act (“MAUCRSA”) as an *A/M-Type 11: Distributor*.
- As a distribution service, our primary objective is to provide the highest caliber of access to quality cannabis and become a beacon of the community, leading the way in community education and localized philanthropy. We will provide education to our customers, and only transport to retailers and wholesale distributors who are also operating in strict compliance with all state and local requirements.
- The Company expects to deliver substantial philanthropic benefits to the City of Nevada City within the first twenty-four months of operation.

## Community Benefits & Qualifications of Principles

Currently the company and its owners are both members and allied business members of the Nevada County Cannabis Alliance supporting the work of the Alliance; maintaining a consistent voice and representation with city and county officials, advocating for reasonable regulations and a safe and vibrant cannabis industry. Our membership also supports continued community education, events, and outreach programs.

The owners and directors have also been working with Elevation 2477 since 2018, and numerous local farms - which has also support local businesses in the legal cannabis industry.

Upon issuance of a local permit, Gold Country Growers Distribution is committed to engaging the Nevada City community to address local concerns, and hire local members of the community

for our staff. We take the privilege of operating in Nevada City seriously, and intend to give back to the community to the best of our abilities.

Our expert team of owners, directors and managers deliver years of proven practices in diverse disciplines, including medicinal cannabis cultivation and collective-model distribution, small business management, and community involvement.

Gold Country Growers Distribution is a California corporation owned by Christopher R. Johnston aka “Redlocks” and Bob Roy Harris III, aka “Roy Harris.” Both owners have lived in Nevada County for over 20 years and will continue to reside in this county for many years to come.

Christopher R. Johnston aka “Redlocks” is a famous and well known disc jockey for our community local radio station KVMR since 1994. He has worked in the field of horticulture for over 30 years in the area of agriculture sales & marketing and farm business management.

Bob Roy Harris III aka “Roy Harris” is a local entrepreneur who opened the first hydroponic garden supply store in Northern California's Nevada County. Grass Valley Hydrogarden Inc., dba AgNatural was an immediate success and began expanding within the first year of business. After 20 years in business, the company has expanded exponentially occupying 2 store fronts in Nevada County and continues to create solid business relationships within a highly successful niche-market industry. Harris is also the owner of Family Hydroponics & Organics Franchising Inc., which he managed and spearheaded 43 hydroponic franchise stores across America from the ground up. He provided a financial network within the franchise to support the hydroponic garden store retail industry and their customers. Harris is also a Real Estate Developer who is actively involved in agriculture real estate and land development as a skilled negotiator and entrepreneur. He represents Stromer Realty as a sales representative with an expertise in agriculture and business economics.

## **Employee Standards**

Each of Gold Country Growers Distribution’s principals is highly credentialed and experienced across a diverse range of professional backgrounds, and intends to maintain high standards for all staff members. Our staff will be required to submit to a thorough background check and aggressive pre-employment training. Pursuant to the State of California’s laws and regulations, employees who will be handling cannabis shall be finger-printed for compliance with the laws and regulations. Additionally, all staff will receive continuing training opportunities to ensure his/her compliance with the existing and ever-evolving laws and regulations at both the state and local level.

*New Employee, Wage Standards, and Annual Training* - (See also attached Employee & Supervisor Training Handbook)

Gold Country Growers Distribution will only hire employees that have the education, training, and experience, or any combination thereof, to enable them to perform all assigned functions. Employees will be paid based on the California labor codes and shall adhere to “all amounts for labor performed by employees of every description, whether the amount is fixed or ascertained by the standard of time, task, piece, commission basis, or other method of calculation.” ***Labor Code 200.***

***The California Fair Pay Act*** requires that our company demonstrate that any disparities in pay between men and women doing “substantially similar” work are based on a limited number of acceptable factors, including seniority, education, and “quantity or quality of production” of goods. Based on ***The Wage and Equality Act*** our company prohibits the paying of employees based on one race or ethnicity.

All employees will be paid no less than the minimum wage as required by the laws of the state or a particular jurisdiction. GCGD will ensure compliance with the highest applicable minimum-wage rates.

Under California law, GCGD employees retain the rights to: Form, join, and participate in the activities of their union for purposes of representation on wages, hours, and other conditions of employment.

Employees will not be allowed to report to work prior to receiving orientation training or when any required critical training is eight weeks or more past due.

Additionally, GCGD will ensure that the assigned supervisory personnel, the Director of Human Resources and the Director of Distribution Operations, have the education, training, experience, or combination thereof necessary to train new employees. The Human Resources Director and the Director of Distribution Operations will sign and date a document on an annual basis attesting that he or she has received and understands all information that will be provided to employees in the training program. This documentation will be maintained in our company records.

GCGD will ensure that all personnel receive annual refresher training that at minimum covers all topics listed in the “tasks” section of this standard operating procedure. This annual refresher training will be completed within 12 months of the previously recorded training completion date. Employees will be paid for their time spent on training, including overtime and any continuing education needed to further their assigned functions and abilities.

The employee training policies and procedures will include the following:

- Employee IT Security Training
- Employee Inventory Training
- Incident Response Training
- Quality Control Training

## Organization and Compliance

### *Day to Day Operations*

Gold Country Growers Distribution shall be a premier establishment and will set the standard for cannabis distribution businesses in Nevada City. Our objective is to create safe access to cannabis for customers in surrounding Nevada County and neighboring counties. To do this, we understand the importance of having professional, highly trained staff and a managing body that is well organized. The company plans on making 1-2 daily distribution trips during start-up and then building up to 1-5 daily distribution trips in the future.

### *Environmental Impact*

Gold Country Growers Distribution will not have any negative environmental impact on the city and at its proposed location due to being an environmentally safe and eco-conscious company. Our company takes pride in taking the necessary steps to recycle, reduce waste and reuse all materials to run our business office and distribution company. There will be no sufficient change to the current buildings use of water and electricity use.

### *Waste Plan*

#### **-Rendering and Disposing of Cannabis Waste:**

Gold Country Growers Distribution is required to render all unusable cannabis and cannabinoid-containing products into cannabis waste before removing the waste from the licensed premises. Only authorized staff, within the designated destruction area and under supervision, will have the authority to destroy cannabis and cannabis products, and to enter destroyed cannabis and cannabis waste into CCTT-METRC and our computerized seed-to-sale system. All waste disposal activities will be performed in a designated area, under video surveillance.

It is the responsibility of the Distribution Manager to instruct the employees authorized to render cannabis waste on all procedures associated with rendering cannabis waste. Additionally, it is the responsibility of the Distribution Manager to ensure that no cannabis waste or any cannabis products awaiting destruction will be distributed to licensees. All waste disposal activities will be performed in a designated limited access area, under video surveillance. Areas of procedure that

the rendering of cannabis waste covers include:

- Proper disposal of waste;
- Inventory monitoring requirements;
- Segregating the cannabis waste; and Record-keeping.

Cannabis goods that are outdated, damaged, deteriorated, mislabeled, contaminated, improperly stored, or recalled will be destroyed and properly disposed of.

**-Accidental Cannabis Waste:**

Any plant material that has fallen on the floor or has been contaminated with foreign materials renders the product unfit for sale and must be disposed of and properly destroyed in accordance with GCGD cannabis waste procedures. Areas of procedure, covered by the handling of accidental cannabis waste include:

- Segregating the accidental cannabis waste;
- Rendering the accidental waste unusable and unrecognizable;
- Proper disposal of waste;
- Statewide monitoring requirements (CCTT-METRC); and Record-keeping.

It is the responsibility of the Distribution Manager to ensure that all staff are trained on how to handle accidental cannabis waste and what classifies cannabis as “accidental cannabis waste”. Additionally, it is the responsibility of the Distribution Manager to ensure that all cannabis products to be destroyed and all cannabis waste will not be sold. Accidental cannabis waste may occur from improper storage conditions, including: Extremes in temperature; Humidity; Smoke and/or fumes; Pressure; and/or Age or radiation due to natural disasters, fires, accidents, equipment failures.

GCGD will have separate storage areas for quarantined accidental cannabis, such as cannabis that has failed testing and cannot be remediated, is outdated, damaged, deteriorated, mislabeled, or contaminated, or whose containers or packaging have been opened or breached, until such products are destroyed and disposed of.

The disposal of Cannabis Waste whether planned or accidental will be hauled away by a paid professional cannabis waste company and will be hired on a monthly pick up contract once we have started operation. The monthly pickup contract can be modified to weekly or daily pickups based on the amount of cannabis waste that is created over time.

*Neighborhood Compatibility Plan*

The neighborhood surrounding our proposed location at 440 Lower Grass Valley Rd., is very compatible with our company mission and business plan. A cannabis testing lab is located in the same building and a legal cannabis dispensary is located just a few miles away.

The exterior areas and surrounding public areas will be managed by the Director of Security, Security Personnel, Distribution Managers, and Distribution Employees to ensure that no nuisances or negative impacts will occur with our neighbors and surrounding community. All outdoor lighting used for security purposes will be shielded and downward facing.

The Director of Security will work with the facility maintenance crew to install security cameras to monitor and record 24 hours a day all areas of the facility including all entrances and exits, recording both indoor and outdoor vantage points. Should any issues arise from our neighbors or local community, we plan on addressing these issues with the up most respect and will be handled on a case by case basis by the Director of Security, Security Personnel, Distribution Managers, and Distribution Employees.

The owners of the company, Christopher Johnston and Bob Roy Harris III conducted a neighborhood outreach mission before they moved forward with the proposal for this project. They both reached out to a variety of business owners in the neighborhood and local cannabis business owners in the area and received positive feedback about the proposed location.

Not only is the property itself owned by a company that is owned by Mr. Harris and his wife, but Mr. Harris also currently leases a portion of the property to a legal cannabis testing facility that has already been approved by the neighborhood, our local community and the Nevada City Planning Department.

### *Hours of Operation*

Gold Country Growers Distribution will not be open to the public. GCGD is normally open for business between the hours of 10:00am and 6:00pm, Sunday through Saturday.

### *Parking Plan*

Gold Country Growers Distribution's proposed location at 440 Lower Grass Valley Road has ample parking and only plans on having 1-3 vehicles parked at location during business hours. These vehicles include: 1-2 Transportation Vehicles and 1 employee/staff vehicle.

### *Staffing Requirements*

At Gold Country Growers Distribution, safety and security is our No. 1 priority. In order to provide these services to the best of our ability, we believe in the importance of having an extremely well-trained and effective staff. All employees shall acknowledge and agree to the

requirements set forth in our Employee Handbooks before they are eligible to begin working for Gold Country Growers Distribution. (See Employee Handbook & Employee Training Handbook attached.)

Our company plans on hiring 2 employees during the start up phase and will only have 2 employees on site during business hours. The future plan is to have 2-5 employees and only 2-3 employees on site during business hours.

### *Safety & Security*

In order to ensure the safety and security of the business' employees, as well as the surrounding community, we have developed a comprehensive Security Plan to ensure safety on the premises, and for our neighbors, employees, and customers. See Safety and Security Plans attached.

## **Distribution Activities**

Gold Country Growers Clearlake will work with other retailers and wholesale distributors for the transportation of cannabis and cannabis products, in strict compliance with all California state and local laws. Emergency regulations implementing MAUCRSA were recently released, and detail requirements for distributors, including:

### *Labeling and Packaging*

The emergency regulations allow distributors to package and label, or repackage and relabel, cannabis in the form of dried flower on behalf of a cultivator or another distributor (but not manufactured cannabis goods). In the event we work with cultivators to package and label cannabis, we will ensure we meet all guidelines related to information required to appear on labeling and inserts, and ensuring labeling is not designed to be attractive to children.

### *Working with Testing Laboratories*

All cannabis and cannabis products must meet certain standards of quality prior to distribution. To ensure compliance with these requirements, Gold Country Growers Distribution will work with testing laboratories to ensure proper collection of product sample, and only transport cannabis and cannabis products after ensuring a proper certificate of analysis confirms the products meet all required testing standards.

### *Transportation Safety and Security*

MAUCRSA requires all transportation of cannabis and cannabis products to occur in vehicles meeting specific requirements, including motor carrier permits, safety protocols, and record-keeping. Gold County Growers Distribution will strictly comply with all such requirements and only transport cannabis and cannabis products to retailers and other distributors who also operate in strict compliance with state and local laws. See Safety and Security Plans attached.

### *Track and Trace Requirements*

In order to ensure cannabis shall be tracked and traced to prevent diversion, Gold Country Growers shall strictly comply with the Track and Trace program features of MAUCRSA. (*See, Cal.*

*B.P. § 26067 et seq.*)

Prior to opening its doors, Gold Country Growers Distribution shall obtain a state-of-the-art electronic Track and Trace program, which *at minimum* shall report the following:

1. The transaction date;
2. The identity of the employee receiving the product;
3. Exact times of arrival;
4. Categorization of the product, including strain and producer;
5. The quantity or weight.

Gold Country Growers Distribution is closely monitoring the ever-evolving regulations surrounding Track and Trace requirements and working with legal counsel to ensure strict compliance with all state requirements.

In addition to the reporting requirements, Gold Country Growers Distribution is required to keep records of all commercial cannabis activity and to maintain those records at the premises of the licensed location for seven (7) years. As a distributor, we will strictly adhere to all requirements related to maintenance of shipping manifests and record-transmission requirements to state and local government.

### *Packaging and Labeling Requirements*

In its capacity as a distributor (when packaging and labeling dried flower), Gold Country Growers Distribution intends to strictly comply with all Packaging and Labeling requirements and acknowledges that state law requires all cannabis products to be packaged in tamper evident packaging and contain labels that are not made to be attractive to children. Moreover, all packaging shall prominently display, in clear and legible font, the following:

The manufacture date and source.

For cannabis, the statement: “GOVERNMENT WARNING: THIS PACKAGE CONTAINS CANNABIS, A SCHEDULE I CONTROLLED SUBSTANCE. KEEP OUT OF REACH OF CHILDREN AND ANIMALS.

CANNABIS MAY ONLY BE POSSESSED OR CONSUMED BY PERSONS

21 YEARS OF AGE OR OLDER UNLESS THE PERSON IS A QUALIFIED PATIENT. CANNABIS USE WHILE PREGNANT OR BREASTFEEDING MAY BE HARMFUL. CONSUMPTION OF CANNABIS IMPAIRS YOUR ABILITY TO DRIVE AND OPERATE MACHINERY. PLEASE USE EXTREME CAUTION.”

For cannabis products, the statement: “GOVERNMENT WARNING: THIS PRODUCT CONTAINS CANNABIS, A SCHEDULE I CONTROLLED SUBSTANCE. KEEP OUT OF REACH OF CHILDREN AND ANIMALS. CANNABIS PRODUCTS MAY ONLY BE POSSESSED OR CONSUMED BY PERSONS 21 YEARS OF AGE OR OLDER UNLESS THE PERSON IS A QUALIFIED PATIENT. THE INTOXICATING EFFECTS OF CANNABIS PRODUCTS MAY BE DELAYED UP TO TWO HOURS. CANNABIS USE WHILE PREGNANT OR BREASTFEEDING MAY BE HARMFUL. CONSUMPTION OF CANNABIS PRODUCTS IMPAIRS YOUR ABILITY TO DRIVE AND OPERATE MACHINERY. PLEASE USE EXTREME CAUTION.”

For packages containing only dried flower, the net weight of cannabis in the package.

Identification of the source and date of cultivation, the type of cannabis or cannabis product and the date of manufacturing and packaging.

The appellation of origin, if any.

List of pharmacologically active ingredients, including, but not limited to, tetrahydrocannabinol (THC), cannabidiol (CBD), and other cannabinoid content, the THC and other cannabinoid amount in milligrams per serving, servings per package, and the THC and other cannabinoid amount in milligrams for the package total.

A warning if nuts or other known allergens are used.

Information associated with the unique identifier issued by the Department of Food and Agriculture.

For medicinal cannabis products, the statement: “FOR MEDICAL USE ONLY.”

Any other requirement set by the Bureau of the State Department of Public Health.

Regarding marketing, Gold Country Growers Distribution acknowledges that it is illegal to market, label, or sell medical cannabis as being grown in a California county where it was not grown in that county. Further, MAUCRSA makes it illegal to even use the name of a California county in the labeling, marketing, or packaging of medical marijuana unless it was grown in that county.



# Main Security & Transportation Security PLAN

**Gold Country  
Growers  
Distribution**

A Cannabis Distribution Company.

## Security Plan

Our Security Plan operating procedures will be implemented by the Security Director/Managers/Owners in which include the following:

1. Christopher Johnston, Owner/Security Director/Manager/Key Holder
2. Bob Roy Harris III, Owner//Manager/Key Holder

The Security Director/Owners will ensure that all doors of the premise include commercial-grade deadbolt door locks and that each interior and exterior door of the facility maintains an appropriate level of access control relative to the hierarchy of risk and access restrictions relative to each area of the facility. Entire building security system includes window, door and motion detectors on all access points.

**-Perimeter Security:** All doors are to remain secure at all times when not in active use; no door shall be propped open or any exterior door open for any reason at any time; and no exterior door shall be opened unnecessarily. Secure front entry door includes commercial-grade deadbolt self-locking behind you door lock.

**-Access Control Policies:** Only Key Holders are authorized by the company to have access to the licensed premises and its limited access areas. During all hours when the facility is not in operation, the Managers/Owners or his representative will ensure that all entrances to and exits from the premises are securely locked and any keys to the enclosed area remain in the possession of designated managers, or other authorized personnel designated by the Managers/Owners. The Managers/Owners shall maintain an accurate and current written or electronic log identifying those parties in possession of access keys. Access to areas containing cannabis, currency or security infrastructure will be limited to individuals where a business need for access is demonstrated. The Managers/Owners have ultimate responsibility for issuing access. Issuance must be recorded by the issuing individual, including documentation of any facility keys, alarm codes, electronic access codes, passwords, or combination codes. All entrances to areas of the business where cannabis products are stored shall require a key. All access points to such areas will be equipped with video surveillance.

Access control logs generated in accordance with this policy or through employment of digital access control systems shall be retained for no less than 90 days. Keys and electronic access codes must be protected. They may not be loaned and shall not be left unattended. All keys issued to employees shall be retained in the possession of the employee to whom issued and may

not be transferred directly from one employee to another. Employees must report any lost keys or access cards to his or her manager immediately. The Managers/Owners will make a determination as to whether the system has been compromised and whether re-keying will be necessary. It is against company policy to duplicate keys, share passwords, or share access codes.

**-Visitor Security:** When a visitor is seeking access to the facility, they will be asked for their government-issued ID which include: Valid Driver License, Valid ID Card issued by the Armed Forces, A Valid US Passport. Visitors to the premises shall be logged in on a written and/or electronic Visitor Access Log. Managers/Owners will verify that visitor has correctly written all necessary information into the Visitor Access Log and will scan the visitor's ID and save it into metrics. The visitor's badge will be created and will include the visitor's full name, company, reason for their entry, date of visit, and times the visitor entered and exited the Limited-Access Areas on the badge. If two or more visitors arrive at the same time, they will be asked to wait in the secure front entry area at the main entrance.

No one under the age of 21 will be allowed on the premises. Visitors shall be escorted at all times by a designated Manager/Owner and the full name of the person(s) escorting the visitor(s) will be documented in the Visitor Access Log. All visitors will be required to wear a badge during the entirety of their visit and will be asked to return their badge upon signing out of the Visitor Access Log. Once signed out, all visitors will be escorted out of the main secure door entry and off the premises. When a visitor, at any time, refuses to comply with company/visitor policies and applicable state and local laws, regulations, ordinances, and other requirements, they will be denied entry. When a visitor won't leave the premises, it will be considered an incident and handled in accordance with the incident response procedures.

Visitor badges shall be numerically assigned and printed on a colored medium. Visitor badges will be audited daily by the Manager/Owner or its designee. In the event that a visitor badge is not recovered or is deemed missing, all visitor badges of that color shall be destroyed and replaced with a new color. The Security Plan will designate the current color and shall be updated upon any change in color. All employees shall be notified of a change to the visitor badge color and shall be directed to immediately report to the Manager/Owner any person(s) found on the premises wearing a visitor badge of the wrong color. All logs will be maintained by the Manager/Owner for no less than 90 days.

**-Employee & 3rd Party Contractors Badge Requirement:** All agents, officers, or other persons acting for or employed by the company will be required to display a Gold Country Growers-issued laminated ID badge, which, at a minimum, will include “doing business as” Gold Country Growers, license number, the employee’s first name, an employee number exclusively assigned to that employee for ID purposes, and a color photo of the employee that shows the full front of their face. The employee photo must be at least 1 inch in width and 1 and 1/2 inches in height. These employee badges will serve as proximity cards, in addition to means of identification, which will allow access to the premises. Employees will wear this ID badge above the waist, unobstructed from view and with the photo of the employee visible, at all

times while on-site. Individuals hired for employment will be assigned an ID badge and access credentials only after all verification and paperwork has been completed. The employee numbers consist of a randomly generated number. In the event that an employee changes responsibilities, thus requiring additional access to limited access areas of the licensed premises, that employee will be issued an updated badge. Badges expire every 60-days and will be updated. If an employee leaves the company, the employee badge will be surrendered to the company and will be shredded.

**-Employee & 3rd Party Contractor Credentials Issuance:** Access permissions will be assigned based on employee's role to access the areas in which they are regularly assigned duties. Only the minimum number of employees essential for efficient operations will be given access to limited-access areas. Credentials may not be shared or transferred directly from one employee to another. Credentials may not be loaned or left unattended. Employee badges, permissions, and credentials will be issued after training and will be maintained and displayed by employees at all times. All agents, officers, or other persons acting for or employed are required to display a company-issued laminated ID badge, which, at a minimum, will include the company's "doing business as" name and license number, the employee's first name, an employee number exclusively assigned to that employee for ID purposes, and a color photo of the employee that shows the full front of their face.

**-New Employee/3rd Party Contractor and Annual Training:** Our company will only hire employees and/or contractors that have the education, training, and experience, or any combination thereof, to enable them to perform all assigned functions. Employees/contractors will not be allowed to report to work prior to receiving orientation training or when any required critical training is eight weeks or more past due. Additionally, our company will ensure that the assigned supervisory personnel, the Director of Human Resources and the Director of Distribution Operations, have the education, training, experience, or combination thereof necessary to train new employees. The Human Resources Director and the Director of Distribution Operations will sign and date a document on an annual basis attesting that he or she has received and understands all information that will be provided to employees in the training program. This documentation will be maintained in our company records. Our company will ensure that all personnel receive annual refresher training that at minimum covers all topics listed in the "tasks" section of our standard operating procedure. This annual refresher training will be completed within 12 months of the previously recorded training completion date. Further employee training policies and procedures include: Employee IT Security Training; Employee Inventory Training; Incident Response Training; and Quality Control Training.

**-Employee/3rd Party Contractor IT Security Training:**

All new hires must receive this training prior to commencing work at our facility. This training will be conducted in addition to our general employee training. All staff will receive additional training prior to any significant change in IT security procedures and updates on protocols being implemented. All employees will follow Clean Desk Policy, meaning: Employees are required to

ensure that all sensitive/confidential information in hardcopy or electronic form is secure in their work area at the end of the day and when they are expected to be gone for an extended period; Workstations must be locked when the workspace is unoccupied, and must be completely shut down at the end of the work day; Any protected information must be removed from public display and locked in a drawer or other secured storage space at the end of the work day; File cabinets containing protected or other confidential information must be kept closed and locked when not in use or unattended; and Keys and employee key card access credentials must never be left unattended.

**-Employee/3rd Party Contractor Inventory Training:** The Inventory Compliance Manager, with the oversight of the Director of Distribution Operations, will ensure all distribution employees have the education, training, and experience, or any combination thereof, to enable them to perform all assigned distribution inventory functions. Distribution employees will not be allowed to report to work prior to receiving orientation training, including inventory training. Our company will ensure that all distribution employees receive annual refresher training that, at minimum, covers all topics listed in the tasks of this SOP. Our Inventory Compliance Manager will maintain all distribution employee training records.

Employee/Contractor inventory training will encompass six main subjects:

1. Overview of Transporting Inventory
2. Overview of Inventory Tracking
3. Overview of CCTT-METRC
4. Overview of Inventory Reconciliation and Accounting
5. Overview of Inventory Management
6. Overview of Inventory Storage

**-Incident Response Training:** All new hires must receive this training prior to commencing work at distribution facility. Incident response training will be conducted in addition to the company's general employee training. All staff will receive additional training prior to any significant change in incident response procedures being implemented. All staff training review will be conducted annually. The Director of Compliance, the Director of Security, and the Distribution Manager will be required to develop and utilize the additional incident response training components: Developing standard operating procedures; and Continual improvement assessment.

**Employee/Contractor Covid-19 Prevention Training:** Our company will provide training to employees regarding how to best prevent the spread of COVID-19. This training will be conducted in a way that is readily understandable by all employees. As applicable, temporary or contract workers at COMPANY's facility will be properly trained in COVID-19 prevention policies and have access to necessary personal protective equipment. COMPANY will discuss these responsibilities ahead of time with organizations supplying temporary and/or contract workers. Although the distribution of cannabis goods is not a task that can be completed by

remote work, our company will encourage employees to work from home if it all possible. Furthermore, we will consider staggered work shifts in order to promote physical separation. The Director of Distribution Operations, in accordance with our Human Resources Manager, will continually check the CDC's webpage for updates and tools for combatting COVID-19 in the workforce.

**-Quality Control Training:** All new hires must receive this training prior to commencing work at distribution facility. Quality control training will be conducted in addition to the general employee training. All employees are required to complete a routine refresher course on compliance with these policies and procedures at least semiannually thereafter. The Director of Compliance, the Human Resources Manager, and the Distribution Manager will be required to develop and utilize the additional training components: Developing standard operating procedures; and Continual improvement assessment.

**-Transactional Security & Inventory Tracking:** The statewide track and trace system, California Cannabis Track-and-Trace (CCTT) METRC, will be used to record the inventory and movement of cannabis and cannabis products through the supply chain. Our designated account manager has completed the required CCTT-METRC Account Manager New Business System Training, CCTT-METRC and it will be accessible and used for all inventory tracking activities, including, but not limited to, the following: Start-up inventory; Cannabis products in storage; Cannabis destruction and disposal; Packaging of cannabis goods; Sampling and testing; and Transfer and transport information.

Our company will keep an accurate record of its inventory and use CCTT-METRC to ensure its inventories are identified and tracked at the point of transfer to or from another licensee, a testing laboratory, or the location where it is disposed. Our company will have the ability to reconcile its inventory records with CCTT-METRC and the associated transaction history.

Misstatements and omissions when entering data into CCTT-METRC is strictly prohibited. In the case that data is accidentally misstated or omitted, the Inventory Compliance Manager is responsible for correcting the errors and documenting all corrections. Any misstatements or omissions may be considered a license violation affecting public safety. Once integrated with CCTT-METRC and approved by the Bureau, our computerized seed-to-sale system will be used for all state-mandated inventory tracking activities as well as required internal tracking that exceeds state requirements. Once the internal seed-to-sale system is implemented, the Inventory Compliance Manager will oversee all entries into that system to ensure all entries are correctly entered and all necessary internal seed-to-sale records are produced and maintained.

**-Video Surveillance System:** Our video surveillance system security cameras will monitor and record all areas of the Facility including all entrances and exits into and out of the exterior of the Facility, recording both indoor and outdoor vantage points. The Distribution Facility will be equipped with Closed Circuit Television (CCTV) cameras, that may be supplemented with fixed and pan-tilt-zoom (PTZ) cameras. CCTV cameras can be monitored in real-time within the Security Operating Center and at remote monitoring stations. Video surveillance footage will be kept for a minimum of 90 days, located within the office. All outdoor lighting used for security purposes will be shielded and downward facing. The video surveillance system and all surveillance system capabilities and features will operate 24 hours per day, 7 days per week, at 15 frames per second. In compliance with local and state regulation, the company shall utilize a digital video surveillance system. The surveillance system will meet or exceed the following standards and shall abide by the policies and practices described below: The surveillance system shall be capable of recording all pre-determined surveillance areas in any lighting conditions (day/night cameras). Cameras shall be equipped with low light capability, auto iris and auto focus. Cameras shall record at high resolution providing resolution of no less than 2 megapixels. The DVR shall be set to the highest quality setting available. The video surveillance system shall be transmission controlled protocol (TCP) enabled capable of access over the internet. The surveillance system shall be operational at all times, both during and after business hours. In the event that any element of the surveillance system becomes inoperable, the Manager/Owner shall ensure that the facility is staffed by a designated manager or by a licensed private patrol operator until such time as the surveillance system is restored to full functionality.

The surveillance system is a fully-functioning failure notification system that provides an audible, text, and/or visual notification of any failure within 5 minutes of said failure or any interruption of the video surveillance system and storage device, and provides an alert to the Facility itself as well as the Director of Security/Owner/Manager via telephone, email, or text message within that same 5 minutes.

Company appointed Owner/Manager Christopher Johnston as the facility's "Security Director". Contact Info: Christopher Johnston, [christopher@goldcountrygrowers.com](mailto:christopher@goldcountrygrowers.com), 530-277-1098.

The types of cameras include: Platinum Network Vandal Dome IP Camera 4MP - 2.8mm/4MP High Definition, 2560x1440@30fps, 2.8mm Fixed Lens, 0.018 Lux @ F1.6, Matrix IR 2.0, IR - Range up to 100 feet, H.265, H.265+, H.264, H.264+ Ready, True WDR 120dB, IP67 & IK10, - MicroSD Slot up to 128GB, DC 12V, PoE

Video Storage Equipment: Platinum Enterprise Level 32 Channel 4K NVR - RAID - Connect up to 32 IP Cameras, Support Live View, Storage, Playback up to 12MP (3072x2048), - HDMI Video Output up to 4K, 4 SATA up to 10TB, Supports HDD Quota and Group Modes, 1CH CVBS. Seagate Skyhawk Surveillance Hard Drive - 8TB.

Company will ensure the surveillance systems are being maintained in good working order, and are being inspected and tested at regular intervals, not to exceed 30 calendar days from the previous inspection and test. This procedure will be performed at least once per month. All required maintenance of security equipment will be conducted in accordance with manufacturer recommendations. If testing and maintenance cannot be completed by the Director of Security/ Owner/Manager, such testing and maintenance will be completed by a professional surveillance system service provider. Records of surveillance system testing will be maintained for 7 years following the date of inspection or reporting, and will be made available or provided to the Bureau upon request. Our company will ensure that the Facility's surveillance system is maintained in good working order, and is inspected and tested at regular intervals, not to exceed 30 calendar days from the previous inspection and test. When any failed component of the video surveillance recording system is found, it will be repaired or replaced within 24 hours of identification. When it will take more than 24 hours to repair or replace, company will provide notice to the Bureau to have an extension of time approved.

All video footage is monitored and accessible to authorized personnel 24 hours per day, 7 days per week via a transmission control protocol (TCP), secure, web-based/internet portal required by the Bureau. All camera feeds are being recorded digitally with clear and accurate date and time stamps embedded on the video and the time is being measured in accordance with the United States National Institute Standards and Technology Standards. The Director of Security/ Owner/Manager will take efforts to eliminate all backlighting and obstructions to the video surveillance system to provide clear images at all times in all areas; and will ensure the system can clearly identify any person within 20 feet of all entrances and/or exits of the facility, which will be appropriate for the normal lighting conditions of the area under surveillance. The video surveillance system includes a fully-functioning backup battery system that would immediately provide power for at least 48 hours in the event of a power outage.

The Security Manager will be responsible for the implementation, supervision and compliance with all aspect of the security plan on a day to day basis in all areas of the facility. In addition, the Security Manager shall perform the following tasks as or more frequently as indicated below, immediately implementing corrective actions where warranted. On a daily basis: Physical and digital inventory of products; Physical and digital accounting of currency; Audit of GPS system functionality; Inspect visitor badges and log sheet, account for all passes; Inspect employee badges and log sheet, account for all badges; At close of business, physically clears each room of the facility of employees and hazards, ensures all interior doors of significance are closed and locked; At close of business, arms alarm system, ensuring all zones arm successfully.

On a weekly basis: Inspect perimeter fences and doors for operability and security; Inspect exterior and interior doors for proper function and security; Inspect exterior lighting for outages or impositions by vegetation/debris; Inspect intrusion detection system, test monitoring communications; Inspect surveillance system: firmware, software and operating system; Inspect surveillance system: viewing angles, cleanliness, operability; Inspect key control logs for anomalies/missing keys.

Comprehensive performance tests of the entire alarm system will occur at least annually, or more often if determined by the Director of Security, to confirm that the system is continuing to function correctly. The alarm system service provider will conduct a thorough onsite inspection on an annual basis and test the entire alarm system to determine operability and effectiveness of the alarm system as well as needed repairs, adjustments, or upgrades. In addition to annual testing of the entire alarm system by the alarm system service provider, our Director of Security will also ensure preventative maintenance checks occur monthly, and corrective maintenance checks are initiated within 24 hours of discovering any system malfunction and that maintenance checks are occurring. Alarm system is being monitored 24 hours a day, 7 days a week.

**-Alarm system features:** DSC (Digital Security Controls) Alarm System with HS2032 control pad. Features include: 16 to 128 zone panel configurations; PowerG – robust, industry leading commercial grade wireless; Simple partition management using Global keypads; Compatible with Alarm.com home automation solutions with built-in Z-Wave capabilities through dual-path LTE/Internet and HSPA (3G)/Internet communicators; Intuitive, quick installation; User-friendly interfaces; Visual alarm verification; Backup battery system with 48 hours of backup power in the event of a power outage. Motion detection sensors are located inside the premises of all exterior doors and all windows. These motion detectors are integrated with the alarm system, installed throughout the interior of the facility and designed to detect and report unauthorized entry and movement.

**-Facility Maintenance and Cleaning:** The Facility Maintenance Manager will ensure the interior and exterior of the facility is maintained in a sanitary condition to ensure the safety of employees and authorized individuals and to prevent the deterioration and contamination of cannabis goods. Additionally, it is the responsibility of the Facility Maintenance Manager to document the findings and any corrective actions regarding facility maintenance and cleaning in the Facility Maintenance Log.

Routine sanitation and maintenance practices include: Maintaining a regular schedule for cleaning and maintenance activities; Keeping work areas clean, dry, and free of mold, mildew, debris and other clutter; Removing trash; Maintaining cracks, window and door frames, drain areas, and floor joints with sealant to limit pest movement; Eradicating any weeds or pest habitats surrounding the facility; Controlling airborne contamination as needed where cannabis products or contact surfaces are exposed; Inspecting the facility for mold and having a mold expert address any mold found in the facility immediately; Checking that any pipes within 20 feet of the building are closed-ended and not leaking; Cutting grass and weeds to minimize

harborage areas for pests; Removing any food or water supply outside of the facility that could attract and support a pest population; If pests are found on the facility, capturing and removing them or contacting your pest control service provider to capture and remove the pests; and checking that all dumpsters are closed to exclude pests. Close any dumpsters that are open. The facility is to be surrounded by a “vegetation free zone”, consisting of 30 inches of gravel or pavement. Pavement will be sloped away from the building for adequate drainage. Trees and shrubs will not be planted within 30 feet of the facility and will only be of a type that does not attract birds. All disinfectants and cleaning agents used in the Facility will be registered with the U.S. Environmental Protection Agency. Any employee engaging in a disinfecting or cleaning activity involving the use of disinfectants and cleaning agents will use these products in strict accordance with its labels and instructions.

**Transportation Procedures:** Gold Country Growers intends on transporting cannabis goods to a multitude of license types. The Owners/Managers are the only drivers, no security personnel or contract security will accompany driver at this time. The geographic regions include the entire state of California, specializing in Northern California.

GCGD plans on making 1 to 2 daily distribution trips during the start up phase and 1 to 5 daily distribution trips in the business future.

Our company plans on having 1-5 vehicles. Currently the company owns 1 vehicle: 2016 Ford Transit Connect VIN# NMOGE9F78G1277764. All vehicles will have current and up to date registration and insurance.

All vehicles include an interior lockable cage in the cargo area which will store cannabis goods in sealed boxes and totes. The interior lockable cage/shipping container is secured by a key locking system and bolted to the vehicle floor. The vehicle also includes a Viper Car Alarm System with GPS Tracking. The cannabis goods will be sealed and stored in non-visible and/or non-identifiable boxes and totes. The windows are tinted therefore providing more security.

No transport vehicle will be left unattended, and will always be locked and secured by the Owners/Managers.

The alarm systems for our vehicles include a Viper Model 3606V 1-way car security system that will protect our vehicles with the most up-to-date electronic technologies available, including the Stinger DoubleGuard shock sensor, the Revenger six-tone siren, and the Failsafe Starter Kill. The system comes with one 4-button 1-way remote (7656V). The system features 5 auxiliary outputs to provide keyless entry and other convenience features, and is covered by a Limited Lifetime warranty. The Model 3606V is compatible with Directed's SmartStart technology, which allows you to control or locate the car security system from virtually anywhere using your smartphone.

**Other security measures used during the transporting of cannabis goods:**

1. In the case that the cannabis goods are left unattended in the vehicle, the vehicle locked and equipped with an active vehicle alarm system. The vehicle is not to be left unattended in a residential area.
2. Prior to leaving for a scheduled transportation route, driver will confirm that the communication system being used ie: GPS device Niper Car Alarm System are operational; that he has access to the mapping service ie Google Maps; and the keys needed for unlocking the locked shipping container are in his possession.
3. Driver will only travel between company and receiving licensee.

**Transporting cannabis goods, if not by motor vehicle:** The tasks involved in transporting cannabis goods, (including completing a sales invoice and a shipping manifest and transporting only the items listed on the sales invoice and shipping manifest, entering required information in MJ Freeway Metric Compliant POS System, properly removing product from inventory, maintaining all transportation records, and not tampering with cannabis goods during transport), will remain the same, whether the goods are being transported by vehicle or by foot.



# Cannabis Distribution Centers - Type 11

440 Lower Grass Valley Rd.  
Nevada City, CA 95959

Prepared for:  
Gold Country Distributors

## Safety Plan



## OVERVIEW

Gold Country Distributors, (“Applicant” or “Gold Country”) understands that fire can be a hazard in any part of the premises regardless of the type of activity taking place. Gold Country’s fire safety and emergency management plan applies to the entire facility it occupies. Its principals, managers, and employees will be trained on the fire safety, prevention, and suppression protocol. Fire safety precautions are required to eliminate and minimize the risk of fire. A fire can have catastrophic consequences that are life-threatening, affect the environment, community, and neighboring business operations. A combination of appropriate prevention and protection measures will be implemented to eliminate all risks and ensure the safety of the community.

Gold Country’s proposed distribution facility is located at 440 Lower Grass Valley Rd., Nevada City, CA 95959. Pursuant to Nevada City, CA Municipal Code §9.22, et seq., Gold Country will obtain all required permits and approvals which would otherwise be required for any business of the same size and intensity operating in the commercial zone, and will take all reasonably practicable measures with the approval of the fire department and building inspector, in accordance with local and state laws. Prior to commencing operations, all mandatory building and fire inspections will be completed. Gold Country will take all reasonably practicable measures with the approval of the fire department, in accordance with local and state laws, and implement the following:

- Provide and maintain passive and active fire protection, and suppression measures as appropriate for a cannabis distribution facility
- Provide comprehensible and relevant information to management and employees that include written documents and physical mechanisms in place to deal with each specific situation
- Make emergency instructions, fire safety plans, hazardous material on site (if any), and inhalation issues/threats available to anyone on the premises
- Assess and identify risks by engaging a qualified fire prevention and suppression consultant who may provide relevant risk assessments, and emergency response protocol
- Provide an Employee training program for fire safety, prevention, and suppression
- Provide written fire risk assessment to understand, process, and analyze building fire risks
- Provide periodic reviews of the written fire risk assessment
- Carry out fire training exercises, including but not limited to random fire drills
- Follow industry standard fire prevention and protective measures and identify areas for improvement
- Develop a program to improve and maintain existing fire safety specifications
- Identify sufficient staff or security that will always be present while the building is occupied, and designate an employee to initiate the fire evacuation procedure during any given shift
- Provide updates to the police and fire departments about all changes in the building or otherwise and obtain approval from police and fire department prior to the implementation of any new or updated policy

- Provide all staff with a list of emergency service contacts, including local public health agencies (updated quarterly)
- Ensure the correct entrance and exit signage is always hung and illuminated
- Ensure that there are no obstructions to any entrance, exit, emergency exit, or other escape route
- Ensure that this Site Safety Plan will be kept in a secure location accessible to all staff
- Ensure no harmful odor will be present on the interior or exterior of the facility at any time
- Identify any inhalation issues or threats associated with a cannabis distribution facility

## **FIRE PREVENTION, SAFETY & SUPPRESSION**

Gold Country is cognizant that the best practice for fire prevention and overall facility safety is working with the City of Nevada City, CA to ensure compliance with local and state laws and going beyond the minimum safety requirements. In this regard, Gold Country will obtain all required city permits and approvals and schedule building inspections even when not required. This includes but is not limited to obtaining any required building permits, Fire Department approvals, Health Department approvals and other zoning and land use permits and approvals. Gold Country will not modify the building structure without the required approvals listed above. (Nevada City Municipal Code Title 17, Chapter 17.142 and title 9, chapter 9.22).

Equally important is the proper training of employees regarding the safety protocol in the event of a fire emergency. Training will include the location of fire extinguishers, fire alarm pull-stations (pictured below under Inhalation Issues) and building exits. Staff will be educated on the use and operations of fire safety equipment including fire masks, fire extinguishers, suppression systems, smoke alarms, and fire alarm pull stations. Training will also include evacuation procedures on how to locate all people throughout the building, initiating evacuation and securing a safe place for all outside the building. The applicant will seek guidance from the Nevada City, CA Fire Department, and its consultants to conduct ongoing fire safety education and training on-site annually.

## **BUILDING PERMITS AND INSPECTIONS**

Gold Country is applying for a commercial cannabis distribution license from the City of Nevada City and the State of California Bureau of Cannabis Control. Gold Country will work closely with the Nevada City, CA manager, building, planning, police and fire department to ensure that the site is equipped with more than the minimum requirements to reduce the risk of fire and other hazards. The company will provide adequate electricity, sewage, disposal, water, fire protection and storm drain facilities for the entire premises of the distribution operation.

The distribution environment has been designed to provide proper controlling any sources of ignition where a flammable atmosphere may be present. In addition, Gold Country will comply with all requirements of §9.22.090 and §17.142, especially concerning fire and safety specifications for the purposes of this Safety Plan.

## QUALIFIED FIRE PREVENTION & SUPPRESSION CONSULTANT

Gold Country intends to consult with a licensed fire prevention and suppression consultant, to provide fire and life safety services for its multi-functional cannabis facility. The licensed fire prevention and suppression consultant will assess this plan as well as the layout of Gold Country's proposed location, 440 Lower Grass Valley Rd., Nevada City, CA 95959 to ensure that all applicable regulations are followed and all necessary safeguards are in place. If Gold Country is granted the requested distribution business permit, the licensed fire consultant will be retained to conduct a thorough site assessment, provide fire prevention equipment, testing, maintenance, and 24-hour emergency service as required by §9.22.090(P)(2)(c) . The licensed consultant service will ensure that fire protection systems are inspected, tested, and maintained in accordance with the National Fire Protection Association (NFPA) standards and Title 19 of the State of California Fire Code.

The goal of Gold Country's safety plan is to ensure the safety of the surrounding community. In reaching that goal, Gold Country is prepared to go beyond industry standard minimum requirements. Therefore, the company is working diligently to take every measure possible to protect the community. With the assistance of a licensed fire protection consultant, the following services will be integrated into Gold Country's operations:

- Fire Protection Inspection, Testing, Maintenance, and Installation
- Fire Protection Consulting
- Fire Protection Design
- Fire Protection Water Supply Analysis
- Fire Department Interface and Permit Processing
- Fire Hose Testing

In conducting inspections at the proposed site, the fire protection consultant will ensure that all system components will be checked at various intervals. The following list of identified equipment and systems are required to be inspected in accordance with the Uniform Fire Code, State of California Title 19 and NFPA:

- Waterflow Devices
- Private Fire Service Mains
- Water Tanks
- Deluge Systems
- Fire System Valves
- Halon Alternatives
- Standpipes
- Fire Pumps
- Water Spray Systems
- Foam-Water Spray Systems

- Halon Systems
- Fire Hose Stations

Along with inspection and testing, Gold Country will ensure that maintenance of all equipment is performed more often than required or recommended to prevent any unforeseen dangers.

Prior to any remodeling at the proposed site, the designated fire protection consultant will provide full-service fire protection services if it determines that certain equipment should be integrated with the remodel.

## **FIRE SAFETY SYSTEMS**

The Applicant will engage a licensed fire protection and suppression consultant to install additional alarm systems capable of detecting smoke, fire, and carbon monoxide. Following the recommendations promulgated by the NFPA to design and ensure the rapid detection of smoke and fire, smoke detectors will be positioned in the center of the ceiling of each room. For larger rooms that exceed the detector range for a single alarm, the vendor will install additional alarms to ensure complete coverage and rapid detection. These detectors will be connected to a centrally monitored integrated alarm system, also connected to the Nevada City, CA Fire Department.

## **FIRE EXTINGUISHERS**

The Applicant will place the appropriate hand-held fire extinguishers (pictured below under Inhalation Issues) throughout the facility, mounted 3 feet to 5 feet off the ground, with visible signage, maintenance, and sufficient quantity as per local and state regulations.

## **ALARM SYSTEMS**

The consultant shall ensure the proper working condition of existing fire alarms and shall install additional fire alarms as determined necessary by the Nevada City, CA Fire Department. Even if additional fire alarms are not required, Gold Country will look to install additional fire alarm detection systems if needed to ensure additional measure are taken to prevent a fire.

## **FIRE SYSTEM MONITORING**

The fire security system will meet all NFPA72 inspections and is to be equipped with a Control Panel with landline and cellular communication backup. All communications and detection devices will be monitored and serviced by the licensed fire protection and suppression consultant. The Fire System design will be subject to Nevada City, CA City Manager and Fire Department's approval as needed.

## **PLANNED SUPPRESSION SYSTEMS / HVAC**

The Applicant will contract with its consultants to install or upgrade a sprinkler suppression system, if determined necessary by the Nevada City, CA Planning Department. In addition, all areas of the facility will have sufficient ventilation to facilitate proper food storage of edible cannabis products intended for distribution, and to provide a reasonable conditions of comfort for each employee, consistent with the job performed by the employee (HSC 114149-114149.3). In addition, all toilet areas will be vented to the outside air by means of an openable, screened window, an air shaft, or a light-switch activated exhaust fan, consistent with the requirements of local building codes and the California Health and Safety Code (HSC) as noted above.

The proposed location currently meets all known fire hazard requirements. The HVAC and odor control systems are discussed in greater detail in the Odor Control plan that accompanies this application.

## **FIRE SAFETY PREPARATION IN CASE OF FIRE EMERGENCY**

The exit doors are located throughout the facility and will be clearly marked with appropriate signage. All hallways and exits will have electrical and battery backup power to all exit lights and exit signs. Escape and exit floor plans will be mounted to the walls on both levels. Doors that lock will read “Doors to remain unlocked during business hours.”

Key Contact Information and utility services, including shut-off valves for water, gas and electric, will be indicated on a fire safety map that is located in several areas throughout the facility near exits and stairwells. The Nevada City, CA Fire Department will have access to a key to the facility to provide emergency access to the interior of the facility if needed.

## **RESPONSE TO EMERGENCIES**

Staff will be trained in effective response procedures for all types of emergencies including armed robbery preparedness and prevention. Training will allow staff to properly assess an emergency to call 911, the fire department, police, ambulance, and/or medical professionals when necessary. On a semi-annual basis, the Applicant will conduct fire safety training, including a staged evacuation of the facility. A Critical Incident Report will also be completed and submitted for review.

Gold Country intends on hiring All American Security, Inc. for its Alarm and Surveillance needs in accordance with §9.22.090. Any security personnel hired to provide services onsite will be licensed by the State Bureau of Security & Investigative Services and will be subject to the prior review and approval of the City Manager or designee(s) 1.1.4 (§9.22.090(P)(2)).

All distinct premises of the Gold Country facility will have standby generators and the capability to remain secure during a power outage. Access doors will not be solely controlled by an electronic panel but will have a manual keying mechanism to override the electrical lock in case of emergencies. Christopher Johnston, Owner and Security Director of Gold Country, is the current designated representative who will oversee the security needs of the company and will be available to respond to emergency notices at any hour of the day in accordance with §9.22.090(H). Christopher Johnston and any appointee will be reasonably available to meet with the City Manager or Chief of Police regarding any security related measures or operational issues. Procedures are in place to manage all requests from the City Manager, Chief of Police or other regulatory agencies regarding requests for information or audits and visits to the premises as well as the reporting of theft or diversion in strict compliance with §9.22.090(A-P).

## **FIRE SAFETY PROCEDURES IN CASE OF FIRE EMERGENCY**

All staff will be trained upon initial employee orientation in the standard company procedures for responding to onsite emergencies including fire. The following fire safety procedures will be followed by staff in the case of a fire emergency.

- Activate alarm system
- Call Fire Department and use fire extinguisher if able to do so safely

- Refer to the designated contact plan by which all staff can be reached as quickly as possible
- Guide all staff to a safe place outside of the building for evacuation in accordance with employee training for evacuation procedures
- Enlist additional staff to act as support personnel in the case of evacuation or other action (some who direct others as to where to go or what to do, and some who can make a count of those present – example: a person who directs everyone to the emergency exit and the designated safe place outside the building)

## **EMERGENCY CONTACTS**

In case of a fire, medical, or other emergency, staff will be directed to dial 911. For nonemergency issues, staff will contact the Nevada City Hall at (530) 265-2496x100, Nevada City Fire Department (530) 265-2531 and/or Nevada City, CA Police Department directly at (530) 265-2626, as an alternative to seek assistance with nonemergency issues.

In addition, the Gold Country Security director will enroll the facility in the Nevada County Code Red community notification portal <https://public.coderedweb.com/CNE/en-US/CA8B57E20D17> which will provide notifications in the event of emergency situations or critical community alerts.

## **FIRE ASSESSMENT**

Aside from the Nevada City, CA Fire Department, the applicant will obtain an additional fire assessment from a certified fire prevention and suppression consultant when facility construction has reached its first phase of completion. The licensed consultant will conduct inspections and trainings and will demonstrate how to use the equipment, devices, systems, products, technologies, and materials. The design, operation, and use of all equipment will be conducted by the licensed consultant, and employees will receive specified training per the fire assessment models. Gold Country will comply with all applicable local and state building, fire, electrical, and municipal codes.

Gold Country staff will assume the responsibility to be aware of all possible safety hazards that could potentially injure people or interfere with the smooth operation of all components of the facility. Should major safety issues be discovered, facility staff are expected and trained to control the area to ensure the situation is rectified and no damage or injury occurs. Employees will sign an attestation upon completion of safety training acknowledging their duty to maintain compliance with the Gold Country fire hazard policy.

## **HAZARDOUS MATERIALS**

Gold Country plans to operate its facilities similar to other like established distribution operations. The distribution premises will operate as its own separate premise in accordance with the California Code of Regulations (CCR §5025). Possession, storage, or use of firearms, explosives, ammunition or other weapons or dangerous articles or substances, including non-lethal items such as pellet guns or fireworks, is strictly prohibited in all areas of the facility.

Due to the nature of the distribution activities, Gold Country does not anticipate generating hazardous waste at the facility or utilizing hazardous materials for any of its operations. All onsite distribution activities will be operated at all times in such a way as to ensure the health, safety, and welfare of the public, the employees working at the cannabis business, visitors to the area, neighboring properties, and the end users of the cannabis being distributed.

## USE OF FLAMMABLE OR OTHER COMBUSTIBLE MATERIALS

Gold Country will not conduct volatile cannabis manufacturing or extraction operations at its facility. In addition, Gold Country will comply with all requirements of §9.22 and §17.142 especially concerning fire and safety specifications for the purposes of this Safety Plan. All packaged goods intended for distribution will be stored in a cool dry place. All edible cannabis products will be stored and shipped in accordance with the manufacturer's recommendations on the package which includes refrigeration at a specific temperature to maintain the product's integrity.

## NO SMOKING POLICY

Smoking or vaping of any kind is prohibited in the proposed location. Cigarette smoke outside the facility is subject to local and state laws. No cannabis materials may be consumed in the facility or public spaces and are also subject to local and state laws. Appropriate "NO SMOKING" signs as well as CA Prop 65 signs will be posted at and around the facility. The Applicant will provide evidence of exemption from, or compliance with, Division 12 of the California HSC (Health and Safety Code) outlining fire prevention. The Applicant will not allow any smoking use on the Proposed Location site, vicinity, or parking lot. All employees and/or customers will be required to adhere to the No Smoking Policy and must vacate the premises if violated. Police will be called for illegal activity and unlawful consumption of cannabis products.

## INHALATION ISSUES

Gold Country is applying for a permit to operate a medical and adult-use distribution facility, distribution activities will be tightly controlled and monitored. The company is cognizant that fires resulting from onsite activities are always remotely possible and could result in inhalation issues. In addition to having fire prevention, detection, and response strategies in place, Gold Country plans to have available a sufficient number of the Fire mask FM 60, anti-smoke masks (pictured below in the center) on site.



This personal smoke respirator provides 60 minutes of safe breathing in dense smoke and fumes so that individuals can make their way out of a burning building. Its neoprene neck band stretches to allow the mask to go over the head and then comfortably secure around the neck keeping smoke and toxic fumes out. Each one time-use smoke mask comes vacuum sealed for immediate use. Smoke respirator filters supply air for 60 minutes and the smoke hood reflects heat protecting the head and face. A clear visor protects the eyes from dense smoke, fumes, and chemicals. The use of this respirator will be part of the Applicant's fire safety

training curriculum for all staff along with instructions on how to assist patients, visitors, contractors, or any other occupants during a fire emergency

## SITE SAFETY RELATED MATERIALS

The following site safety related materials are examples of materials which will be used onsite to perform routine safety checks and inspections. Additional materials will be developed if necessary, by the operations and security managers of the facility upon determination of needs for such materials based on increased industry standards, research or policies which may be set in place at a future date.

### EXAMPLE FIRE SAFETY MAINTENANCE CHECKLIST

Daily Checks (not normally recorded)	YES	NO	NA	COMMENTS
Escape Routes				
Can all fire exits be opened immediately and easily?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Are fire doors clear of obstruction?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Are escape/evacuation routes clear?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Fire Warning Systems				
Is the main indicator panel showing "normal"?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Are whistle, gongs, or air horns in their correct place?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Escape Lighting				
Are luminaries and exit signs in good condition?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Are the emergency lighting and signs working normally?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Firefighting Equipment				
Are all fire extinguishers in place?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Are all fire extinguishers clearly visible?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Are all fire hydrants accessible for the fire service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Weekly Checks	YES	NO	NA	COMMENTS
Escape/Evacuation Routes				
Do all emergency fastening devices work correctly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Are fire doors clear of obstruction?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Are all external escape routes clear?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Fire Warning Systems				
Did the fire alarm work correctly when tested?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Did staff and all others hear the alarm working?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Did any linked fire protection system operate correctly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

<b>Weekly Checks</b>	<b>YES</b>	<b>NO</b>	<b>NA</b>	<b>COMMENTS</b>
Did visual alarms, pagers, or vibrating pads work?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Do voice alarms work and was the message understood?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Escape/Evacuation Lighting</b>				
Are charging indicators visible and illuminated?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Firefighting Equipment</b>				
Is all firefighting equipment in working order?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Are all fire extinguishers mounted 3-5 feet?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

<b>Monthly Checks</b>	<b>YES</b>	<b>NO</b>	<b>NA</b>	<b>COMMENTS</b>
<b>Escape/Evacuation Routes</b>				
Do all electronic release mechanisms work correctly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Do all automatic door "failsafe" in the open position	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Are all self-closing devices working correctly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Are all door seals and intumescent strips in good condition?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Are all external stairs in good condition and non-slip?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Do all roller shutters for compartmentation work correctly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Do all internal fire doors close against their rebate/stop	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Escape/Evacuation Lighting</b>				
Do all luminaries and exit signs work when tested?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Are emergency generators working correctly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Firefighting Equipment</b>				
Is the "pressure" in stored pressure extinguishers correct?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

<b>Quarterly Checks</b>	<b>YES</b>	<b>NO</b>	<b>NA</b>	<b>COMMENTS</b>
<b>General</b>				
Are emergency tanks/ ponds at their normal/ correct level?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Are vehicles blocking fire hydrants or access to them?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Additional items from manufacturers requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

<b>Six Month Checks</b>	<b>YES</b>	<b>NO</b>	<b>NA</b>	<b>COMMENTS</b>
<b>General</b>				
Has the emergency evacuation lift (if fitted) been tested?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Have sprinkler system been tested by a competent person	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Have release and closing mechanisms on fire resisting compartment doors and shutters been tested?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Fire Warning Systems</b>				
Has the System been checked by a competent person?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Escape/Evacuation Lighting</b>				
Do all luminaries work for a third of their rated value?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

<b>Annual Checks</b>	<b>YES</b>	<b>NO</b>	<b>NA</b>	<b>COMMENTS</b>
<b>Escape/Evacuation Routes</b>				
Do all fire doors work correctly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Is escape route compartmentation in good condition?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Fire Warning Systems</b>				
Has the System been checked by a competent person?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Escape/Evacuation Lighting</b>				
Do all luminaries work for a third of their rated value?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Do all luminaries operate on test for their full duration?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Has the System been checked by a competent person?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Firefighting Equipment</b>				
Has all equipment been checked by a competent person	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

<b>Miscellaneous</b>	<b>YES</b>	<b>NO</b>	<b>NA</b>	<b>COMMENTS</b>
Have dry/wet risers been tested by a competent person?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Have smoke control systems been tested by a competent person?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Has external access for the fire and rescue service been checked for availability at all times?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Have any fire fighters' switches been tested?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Are fire assembly points clearly indicated by signs?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

## EXAMPLE FIRE SAFETY TRAINING PROGRAM

All employees will receive adequate fire safety training. Fire safety training sessions will be delivered by a competent staff member who has been trained in accordance with company standards and both state and local regulations. The facility will perform up to two fire drills per year to ensure that the fire safety training provides the proper guidance for safe exit in case of a fire.

### FIRE SAFETY TRAINING SESSIONS

<b>New Employees:</b>	Induction Program
<b>Current Employees:</b>	One to two training sessions per year
<b>Fire Wardens:</b>	One to two training session per year specific to their duties
<b>Managers:</b>	Two training session per year specific to their duties and including fire safety risk assessment, responding to fire hazards, fault reporting procedures, liaising with the fire service, record keeping, induction of new staff, and fire safety policies and procedures.

### FIRE SAFETY TRAINING TOPICS

- The significant findings from the fire risk assessment and fire safety policies
- What to do upon on discovery a fire
- How to raise the alarm, including the locations of fire alarm call points (break glass points)
- The action to take upon hearing the fire alarm
- The evacuation procedure for alerting guests, residents and visitors including, where appropriate, directing them to exits and assembly points at a place of total safety
- The arrangements for calling the fire and rescue service
- The location and, where appropriate, the correct use of portable fire extinguishers and fire-fighting equipment
- Knowledge of escape/evacuation routes including stairways and especially those not in regular use
- How to open all emergency exit doors
- The appreciation of the importance of fire doors, keeping them closed and not wedged open to prevent the spread of smoke and heat, keeping escape routes unobstructed
- Where appropriate, isolating electrical power and gas supplies and stopping machines and processes
- General fire precautions, fire awareness and good housekeeping practices
- The no smoking policy
- Special provisions for assisting disabled people and any training needed

- Identification of fire hazards and fire incidents reporting procedures
- Equipment fault reporting procedures

## FIRE SAFETY TRAINING RECORDS

All fire safety training will be recorded and include: the date of instruction, the duration, name of the person giving the instruction, names of persons receiving the instruction, and the nature of the instruction and/or drill.

### EXAMPLE FIRE SAFETY TRAINING RECORD

<b>Date:</b>	_____	<b>Duration:</b>	_____
<b>Given By:</b>	_____	<b>Session For:</b>	_____

### SUBJECTS COVERED:

- The significant findings from the fire risk assessment and fire safety policies
- What to do on discovering a fire
- How to raise the alarm, including the locations of fire break glass points
- The action to take upon hearing the fire alarm
- The evacuation procedure for alerting guests, residents and visitors including, where appropriate, directing them to exits and assembly points at a place of total safety
- The arrangements for calling the fire and rescue service
- The location and, where appropriate, the correct use of portable fire extinguishers and fire-fighting equipment
- Knowledge of escape/evacuation routes including stairways and especially those not in regular use
- How to open all emergency exit doors
- The appreciation of the importance of fire doors, keeping them closed and not wedged open to prevent the spread of smoke and heat, keeping escape routes unobstructed
- Where appropriate, isolating electrical power, gas supplies, stopping machines and processes
- General fire precautions, fire awareness and good housekeeping practices
- The no smoking policy
- Special provisions for assisting disabled people and any training needed
- Identifying fire hazards and fire incidents reporting procedures
- Equipment fault reporting procedures.

**NAMES OF THOSE ATTENDING:**

PRINT NAME	SIGNATURE

I confirm that I have delivered the above subjects to those named above as attending.

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Signed: \_\_\_\_\_ Position: \_\_\_\_\_

**EXAMPLE FIRE SAFETY MANAGEMENT STRUCTURE**

<p>The person with the <b>overall responsibility for fire safety:</b></p> <p><b>Planning:</b> Structure of organization</p> <p><b>Organization:</b> Setting objectives, policy, and procedures</p> <p><b>Control:</b> Identify person responsible to tasks / actions</p> <p><b>Monitoring:</b> Checks and the implementation of standards</p> <p><b>Review:</b> Reviews of fire safety performance standards</p>	Responsible Person:
	Position:

<p>The person with responsibility for <b>fire safety risk assessment:</b></p> <ul style="list-style-type: none"> <li>• Carrying out fire safety risk assessment</li> <li>• Review of fire safety risk assessments</li> </ul>	Competent Person:
	Position:

<p>The person with responsibility for the <b>maintenance program:</b></p> <ul style="list-style-type: none"> <li>• Fire detection and warning system</li> <li>• Emergency lighting</li> <li>• Escape/evacuation routes</li> <li>• Fire safety signs and notices</li> <li>• Fire resisting walls, partitions, and doors</li> <li>• Firefighting facilities</li> <li>• Electrical appliances and premises installations</li> </ul>	Competent Person:
	Position:

The person with responsibility for developing and reviewing the premises <b>Fire Safety Management Plan</b> which details the procedures to be taken by all staff, visitors, members of the public, service users and all relevant person in the event of fire.	Competent Person:
	Position:

<p>The person with responsibility for <b>staff training:</b></p> <ul style="list-style-type: none"> <li>• What to do in the event of fire</li> <li>• What to do upon hearing the fire alarm</li> <li>• Liaison with the fire service</li> <li>• Emergency shut down procedures</li> <li>• Firefighting arrangements</li> <li>• Importance of good housekeeping to avoid hazards</li> </ul>	Competent Person:
	Position:



# Cannabis Distribution Centers - Type 11

440 Lower Grass Valley Rd.  
Nevada City, CA 95959

Prepared for:  
Gold Country Distributors

## Air Quality and Odor Control Plan



100' Property

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## 1.0 OVERVIEW

Gold Country Distributors proposes to operate out of a suite at the property at 440 Lower Grass Valley Rd., Nevada City, CA 95959. Understandably, the City is concerned with controlling cannabis odor, which is pungent and can cause a nuisance to neighbors as well as attract unwanted persons. Additionally, the City requires compliance with the California Health and Safety Code related to air quality in the facility. The company intends to mitigate for any potential odor or air quality issues through the following means. We have first provided a more complete regulatory context as follows.

## 2.0 REGULATORY CONTEXT

### California Health and Safety Code Section 114149 & 114149.3

Section 114149 of the California Health and Safety Code require that:

1. All areas of a food facility shall have sufficient ventilation to facilitate proper food storage and to provide a reasonable condition of comfort for each employee, consistent with the job performed by the employee.
2. Toilet rooms shall be vented to the outside air by means of an openable, screened window, an air shaft, or a light-switch-activated exhaust fan, consistent with the requirements of local building codes.

Additionally, Section 114149.3 stipulates that heating, ventilating, and air conditioning systems shall be designed and installed so that make-up air intake and exhaust vents do not cause contamination of food, food-contact surfaces, equipment, or utensils and do not create air currents that cause difficulty in maintaining the required temperatures of potentially hazardous foods.

### Nevada City Section 9.22.090 (K)

Nevada City requires cannabis businesses to manage odor emanating from the facility. Specifically, Section 9.22.090 (K) stipulates that odor control devices and techniques shall be incorporated in to ensure that odors from cannabis are not detectable off-site. Cannabis dispensaries shall provide a sufficient odor absorbing ventilation and exhaust system so that odor generated inside the cannabis dispensary that is distinctive to its operation is not detected outside of the facility, anywhere on adjacent property or public rights-of-way, on or about the exterior or interior common area walkways, hallways, breezeways, foyers, lobby areas, or any other areas available for use by common tenants or the visiting public, or within any other unit located inside the same building as the cannabis dispensary.

As such, a cannabis dispensary must install and maintain the following equipment, or any other equipment which the City Manager or his/her designee(s) determine is a more effective method or technology:

1. An exhaust air filtration system with odor control that prevents internal odors from being emitted externally. The dispensary applicant shall provide a statement from the exhaust air filtration manufacturer that the system has been designed to achieve the above standard based on the specific building size and layout.

2. An air system that creates negative air pressure between the cannabis dispensary's interior and exterior, so that the odors generated inside the cannabis dispensary are not detectable on the outside of the cannabis dispensary. The dispensary applicant shall provide a statement from the air system manufacturer that the system has been designed to achieve the above standard based on the specific building size and layout.

## 3.0 FACILITY AIR QUALITY AND ODOR EMISSIONS

Gold Country Distributors plans to renovate the interior of the building for cannabis-related activities, as illustrated in the attached Architectural Plan Set. Build-out will include a sophisticated ventilation and odor control system capable of removing all odor from air exhausted from the building to ensure that the cannabis operations will not cause a nuisance to surrounding neighbors. Air ventilation and odor control improvements will be as follows:

### 3A. FACILITY IMPROVEMENTS

The space will be renovated through improvement plans, building permits, and build-out to develop an adequate space for the cannabis business. The building will be outfitted with air quality and odor control devices appropriate for the activities in each room. While commercial buildings must maintain a minimum amount of air flow, our distribution rooms where cannabis will be present will be built as negatively pressured clean rooms. All air will be exhausted through a carbon filtration system that scrubs any cannabis odor, ensuring that neighbors and the community will not be able to detect any difference from currently present ambient odors. Additionally, the system will prevent any contaminants from entering the facility from outside and continuously cleaning the interior air. The following sections describe how air will move from outside, into our facility, and then back out again without adding any cannabis odor to ambient air. Please refer to the attached product sheets for specific information on equipment.

### 3B. AIR INTAKE

Our facility will need to draw in fresh air from outside our building to provide a safe working environment for our staff and ensure air inside the building does not become stale. We anticipate this amount of air intake to be small, compared to our exhaust, which will create a negative pressure ventilation system throughout our facility, thereby eliminating any odor leaks as our exhaust fans draw inwards from any leaks and force outgoing air through our air filters. Our air intake will be pushed through a HEPA filter to eliminate any ambient contaminants, including pollen, dust, and mites.

### 3C. INDOOR VENTILATION

Air conditioning and ventilation within the building will be controlled with installation of a City permitted HVAC system. Compressor and blower quantities and sizes will be determined through preparation of improvement plans based on the total volume of air to be conditioned and the type of equipment to be used. Our air conditioning system will provide controls for managing both temperature and humidity in each room, as heat load and climate conditions will vary depending on the use of the room and type of processing involved.

The facility will also use an ONA gel bucket with a breeze distribution fan that fits on top as part of the odor control system in appropriate areas. ONA gel uses the terpenes in essential oils to either bond with or react in comparison to its relative solubility with the odorous compounds. In both cases, it transforms the

pollutant's basic properties, eliminating the odor. To assist with the gel distribution, a breeze fan attaches to the top of the bucket, ensuring that the ONA terpenes are distributed throughout the room and interacts with every molecule of the offensive odor. See the attached product cut sheet for more information.

### **3D. SENSITIVE ROOMS**

Certain rooms and areas within our facility will generate more odor than others, such as the storage room, the quarantine room, and packaging room. In addition to the ONA gel and breeze distributor discussed above, we will employ the following techniques and practices to ensure that much of the odor from these rooms and areas is removed before the exhausted air is exposed to the remainder of the facility.

- Each of these rooms will be sealed off from the rest of the facility with wall, floor, ceiling, and opening finishes;
- Each room will contain one or more air scrubbing carbon filters, as illustrated in the attached product sheet, which will be outfitted with a high flow inline fan. The fan will pump air from the room through the carbon filter and into our ventilation system. As carbon filters gradually decrease in effective odor control over time, we anticipate replacing them every 3-6 months as directed by the manufacturer.
- Each room will be ventilated using a negative pressure system in which more air will be exhausted than is available in the room. The result will be that all odorous air will be pushed through the room scrubber(s), even when the door is opened.

### **3E. AIR EXHAUST**

Once air has been pulled back into the central air ventilation system through each room's exhaust ventilation, it will be circulated and sent to the building's exhaust fans to be released into the ambient air. Due to the use of the ONA Gel, the distribution fans, and the carbon filters, there will be no noticeable difference in smell of the exhaust air from the ambient air.

### **3F. BATHROOM EXHAUST**

Our premises is located in Suite C of the facility located at our address, which is outfitted with updated bathrooms consistent with City and State building Codes, including exhaust systems that are compliant with H&S, Section 114149.

### **3G. PRODUCT CONTAMINATION PREVENTION**

Our operation will be primarily focused on packaging and distribution of cannabis flower. However, as a Licensed Type 11 Distributor, we may also distribute cannabis products that may be inhaled or ingested by consumers. The inclusion of HEPA filters and proper ventilation will allow us to prevent any contaminants from entering or settling on cannabis flower or cannabis products as we perform our work. Additionally, as noted in our Safety Plan, all contact surfaces and packaging will be cleaned and kept free of contaminants.

## **4.0 ODOR MITIGATION PRACTICES**

Gold Country Distributors staff will establish procedures for effectively operating our air quality and odor control systems into our standard operating procedures manual (SOP) and also incorporate them into staff training. We plan to include the following procedures to ensure that our neighbors and the community will not be affected by any cannabis odors from our facility:

## 4A. EMPLOYEE TRAINING

Our Operations Manager will be responsible for training and educating all employees about the importance of odor control. Each staff member will be trained initially during our new hire orientation, as follows:

- Each staff member will understand what duties are involved with controlling odor, particularly opening and closing doors;
- Staff will be trained to report all incidents and/or concerns regarding odor to the Operations Manager;
- The Operations Manager will assist with completing and implementing SOPs and employee training task lists to contain and eliminate odor issues;
- On-going monthly team meetings will also serve as in-person staff training to raise awareness and keep open communication between staff and management.

## 4B. DAILY OPERATIONS

On a daily basis, our staff will help eliminate odors by adhering to the following procedures:

- Each odor control device will be visually inspected on a daily basis and recorded in the room log.
- Each employee working in or around our facility will ensure that all doors are properly closed behind them as they enter or exit.
- As our facility will not have any windows opening onto the distribution premises, we will not need to worry about the possibility of one being accidentally opened or having a faulty seal. However, our staff will make sure that seals around all doors are checked when entering and exiting so they remain effective at preventing odors from escaping the facility.
- Our Operations Manager will perform daily walk-through inspections and review all completed task lists from employees to make sure these procedures are carried out. Additionally, the manager will walk through both the interior and exterior of the facility on a weekly basis to ensure that all equipment is operating properly and is effective in eliminating odors.
- During periods of processing and packaging, the Operations Manager will ensure that odors are isolated, contained, and eliminated around the exterior.

## 4C. RECORDKEEPING SYSTEMS AND FORMS

The Operations Manager will be responsible for oversight of the following logs:

- Gold Country Distributors Maintenance and Record Log – Documents checks and replacements of carbon filters, ONA gel, and door seals.
- Gold Country Distributors Training Log – Documents the number of training hours involving odor control.
- Gold Country Distributors Odor Complaint Log – Documents any complaints involving odor concerns.

- Each sensitive room will have its own set of logs. The Operations Manager will be responsible for recordkeeping, including identifying the units or equipment that has been checked by serial or identification numbers. The log forms will aid in early notification of malfunctions and document any known malfunction reports, repairs, and dates of service.

#### **4D. MAINTENANCE**

In addition to relying on our staff and Operations Manager for controlling odor, we also intend to employ regular maintenance in the following manner:

- Our Operations Manager will inspect the interior and exterior on a weekly basis for failures and issues.
- We will schedule regular maintenance intervals for each type of device or equipment based on the manufacturer's specifications. Typically, we expect carbon filters to be replaced a minimum of every six months. More frequent replacement may also occur based on the outcome of daily or weekly checks.

#### **5.0 COMPLAINT TRACKING SYSTEM**

Gold Country Distributors will take all precautionary measures to prevent any odor complaints through using adequate odor control measures and performing our regular checks and maintenance. Additionally, we intend to notify our neighbors of our contact information for our Operations Manager and request that they contact him/her directly should they have a complaint regarding odor. The Operations Manager will manage any complaints along with community outreach to ensure that communication is strong and productive. Our manager will also use an Odor Complaint Log to document the following:

- Any odor complaints, including the date and time the odor was discovered;
- The location of the odor source, once it has been discovered;
- Whether any doors were open into the facility during the reported time of the complaint by reviewing our surveillance records; and
- Whether any changes need to be made to address the odor complaint.
- Will remove any additional ambient odors as well as dust, pollen and mites.



# Financial PLAN

# Gold Country Growers Distribution

A Cannabis Distribution Company.

**GCG Distribution**  
**3 Year Financial Pro-Forma**  
 January - December 2020

	<u>Total</u>
<b>Income</b>	
Sales of Product Income	300,000.00
Service Fee Income	30,000.00
<b>Total Income</b>	<b>\$ 330,000.00</b>
<b>Cost of Goods Sold</b>	
Cost of Goods Sold	100,000.00
Product Testing - COS	14,000.00
Shipping, Freight & Delivery - COS	6,000.00
<b>Total Cost of Goods Sold</b>	<b>\$ 120,000.00</b>
<b>Gross Profit</b>	<b>\$ 210,000.00</b>
<b>Expenses</b>	
Advertising & Marketing	1,000.00
Bank Charges & Fees	250.00
Bookkeeping & Admin Expenses	12,000.00
<b>Delivery Vehicle Expenses</b>	
Auto Insurance - 1 Vehicle	3,000.00
Tax, License & Registration - 1 Vehicle	300.00
<b>Total Delivery Vehicle Expenses</b>	<b>\$ 3,300.00</b>
<b>Insurance</b>	
Commercial Liability	6,000.00
<b>Total Insurance</b>	<b>\$ 6,000.00</b>
Internet	4,000.00
License Fees	8,000.00
Meals & Entertainment	1,000.00
Office Supplies & Software	600.00
Officer Salaries	60,000.00
Rent/Lease	41,000.00
Online Software Expense	8,000.00
Postage	400.00
Repairs & Maintenance	500.00
Supplies & Materials	3,000.00
Utilities	4,000.00
<b>Total Expenses</b>	<b>\$ 153,050.00</b>
<b>Net Operating Income</b>	<b>\$ 56,950.00</b>

**GCG Distribution**  
**3 Year Financial Pro-Forma**  
 January - December 2021

	<u>Total</u>
<b>Income</b>	
Sales of Product Income	400,000.00
Service Fee Income	40,000.00
<b>Total Income</b>	<b>\$ 440,000.00</b>
<b>Cost of Goods Sold</b>	
Cost of Goods Sold	134,000.00
Product Testing - COS	16,000.00
Shipping, Freight & Delivery - COS	7,000.00
<b>Total Cost of Goods Sold</b>	<b>\$ 157,000.00</b>
<b>Gross Profit</b>	<b>\$ 283,000.00</b>
<b>Expenses</b>	
Advertising & Marketing	1,000.00
Bank Charges & Fees	250.00
Bookkeeping & Admin Expenses	12,000.00
<b>Delivery Vehicle Expenses</b>	
Auto Insurance - 2 Vehicles	6,000.00
Tax, License & Registration - 2 Vehicles	600.00
<b>Total Delivery Vehicle Expenses</b>	<b>\$ 6,600.00</b>
<b>Insurance</b>	
Commercial Liability	7,000.00
<b>Total Insurance</b>	<b>\$ 7,000.00</b>
Internet	4,000.00
License Fees	8,000.00
Meals & Entertainment	2,000.00
Office Supplies & Software	600.00
Officer Salaries	70,000.00
Rent/Lease	41,000.00
Online Software Expense	8,000.00
Postage	500.00
Repairs & Maintenance	500.00
Supplies & Materials	3,000.00
Utilities	4,000.00
<b>Total Expenses</b>	<b>\$ 168,450.00</b>
<b>Net Operating Income</b>	<b>\$ 114,550.00</b>

**GCG Distribution**  
**3 Year Financial Pro-Forma**  
 January - December 2022

	<u>Total</u>
<b>Income</b>	
Sales of Product Income	500,000.00
Service Fee Income	50,000.00
<b>Total Income</b>	<b>\$ 550,000.00</b>
<b>Cost of Goods Sold</b>	
Cost of Goods Sold	167,000.00
Product Testing - COS	18,000.00
Shipping, Freight & Delivery - COS	8,000.00
<b>Total Cost of Goods Sold</b>	<b>\$ 193,000.00</b>
<b>Gross Profit</b>	<b>\$ 357,000.00</b>
<b>Expenses</b>	
Advertising & Marketing	1,000.00
Bank Charges & Fees	250.00
Bookkeeping & Admin Expenses	12,000.00
<b>Delivery Vehicle Expenses</b>	
Auto Insurance - 2 Vehicles	6,000.00
Tax, License & Registration - 2 Vehicles	600.00
<b>Total Delivery Vehicle Expenses</b>	<b>\$ 6,600.00</b>
<b>Insurance</b>	
Commercial Liability	8,000.00
<b>Total Insurance</b>	<b>\$ 8,000.00</b>
Internet	4,000.00
License Fees	8,000.00
Meals & Entertainment	3,000.00
Office Supplies & Software	600.00
Officer Salaries	80,000.00
Rent/Lease	41,000.00
Online Software Expense	8,000.00
Postage	600.00
Repairs & Maintenance	500.00
Supplies & Materials	3,000.00
Utilities	4,000.00
<b>Total Expenses</b>	<b>\$ 180,550.00</b>
<b>Net Operating Income</b>	<b>\$ 176,450.00</b>

**-Proof of capitalization as of August 31, 2020:**

**\$300k** - The company is currently owned by three (3) total shareholders (one-third [1/3rd] each), each owning 1 share worth \$100,000 each, making a total of \$300,000 in Equity Capital.

1. **\$42k** - The company's current fixed asset list includes: one (1) transport vehicle worth \$15k; and a security camera system worth \$27k for a total of \$42k in Fixed Asset Capital.
2. **\$109k** - Accounts Receivables Capital.
3. **\$27k** - Notes Receivable Capital.

**TOTAL \$478,000 in Capital**

**-Proposed Budget for Build Out of Distribution Premises Areas in Suite C: \$21k**

1. Purchase and Install 7 Security Camera's and 1 Security Data Storage: \$10,000
2. Purchase and Install Security Cage: \$2500
3. Purchase and Install 4 New Security Doors: \$4000
4. Hire contractor to Frame and Reinforce all Windows in premises areas: \$1000
5. Purchase and Install 7 New Key Card Access locks for 7 doors: \$3500

**-Schedule for Build Out of Distribution Premises Areas in Suite C:**

**1st Project** to start in Oct/Nov 2020: Main door into Manager Office needs to be installed as a Security door with Key Card access to separate the Break Room from the Manager Office. It currently does not have a door. Target date for completion: before operations begin.

**2nd Project** to start in Oct/Nov2020: Receiving & Transport Area Door entering and exiting the Break Room needs a new key card access lock installed for security. Target date for completion: before operations begin.

**3rd Project** to start after License Approval: Install 7 Security Cameras and Security System; Install 1 Security Cage; Install 3 New Security Doors with key card access. Target date for completion: before operations begin.

**4th Project** to start after License Approval: Frame in and reinforce all windows. Target date for completion: before operations begin.

# **GOLD COUNTRY GROWERS DISTRIBUTION**

## **Employee & Supervisor Training Handbook**



### **Section 1: Distribution Employee Training - SOP's**

*Revised 06/2020*

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## **A: Within 30-days of Start of Employment:**

### **Train Personnel on the following:**

#### **Quality Control Procedures:**

##### **Definitions**

Certificate of Analysis (COA) - the report prepared by the laboratory about the analytical testing performed and results obtained by the laboratory.

Quality Control (QC) - a planned and systematic operation or procedure for ensuring the quality of a cannabis product.

##### **QC Procedures**

- Proper handling and storage practices for maintaining product quality and preventing the deterioration of cannabis goods stored on-site.
- Properly conducting a quality assurance review, including how to ensure the compliance of a certificate of analysis.
- Proper packaging and labeling of cannabis goods prior to distribution.
- Arranging for sampling and testing of batches of cannabis goods.
- Not handling cannabis goods or materials that come into contact with cannabis goods when showing signs of illness, open wounds, sores or skin infections.
- Proper hygiene practices for employees who handle cannabis goods with specific attention to preventing microbial contamination.

##### **First Aid Procedures:**

**1. Before administering care to an ill or injured person, check the scene and the person. Size up the scene and form an initial impression. Pause and look at the scene and the person before responding. Answer the following questions:**

- Is the scene safe to enter?
- What happened?
- How many people are involved?
- What is my initial impression about the nature of the person's illness or injury?
- Does the person have any life-threatening conditions, such as severe, life-threatening bleeding?
- Is anyone else available to help?

**2. If the Person is awake and Responsive and there is no severe life-threatening bleeding:**

- Obtain consent: Tell the person your name, describes type and level of training, states what you think is wrong and what you plans to do, and asks permission to provide care.
  
- Tell a bystander to get the first aid kit: Point to a bystander and speak out loud.
  
- Interview the person: Uses SAMPLE questions to gather more information about signs and symptoms, allergies, medications, pertinent medical history, last food or drink and events leading up to the incident.
  
- Conduct a head-to-toe check: Check head and neck, shoulders, chest and abdomen, hips, legs and feet, arms and hands for signs of injury.
  
- Provide care consistent with knowledge and training according to the conditions you find.

**3. If the Person Appears Unresponsive:**

-Shout to get the person's attention, using the person's name if it is known. If there is no response, tap the person's shoulder (if the person is an adult or child) or the bottom of the person's foot (if the person is an infant) and shout again, while checking for normal breathing. Check for Responsiveness and breathing for no more than 5-10 seconds.

**4. If the person is breathing:**

- Send someone to call 911 or the designated emergency number and obtain a first aid kit.
  
- Proceed with gathering information from bystanders.
  
- Conduct a head-to-toe check.
  
- Roll the person onto his or her side into a recovery position if there are no obvious signs of injury.

**5. If the person is NOT breathing:**

- **Call 911 or send someone to call 911 or the designated emergency number and obtain a first aid kit.**
- **Ensure that the person is face-up on a firm, flat surface such as the floor or ground.**
- **Begin CPR (starting with compressions) or use an AED if one is immediately available, if you are trained in giving CPR and using an AED.**
- **Continue administering CPR until the person exhibits signs of life, such as breathing, an AED becomes available, or EMS or trained medical responders arrive on scene.**

## **Record Keeping and Compliance**

To stay compliant with our License, the company is responsible for maintaining records of employee training which will contain the following:

1. A list of all personnel at the premises, including at a minimum, each employee's full name, social security or individual taxpayer identification number, date employment begins, and the date of termination of employment, if applicable. Keep the personnel records on file for at least 7 years.
2. Documentation of quality control training records including, but not limited to, the content of the training provided and the names of the employees that received the training. Keep the training records on file for at least 7 years.
3. When giving an employee supplemental training, document the completion of the supplementary training session thereafter in COMPANY personnel records.

## **Health & Safety Hazards**

### **Employee Sanitation and Health**

#### **A. Do not allow an employee to work if that employee has:**

1. A communicable disease, such as diphtheria, measles, Salmonella enterica serotype Typhi infection, shigellosis, Shiga-toxicogenic Escherichia coli (STEC) infection, hepatitis A, and tuberculosis;
2. An open or draining skin lesion unless the individual wears an absorbent dressing and protective gloves; or
3. Any illness accompanied by diarrhea or vomiting if the individual has a reasonable possibility of contact with marijuana items on the licensed premises.

**B. When an employee notifies you that they may have a sickness or injury that could potentially result in the contamination of Gold Country Growers Clearlake products, or infection of surfaces and colleagues, determine whether the employee is eligible to remain working at the facility or should be sent home. If you send the employee home, you may request that the employee obtain certification from his or her physician that he or she is well and free of any open wounds before returning to work, as appropriate.**

**C. Each day, stock the hand-washing facilities with effective hand-cleaning products, such as soap and paper towels. Confirm that the water is running properly and is at a suitable temperature.**

**D. Inspect the facility to confirm that it is maintained in a way that allows for employees to work in a safe, healthy, and sanitary environment. Note: Please see our Daily Facility Cleaning SOP for more details on this process.**

**E. As employees show up for their shifts at the facility and begin working on assigned tasks, confirm that they:**

1. Are wearing clean garments and appropriate outer garments when necessary to protect against allergen cross-contamination and contamination of cannabis products, contact surfaces, or packaging materials;
2. Are maintaining good personal hygiene standards, including, but not limited to, keeping fingernails manicured and long hair kept back away from the face, etc.
3. Have removed all unsecured jewelry and other objects that might fall into marijuana products or containers, and remove hand jewelry that cannot be adequately sanitized during periods in which cannabis products are manipulated by hand. When such hand jewelry cannot be removed, make sure it is covered by material which can be maintained in an intact, clean, and sanitary condition; and
4. Thoroughly wash their hands prior to starting their shift.

**F: Instruct employees to wash their hands any time when their hands may have become soiled or contaminated.**

**G: If employees do not conform to the above hygienic practices, ask that they leave the licensed premises and correct the issue.**

## **IT Security Procedures**

**Instruct employees on the following IT security procedures:**

1. Password creation, such as using passwords that are no less than 10 characters. Include symbols, numbers, and upper and lowercase letters.
2. Password protection, such as treating passwords as sensitive, confidential company information and never revealing them to anyone, not storing them or writing them down anywhere in their offices, and changing them every six months.
3. Reporting incidents, such as suspicion of a compromised password, and changes in passwords.
4. Following the clean desk policy. (See company handbook for a description.)
5. Never leaving their keys or employee key card access credentials unattended.
6. Locking up workstations when the workspace is unoccupied.
7. Regularly backing up all data.
8. Maintaining anti-malware software.

## **B: Prior to Independently Engaging in Cannabis Dispensing:**

### **Train Personnel on the following:**

#### **Unlawful Harassment**

GCGC is committed to providing a work environment free of unlawful harassment. Company policy prohibits sexual harassment and harassment based on pregnancy, childbirth or related medical conditions, race, religious creed, color, gender, national origin or ancestry, physical or mental disability, medical condition, marital status, registered domestic partner status, age, sexual orientation or any other basis protected by federal, state or local law or ordinance or regulation. All such harassment is unlawful. The Company's anti-harassment policy applies to all persons involved in the operation of the Company and prohibits unlawful harassment by any employee of the Company, including supervisors and managers, as well as vendors, customers, independent contractors and any other persons. It also prohibits unlawful harassment based on the perception that anyone has any of those characteristics, or is associated with a person who has or is perceived as having any of those characteristics.

Prohibited unlawful harassment includes, but is not limited to, the following behavior:

- Verbal conduct such as epithets, derogatory jokes or comments, slurs or unwanted sexual advances, invitations or comments;
- Visual displays such as derogatory and/or sexually-oriented posters, photography, cartoons, drawings or gestures;
- Physical conduct including assault, unwanted touching, intentionally blocking normal movement or interfering with work because of sex, race or any other protected basis;
- Threats and demands to submit to sexual requests as a condition of continued employment, or to avoid some other loss and offers of employment benefits in return for sexual favors; and
- Retaliation for reporting or threatening to report harassment.

If you believe that you have been unlawfully harassed, bring your complaint to your own or any other Company supervisor, the president or the personnel administrator of the Company as soon as possible after the incident. You will be asked to provide details of the incident or incidents, names of individuals involved and names of any witnesses. It would be best to communicate your complaint in writing, but this is not mandatory. Supervisors will refer all harassment complaints to the personnel administrator, investigative officer or the CEO of the Company. The Company will immediately undertake an effective, thorough and objective investigation of the harassment allegations.

If the Company determines that unlawful harassment has occurred, effective remedial action will be taken in accordance with the circumstances involved. Any employee determined by the Company to be responsible for unlawful harassment will be subject to appropriate disciplinary action, up to and including termination. A Company representative will advise all parties concerned of the results of the investigation. The Company will not retaliate against you for filing a complaint and will not tolerate or permit retaliation by management, employees or co-workers.

The Company encourages all employees to report any incidents of harassment forbidden by this policy immediately so that complaints can be quickly and fairly resolved. You also should be aware that the Federal Equal Employment Opportunity Commission and the California Department of Fair Employment and Housing investigate and prosecute complaints of prohibited harassment in employment. If you think you have been harassed or that you have been retaliated against for resisting or complaining, you may file a complaint with the appropriate agency. The nearest office is listed online.

## Hiring

### Job Duties

During the introductory period, your supervisor will explain your job responsibilities and the performance standards expected of you. Be aware that your job responsibilities may change at any time during your employment. From time to time, you may be asked to work on special projects, or to assist with other work necessary or important to the operation of your department or GCGC. Your cooperation and assistance in performing such additional work is expected. GCGC reserves the right, at any time, with or without notice, to alter or change job responsibilities, reassign or transfer job positions, or assign additional job responsibilities.

### Regular Employees

Regular employees are those who are hired to work on a regular schedule. Regular employees may be classified as full-time or part-time.

### New Hires

The first 90 Days of continuous employment at GCGC is considered an introductory period. During this time you will learn your responsibilities, get acquainted with fellow employees, and determine whether or not you are happy with your job. Your supervisor will closely monitor your performance.

Upon completion of the introductory period, GCGC will review your performance. If the Company finds your performance satisfactory and decides to continue your employment, it will advise you of any improvements expected from you. At that time, you may express suggestions to improve the Company's efficiency and operations.

Completion of the introductory period does not entitle you to remain employed by GCGC for any definite period of time, but rather allows both you and the Company to evaluate whether or not you are right for the position.

## Leaves of Absence

### Volunteer Civil Service Personnel

No employee shall be disciplined for taking time off to perform emergency duty as a volunteer firefighter, peace officer, or emergency rescue personnel. You are also eligible for unpaid leave for required training. If you are an official volunteer firefighter, please alert your supervisor that you may have to take time off for emergency duty. When taking time off for emergency duty, please alert your supervisor before doing so when possible.

## **Time Off for Voting**

If an employee does not have sufficient time outside of working hours to vote in an official state-sanctioned election, the employee may take off enough working time to vote. Such time off shall be taken at the beginning or the end of the regular working shift, whichever allows for more free time, and the time taken off shall be combined with the voting time available outside of working hours to a maximum of two hours combined. Under these circumstances, an employee will be allowed a maximum of two hours of time off during an election day without loss of pay. When possible, an employee requesting time off to vote shall give his or her supervisor at least two days notice.

## **Victims of Crime Leave**

An employee who is themselves a victim or who is the family member of a victim of a violent felony or serious felony may take time off from work under the following circumstances:

- The crime must be a violent or serious felony, as defined by law; and
- You must be the victim of a crime, or you must be an immediate family member of a victim, a registered domestic partner of a victim, or the child of a registered domestic partner of a victim.

An immediate family member is defined as: a spouse, child, stepchild, brother, stepbrother, sister, stepsister, mother, stepmother, father or stepfather.

A registered domestic partner means a domestic partner who is registered in accordance with California state law.

The absence from work must be in order to attend judicial proceedings related to a crime listed above. Before you are absent for such a reason, you must provide documentation of the scheduled proceeding. Such notice is typically given to the victim of the crime by a court or government agency setting the hearing, a district attorney or prosecuting attorney's office or a victim/witness office. If advance notice is not possible, you must provide appropriate documentation within a reasonable time after the absence. Any absence from work to attend judicial proceedings will be unpaid.

## **Pregnancy Disability Leave (5 or more Employees)**

Pregnancy, childbirth, or related medical conditions will be treated like any other disability, and an employee on leave will be eligible for temporary disability benefits in the same amount and degree as any other employee on leave.

Any female employee planning to take pregnancy disability leave should advise the personnel department as early as possible. The individual should make an appointment with the personnel manager to discuss the following conditions:

- Employees who need to take pregnancy disability must inform GCGC when a leave is expected to begin and how long it will likely last. If the need for a leave or transfer is foreseeable, employees must provide notification at least 30 days before the pregnancy disability leave or transfer is to begin. Employees must consult with the personnel manager regarding the scheduling of any planned medical treatment or supervision in order to minimize disruption to the operations of the Company. Any such scheduling is subject to the approval of the employee's health care provider;
- If 30 days advance notice is not possible, notice must be given as soon as practical;
- Upon the request of an employee and recommendation of the employee's physician, the employee's work assignment may be changed if necessary to protect the health and safety of the employee and her child;
- Requests for transfers of job duties will be reasonably accommodated if the job and security rights of others are not breached;
- Temporary transfers due to health considerations will be granted when possible. However, the transferred employee will receive the pay that accompanies the job, as is the case with any other temporary transfer due to temporary health reasons;
- Pregnancy leave usually begins when ordered by the employee's physician. The employee must provide Grass Valley Hydrogarden, Inc. and AgNatural with a certification from a health care provider. The certification indicating disability should contain:
  - The date on which the employee became disabled due to pregnancy;
  - The probable duration of the period or periods of disability; and
  - A statement that, due to the disability, the employee is unable to perform one or more of the essential functions of her position without undue risk to herself, the successful completion of her pregnancy, or to other persons.

Leave returns will be allowed only when the employee's physician sends a release. Duration of the leave will be determined by the advice of the employee'S physician, but employees disabled by pregnancy may take up to four months. Part-time employees are entitled to leave on a pro rata basis. The four months of leave includes any period of time for actual disability caused by the employee's pregnancy, childbirth, or related medical condition.

This includes leave for severe morning sickness and for prenatal care. Leave does not need to be taken in one continuous period of time and may be taken intermittently, as needed.

Under most circumstances, upon submission of a medical certification that an employee is able to return to work from a pregnancy disability leave, an employee will be reinstated to her same position held at the time the leave began or to an equivalent position, if available. An employee returning from a pregnancy disability leave has no greater right to reinstatement than if the employee had been continuously employed.

## **Benefits**

### **Workers' Compensation**

GCGC, in accordance with state law, provides insurance coverage for employees in case of work-related injury. The workers' compensation benefits provided to injured employees may include:

- Medical care;
- Cash benefits, tax free, to replace lost wages; and
- Assistance to help qualified injured employees return to suitable employment.

To ensure that you receive any workers' compensation benefits to which you may be entitled, you will need to:

- Immediately report any work-related injury to your supervisor;
- Seek medical treatment and follow-up care if required;
- Complete a written Employee's Claim for Workers Compensation Benefits (DWC Form I) and return it to the General Manager.
- Provide the Company with a certification from your health care provider regarding the need for workers' compensation disability leave, as well as your eventual ability to return to work from the leave.

Upon submission of a medical certification that an employee is able to return to work after a workers' compensation leave, the employee under most circumstances will be reinstated to his or her same position held at the time the leave began, or to an equivalent position, if available. An employee returning from a workers' compensation leave has no greater right to reinstatement than if the employee had been continuously employed rather than on leave. For example, if the employee on workers' compensation leave would have been laid off had he or she not gone on leave, or if the employee's position has been eliminated or filled in order to avoid undermining the Company's ability to operate safely and efficiently during the leave, and no equivalent or comparable positions are available, then the employee would not be entitled to reinstatement.

An employee's return depends on his or her qualifications for any existing openings. If, after returning from a workers' compensation disability leave, an employee is unable to perform the essential functions of his or her job because of a physical or mental disability, the Company's obligations to the employee may include reasonable accommodation, as governed by the Americans with Disabilities Act.

### **Workers' Compensation and FMLA/CFRA**

Employees who are ill or injured as a result of a work-related incident, and who are eligible for family and medical leave under state and federal law (Family Medical Leave Act (FMLA) and the California Family Rights Act (CFRA)), will be placed on FMLA/CFRA during the time they are disabled and not released to return to work. The leave under these laws runs concurrently, and eligible employees will be on FMLA/CFRA for a maximum of 12 weeks in a 12-month period January through December.

## **Management**

### **Personnel Records**

You have a right to inspect certain documents in your personnel file, as provided by law, in the presence of a Company representative at a mutually convenient time. No copies of documents in your file may be made, with the exception of documents that you have previously signed. You may add your comments to any disputed item in the file.

GCGC will restrict disclosure of your personnel file to authorized individuals within the Company. Any request for information contained in personnel files must be directed to the personnel manager. Only the personnel manager is authorized to release information about current or former employees. Disclosure of personnel information to outside sources will be limited. However, GCGC will cooperate with requests from authorized law enforcement or local, state, or federal agencies conducting official investigations and as otherwise legally required.

## Performance Evaluations

Each employee will receive periodic performance reviews conducted by his or her supervisor. Your first performance evaluation will take place in ~ Subsequent performance evaluations will be conducted bi-annually. The frequency of performance evaluations may vary depending upon length of service, job position, past performance, changes in job duties, or recurring performance problems.

Your performance evaluations may review factors such as the quality and quantity of the work you perform, your knowledge of the job, your initiative, your work attitude, and your attitude toward others. The performance evaluations are intended to make you aware of your progress, areas for improvement, and objectives or goals for future work performance. Favorable performance evaluations do not guarantee increases in salary or promotions. Salary increases and promotions are solely within the discretion of GCGC and depend upon many factors in addition to performance. After the review, you will be required to sign the evaluation report simply to acknowledge that it has been presented to you, that you have discussed it with your supervisor, and that you are aware of its contents.

## Open Door

Suggestions for improving GCGC are always welcome. At some time, you may have a complaint, suggestion, or question about your job, working conditions, or the treatment you are receiving. Your good-faith complaints, questions, and suggestions also are of concern to the Company. We ask you to first discuss your concerns with your supervisor, following these steps:

- Within a week of the occurrence, bring the situation to the attention of your immediate supervisor, who will then investigate and provide a solution or explanation.
- If the problem persists, you may describe it in writing and present it to the personnel manager, who will investigate and provide a solution or explanation. If you need assistance with your complaint, or you prefer to make a complaint in person, contact the General Manager. We encourage you to bring the matter to the personnel manager as soon as possible after you believe that your immediate supervisor has failed to resolve it.
- If the problem is not resolved, you may present the problem in writing to the CEO of GCGC, who will attempt to reach a final resolution. If you need assistance with the written complaint, contact your supervisor or head of HR for help.

This procedure, which we believe is important for both you and the Company, cannot guarantee that every problem will be resolved to your satisfaction. However, GCGC values your observations and you should feel free to raise issues of concern, in good faith, without the fear of retaliation.

## **Names and Addresses**

GCGC is required by law to keep current all employees' names and addresses. Employees are responsible for notifying the Company in the event of a name or address change.

## **Employment of Relatives**

GCGC may refuse to hire relatives of present employees if doing so could result in actual or potential problems in supervision, security, safety, or morale, or if doing so could create potential conflicts of interest. The Company defines "relatives" as spouses, registered domestic partners, children, siblings, parents, in-laws, and step-relatives.

If two employees marry, become registered domestic partners, or become related, causing actual or potential problems such as those described above, only one of the employees will be retained with the Company, unless reasonable accommodations can be made to eliminate the actual or potential problems. The employees will have 30 days to decide which relative will stay with the Company. If this decision is not made within the time allowed, the CEO of GCGC will make the decision, taking the employment history and job performance of both employees into account.

## **Employee Property**

An employee's personal property, including but not limited to lockers, packages, purses, and backpacks, may be inspected upon reasonable suspicion of unauthorized possession of GCGC property.

## **Company Property**

### **Nondisclosure and Use of Trade Secrets**

During the term of employment with GCGC, employees may have access to and become familiar with information of a confidential, proprietary, or secret nature, which is or may be either applicable or related to the present or future business of the Company, its research and development, or the business of its customers. For example, trade secret information includes, but is not limited to, devices, inventions, processes and compilations of information, records, specifications, and information concerning customers or vendors.

Employees shall not disclose any of the above-mentioned trade secrets, directly or indirectly, or use them in any way, either during the term of their employment or at any time thereafter, except as required in the course of employment with the Company. The above agreement should not be construed as constituting a promise of continued employment for at-will employment purposes.

## **Customer Lists**

The employee understands that customer lists of GCGC, for which the employee has or will have access to during the employee's employment, are trade secrets and shall be solely the property of the employer. The employee agrees that he/she shall neither directly nor indirectly solicit business as to products or services competitive with those of the Company based on information from the customer lists.

## **Use of Electronic Media**

GCGC uses various forms of electronic communication including, but not limited to computers, e-mail, telephones and Internet. All electronic communications, including all software, databases, hardware, and digital files, remain the sole property of GCGC and are to be used only for Company business and not for any personal use.

Electronic communication and media may not be used in any manner that would be discriminatory, harassing, or obscene, or for any other purpose that is illegal, against Company policy, or not in the best interest of the Company.

Employees who misuse electronic communications and engage in defamation, copyright or trademark infringement, misappropriation of trade secrets, discrimination, harassment, or related actions will be subject to discipline and/or immediate termination.

Employees may not install personal software on Company computer systems.

All electronic information created by any employee using any means of electronic communication is the property of GCGC and remains the property of GCGC. Personal passwords may be used for purposes of security, but the use of a personal password does not affect the Company's ownership of the electronic information.

GCGC will override all personal passwords if necessary for any reason. GCGC reserves the right to access and review electronic files, messages, mail, and other digital archives, and to monitor the use of electronic communications as necessary to ensure that no misuse or violation of Company policy or any law occurs. Employees are not permitted to access the electronic communications of other employees or third parties unless directed to do so by Company management. No employee may install or use anonymous e-mail transmission programs or encryption of e-mail communications, except as specifically authorized by the CEO.

Employees who use devices on which information may be received and/or stored, including but not limited to cell phones, cordless phones, portable computers, fax machines, and voicemail communications are required to use these methods in strict compliance with the trade secrets and confidential communication policy established by the Company. These communications tools should not be used for communicating confidential or sensitive information or any trade secrets.

Access to the Internet, websites, and other types of Company-paid computer access are to be used for Company-related business only. Any information about GCGC, its products or services, or other types of information that will appear in the electronic media about the Company must be approved by the CEO before the information is placed on an electronic information resource that is accessible to others. Questions about access to electronic communications or issues relating to security should be addressed to your manager.

### **Off-Duty Use of Facilities**

Employees are prohibited from remaining on GCGC premises or making use of Company facilities while not on duty. Employees are expressly prohibited from using Company facilities, Company property, or Company equipment for personal use.

### **Housekeeping**

All employees are expected to keep their work areas clean and organized. People using common areas such as break rooms, and restrooms are expected to keep them sanitary. Please clean up after meals and dispose of trash properly.

### **Employer Property**

Desks, computers, vehicles and machinery are GCGC property and must be maintained according to Company rules and regulations. They must be kept clean and are to be used only for work-related purposes. GCGC reserves the right to inspect all Company property to ensure compliance with its rules and regulations, without notice to the employee and at any time, not necessarily in the employee's presence. Company voice mail and/or electronic mail (e-mail) are to be used for business purposes only. GCGC reserves the right to monitor voice mail messages and e-mail messages to ensure compliance with this rule, without notice to the employee and at any time, not necessarily in the employee's presence.

GCGC may periodically need to assign and/or change "passwords" and personal security codes for computers, email and online vendor accounts. These communication technologies and related storage media and databases are to be used only for Company business and they remain the property of GCGC. GCGC reserves the right to keep a record of all passwords and codes used and/or may be able to override any such password system. Prior authorization must be obtained before any Company property may be removed from the premises.

For security reasons, employees should not leave personal belongings of value in the workplace. Personal items are subject to inspection and search, with or without notice, with or without the employee's prior consent. Terminated employees should remove any personal items at the time they leave GCGC. Personal items left in the workplace are subject to disposal if not claimed at the time of an employee's termination.

## **Employee Conduct**

### **No Solicitation of Customers or Employees**

The employee agrees that customer lists of GCGC (the Company), for which the employee has or will have access to during the employee's employment, are trade secrets and shall be solely the property of the employer.

The employee agrees that he/she shall neither directly nor indirectly solicit business as to products or services competitive with those of the Company based on information from the customer lists.

### **Prohibited use of Company Cell Phone While Driving**

In the interest of the safety of our employees and other drivers, GCGC employees are prohibited from using cell phones while driving on Company business and/or Company time. If your job requires that you keep your cell phone turned on while you are driving, you must use a hands-free device. Under no circumstances should employees place phone calls while operating a motor vehicle while driving on Company business and/or Company time. Violating this policy is a violation of law beginning July 1, 2008 and a violation of Company rules. Writing, sending, or reading text-based communication - including text messaging, instant messaging, and e-mail - on a wireless device or cell phone while driving is also prohibited under this policy. Violating this policy is a violation of law beginning January 1, 2009 and a violation Company rules.

### **Punctuality and Attendance**

As an employee of GCGC, you are expected to be punctual and regular in attendance. Any tardiness or absence causes problems for your fellow employees and your supervisor. When you are absent, your assigned work must be performed by others.

Employees are expected to report to work as scheduled, on time, and prepared to start work. Employees also are expected to remain at work for their entire work schedule, except for meal periods or when required to leave on authorized Company business. Late arrival, early departure, or other unanticipated and unapproved absences from scheduled hours are disruptive and must be avoided.

If you are unable to report for work on any particular day, you must under all but the most extenuating circumstances call your supervisor at least 15 minutes before the time you are scheduled to begin working for that day. If you call less than 15 minutes before your scheduled time to begin work and do not arrive in time for your assigned shift, you will be considered tardy for that day. In all cases of absence or tardiness, employees must provide their supervisor with an honest reason or explanation.

Employees also must inform their supervisor of the expected duration of any absence. Excessive absenteeism or tardiness, whether excused or not, will not be tolerated. GCGC defines excessive absenteeism as more than 10 days absence in a 12-month period. If you fail to report for work without any notification to your supervisor and your absence continues for a period of 2 days GCGC will consider that you have voluntarily abandoned and/or quit your employment.

## **Prohibited Conduct**

The following conduct is prohibited and will not be tolerated by GCGC. This list of prohibited conduct is illustrative only; other types of conduct that threaten security, personal safety, employee welfare and Company operations also may be prohibited.

- Falsifying employment records, employment information, or other Company records;
- Recording the work time of another employee or allowing any other employee to record your work time, or falsifying any time card, either your own or another employee's;
- Theft and deliberate or careless damage or destruction of any Company property, or the property of any employee or customer;
- Removing or borrowing Company property without prior authorization;
- Unauthorized use of Company equipment, time, materials, or facilities;
- Provoking a fight or fighting during working hours or on Company property;
- Participating in horseplay or practical jokes on Company time or on Company premises;
- Carrying firearms or any other dangerous weapons on Company premises at any time;
- Engaging in criminal conduct whether or not related to job performance;
- Causing, creating, or participating in a disruption of any kind during working hours on Company property;
- Insubordination, including but not limited to failure or refusal to obey the orders or instructions of a supervisor or member of management, or the use of abusive or threatening language toward a supervisor or member of management;
- Using abusive language at any time on Company premises;
- Failing to notify a supervisor when unable to report to work;
- Unreported absence of 2 days.

- Failing to obtain permission to leave work for any reason during normal working hours;
- Failing to observe working schedules, including rest and lunch periods;
- Failing to provide a physician's certificate when requested or required to do so;
- Sleeping or malingering on the job;
- Making or accepting personal telephone calls, including cell phone calls, of more than three minutes in duration during working hours, except in cases of emergency;
- Working overtime without authorization or refusing to work assigned overtime;
- Wearing disturbing, unprofessional or inappropriate styles of dress or hair while working;
- Violating any safety, health, security or Company policy, rule, or procedure;
- Committing a fraudulent act or a breach of trust under any circumstances; and
- Committing of or involvement in any act of unlawful harassment of another individual.

This statement of prohibited conduct does not alter the Company's policy of at-will employment. Either you or GCGC remain free to terminate the employment relationship at any time, without reason or advance notice.

## **Drug and Alcohol Abuse**

GCGC is concerned about the use of alcohol, illegal drugs, or controlled substances as it affects the workplace. Use of these substances, whether on or off the job can detract from an employee's work performance, efficiency, safety, and health, and therefore seriously impair the employee's value to the Company. In addition, the use or possession of these substances on the job constitutes a potential danger to the welfare and safety of other employees and exposes the Company to the risks of property loss or damage, or injury to other persons.

Furthermore, the use of prescription drugs and/or over-the-counter drugs also may affect an employee's job performance and may seriously impair the employee's value to the Company. The following rules and standards of conduct apply to all employees either on Company property or during the workday (including meals and rest periods). Behavior that violates Company policy includes:

- Possession and/or use of an illegal or controlled substance, or being under the influence of an illegal controlled substance while on the job;
- Driving a Company vehicle while under the influence of alcohol; and
- Distribution, sale, or purchase of an illegal or controlled substance while on the job.

- Violation of these rules and standards of conduct will not be tolerated. GCGC also may bring the matter to the attention of appropriate law enforcement authorities.
- In order to enforce this policy, GCGC will conduct searches of Company property or employees and/or their personal property, and to implement other measures necessary to deter and detect abuse of this policy.
- An employee's conviction on a charge of illegal sale or possession of any controlled substance while off Company property will not be tolerated because such conduct, even though off duty, reflects adversely on GCGC.

In addition, the Company must keep people who sell or possess controlled substances off Company premises in order to keep the controlled substances themselves off the premises. Any employee who is using prescription or over-the-counter drugs that may impair the employee's ability to safely perform the job, or affect the safety or well-being of others, must notify a supervisor of such use immediately before starting or resuming work.

Gold Country Growers Clearlake (GCGC) will encourage and reasonably accommodate employees with alcohol or drug dependencies to seek treatment and/or rehabilitation. Employees desiring such assistance should request a treatment or rehabilitation leave. The Company is not obligated, however, to continue to employ any person whose performance of essential job duties is impaired because of drug or alcohol use, nor is the Company obligated to re-employ any person who has participated in treatment and/or rehabilitation if that person's job performance remains impaired as a result of dependency. Additionally, employees who are given the opportunity to seek treatment and/or rehabilitation, but fail to successfully overcome their dependency or problem, will not automatically be given a second opportunity to seek treatment and/or rehabilitation. This policy on treatment and rehabilitation is not intended to affect the Company's treatment of employees who violate the regulations described previously. Rather, rehabilitation is an option for an employee who acknowledges a chemical dependency and voluntarily seeks treatment to end that dependency.

## **Customer Relations**

Employees are expected to be polite, courteous, prompt, and attentive to every customer. When an employee encounters an uncomfortable situation that he or she does not feel capable of handling, the general manager should be called immediately.

Ours is a service business and all of us must remember that the customer always comes first. Remember, while the customer is not always right, the customer is never wrong. Never argue with a customer. If a problem develops or if a customer remains dissatisfied, ask your supervisor or the general manager to intervene.

Customers are to be treated courteously and given proper attention at all times. Never regard a customer's question or concern as an interruption or an annoyance. You must respond to inquiries from customers, whether in person or by telephone, promptly and professionally.

Never place a telephone caller on hold for an extended period. Direct incoming calls to the appropriate person and make sure the call is received. Through your conduct, show your desire to assist the customer in obtaining the help he or she needs. If you are unable to help a customer, find someone who can.

All correspondence and documents, whether to customers or others, must be neatly prepared and error-free. Attention to accuracy and detail in all paperwork demonstrates your commitment to those with whom we do business.

## **Conflicts of Interest**

All employees must avoid situations involving actual or potential conflict of interest. Personal or romantic involvement with a competitor, supplier, or subordinate employee of GCGC, which impairs an employee's ability to exercise good judgment on behalf of the Company, creates an actual or potential conflict of interest. Supervisor-subordinate romantic or personal relationships also can lead to supervisory problems, possible claims of sexual harassment, and morale problems. An employee involved in any of the types of relationships or situations described in this policy should immediately and fully disclose the relevant circumstances to his or her immediate supervisor, or any other appropriate supervisor, for a determination about whether a potential or actual conflict exists. If an actual or potential conflict is determined, GCGC may take whatever corrective action appears appropriate according to the circumstances. Failure to disclose facts shall constitute grounds for disciplinary action.

## **Confidentiality**

Each employee is responsible for safeguarding the confidential information obtained during employment. In the course of your work, you may have access to confidential information regarding GCGC its suppliers, its customers, or perhaps even fellow employees. You have a responsibility to prevent revealing or divulging any such information unless it is necessary for you to do so in the performance of your duties. Access to confidential information should be on a "need-to-know" basis and must be authorized by your supervisor. Any breach of this policy will not be tolerated and legal action may be taken by the Company.

## **Conducting Personal Business**

Employees are to conduct only GCGC business while at work. Employees may not conduct personal business or business for another employer during their scheduled working hours.

## **Wages**

### **Work Schedules**

GCGC is normally open for business between the hours of 10:00am and 6:00pm, Sunday through Saturday. Your supervisor will assign your individual work schedule. All employees are expected to be at their desks or workstations at the start of their scheduled shifts, ready to work. Exchanging work schedules with other employees is discouraged. However, if you need to exchange schedules, notify your supervisor, who may authorize an exchange if possible. Work schedule exchanges will not be approved for the mere convenience of an employee or if the exchange interferes with normal operations or results in excessive overtime.

### **Timekeeping Requirements**

All non-exempt employees are required to use a time clock to record time worked for payroll purposes. Employees must record their own time at the start and at the end of each work period, including before and after the lunch break. Employees also must record their time whenever they leave the building for any reason other than GCGC business. Any handwritten marks or changes on the timecard must be initialed by a supervisor. Punching another employee's timecard, allowing another employee to punch your timecard, or altering a timecard is not permissible and is subject to disciplinary action. Any errors on your timecard should be reported immediately to your supervisor.

## **Payment of Wages**

Paychecks are normally available by Friday at 3:00p.m. If you observe an error on your check, please report it immediately to your supervisor.

All employees of GCGC are paid every other Friday for work performed during the previous two-week pay period. If a regular payday falls on a holiday, employees will be paid on the last day worked before the holiday. GCGC offers automatic payroll deposit for their employees. You may begin and stop automatic payroll deposit at any time. To begin automatic payroll deposit, you must complete a form which is available from your supervisor. To stop automatic payroll deposit, see your supervisor.

## **Overtime for Non-Exempt Employees**

Employees may be required to work overtime as necessary. Only actual hours worked in a given workday or workweek can apply in calculating overtime. GCGC will attempt to distribute overtime evenly and accommodate individual schedules. All overtime work must be previously authorized by a supervisor. GCGC provides compensation for all overtime hours worked by non-exempt employees in accordance with state and federal law as follows:

- All hours worked in excess of eight hours in one workday or 40 hours in one workweek will be treated as overtime. A workday begins at 12:01 a.m. and ends at midnight 24 hours later. Workweeks begin each Sunday at 12:01 a.m;
- Compensation for hours in excess of 40 for the workweek, or in excess of eight and not more than 12 for the workday, and for the first eight hours on the seventh consecutive day of work in one workweek, shall be paid at a rate one and one-half times the employee's regular rate of pay;
- Compensation for hours in excess of 12 in one workday and in excess of eight on the seventh consecutive workday in a workweek shall be paid at double the regular rate of pay; and
- Exempt employees may have to work hours beyond their normal schedules as work demands require. No overtime compensation will be paid to exempt employees.

## **Meal and Rest Periods**

All nonexempt employees are entitled to periodic rest break periods during their workday. If you are a nonexempt employee, you will be paid for all such break periods and you will not clock out. Your supervisor will advise you of the time and duration of your breaks and you are expected to return to work promptly at the end of any rest break.

Generally, you will be entitled to one (1) 10-minute rest break for every four (4) hours you work (or major fraction thereof, which is defined as two (2) hours). If you work more than six (6) hours and up to 10 hours in a workday, you will receive one (1) rest break during the first half of your shift and one (1) rest break during the second half of your shift. If you work more than 10 hours and up to 14 hours, you will be entitled to an additional paid 10 minute rest break. If you work more than five (5) hours in a workday, you are also entitled to an unpaid meal period of at least 30 minutes. If you work more than 10 hours, you are entitled to a second, unpaid meal period of at least 30 minutes.

Depending on the circumstances, you may be able to waive your second meal period if you took the first one. You must clock out for your meal period. Your supervisor will advise you of the scheduling of your meal period. You must not perform any work during your meal period, and you must stop working for at least 30 full, consecutive minutes. All rest breaks and meal periods must be taken away from the regular work area. You may leave the premises for your meal periods. If for any reason you do not take the applicable rest breaks and/or meal periods, You must notify your supervisor immediately.

## **Safety and Health**

### **Workplace Violence**

GCGC has adopted the following workplace violence policy to ensure a safe working environment for all employees.

The Company has a zero tolerance for acts of violence and threats of violence. Without exception, acts and threats of violence are not permitted. All such acts and threats, even those made in apparent jest, will be taken seriously, and will lead to discipline up to and including termination.

Possession of non-work related weapons on Company premises and at Company-sponsored events shall constitute a threat of violence. It is every employee's responsibility to assist in establishing and maintaining a violence-free work environment. Therefore, each employee is expected and encouraged to report any incident which may be threatening to you or your co-workers or any event which you reasonably believe is threatening or violent. You may report an incident to any supervisor or manager.

A threat includes, but is not limited to, any indication of intent to harm a person or damage Company property. Threats may be direct or indirect, and they may be communicated verbally or nonverbally.

## **Heat Illness**

The Company is concerned with employee health and safety. Employees who may be exposed to extreme temperatures or adverse working conditions, particularly in the summer months. All supervisors are trained in the prevention of heat illness. Please refer to the Company's Injury Illness and Prevention Program or talk to your supervisor for details on how to ensure you are protected from heat illness dangers.

## **Employees Who Are Requested to Drive**

Employees who are required to drive a Company vehicle or their own vehicles on Company business will be required to show proof of current valid driving licenses and current effective insurance coverage before the first day of employment.

GCGC participates in a system that regularly checks state Department of Motor Vehicles (DMV) records of all employees who drive as part of their job.

GCGC retains the right to transfer to an alternative position, suspend, or terminate an employee whose license is revoked, or who fails to maintain personal automobile insurance coverage or who is uninsurable under the Company's policy.

## **Termination**

### **Voluntary Resignation**

Voluntary resignation results when an employee voluntarily quits his or her employment at GCGC, or fails to report to work for two consecutively scheduled workdays without notice to, or approval by, his or her supervisor. All Company-owned property, including vehicles, keys, uniforms, identification badges, and credit cards, must be returned immediately upon termination of employment.

### **Reductions in Force**

Under some circumstances, GCGC may need to restructure or reduce its workforce. If restructuring our operations or reducing the number of employees becomes necessary, the Company will attempt to provide advance notice, if possible, to help prepare affected individuals. If possible, employees subject to layoff will be informed of the nature of the layoff and the foreseeable duration of the layoff, whether short-term or indefinite.

In determining which employees will be subject to layoff, GCGC will take into account, among other things, operation and requirements, the skill, productivity, ability, and past performance of those involved, and also, when feasible, the employee's length of service.

## **Involuntary Termination and Progressive Discipline**

Violation of GCGC policies and rules may warrant disciplinary action. The Company has established a system of progressive discipline that includes verbal warnings, written warnings, and suspension. The system is not formal and GCGC may, in its sole discretion, utilize whatever form of discipline is deemed appropriate under the circumstances, up to, and including, termination of employment. The Company's policy of progressive discipline in no way limits or alters the at-will employment relationship.

## **Confirmation of Receipt**

### **Confirmation of Receipt**

I have received my copy of the Company's employee handbook. I understand and agree that it is my responsibility to read and familiarize myself with the policies and procedures contained in the handbook.

I understand that except for employment at-will status, any and all policies or practices can be changed at any time by the Company. Gold Country Growers Clearlake (GCGC) reserves the right to change my hours, wages, and working conditions at any time. I understand and agree that other than the CEO of GCGC, no manager, supervisor, or representative of the Company has authority to enter into any agreement, express or implied, for employment for any specific period of time, or to make any agreement for employment other than at-will; only the CEO has the authority to make any such agreement and then only in writing, signed by the CEO.

I understand and agree that nothing in the employee handbook creates or is intended to create a promise or representation of continued employment and that employment at GCGC is employment at-will; employment may be terminated at the will of either the Company or myself.

My signature certifies that I understand that the foregoing agreement on at-will status is the sole and entire agreement between GCGC and myself concerning the duration of my employment and the circumstances under which my employment may be terminated. It supersedes all prior agreements, understandings, and representations concerning my employment with Gold Country Growers Clearlake.

Employee's Signature \_\_\_\_\_

Date \_\_\_\_\_

## **RECOMMENDED CONDITIONS OF APPROVAL**

### **Gold Country Growers Distribution, 440 Lower Grass Valley Avenue, suite C**

#### **A. PLANNING DEPARTMENT**

1. Provide proof of California State Licensing that verifies the license type issued.
2. Prior to commencing operations, you are required to complete all tenant improvements as detailed in your application and as required by Fire and Building Code. A cannabis business shall be subject to a mandatory building inspection, and must obtain all required permits and approvals which would otherwise be required for any business of the same size and intensity operating in that zone. This includes but is not limited to obtaining any required building permit(s), fire department approvals, Environmental Health Department approvals and other zoning and land use permit(s) and approvals.
3. Provide evidence of the right to occupy and to use the property for purposes of a cannabis distribution business. As a condition precedent to the City's issuance of a cannabis business permit pursuant to this Chapter, any person intending to open and to operate a cannabis business shall provide sufficient evidence of the legal right to occupy and to use the proposed location.
4. Execute an agreement, in a form approved by the city attorney, agreeing to indemnify, defend (at applicant's sole cost and expense), and hold the City of Nevada City, and its officers, officials, employees, representatives, and agents, harmless, from any and all claims, losses, damages, injuries, liabilities or losses which arise out of, or which are in any way related to, the City's issuance of the cannabis business permit, the City's decision to approve the operation of the cannabis business or activity, to process used by the City in making its decision, or the alleged violation of any federal, state or local laws by the cannabis business or any of its officers, employees or agents.
5. Provide proof of liability insurance and liability agreement. You are required to maintain insurance at coverage limits, and with conditions thereon determined necessary and appropriate from time to time by the city attorney.
6. Operation of your business shall be consistent with the submitted application material or as otherwise presented at the public meeting and as approved by the planning commission.
7. Cannabis Manufacturing: Edibles and Other Cannabis Products; Sale or Distribution of Edible and Other Cannabis Products. The manufacturing of food or other products infused with or which otherwise contain cannabis may be manufactured within the appropriate manufacturing zoning districts Section 17.142 of the Nevada City Municipal Code, subject to the regulations set forth in this Chapter, and subject to whatever additional regulations may be promulgated hereunder by an ordinance or resolution of the City Council
8. Evidence of Prior Businesses Application Withdrawal: Please have the previously authorized business at this location provide a written statement of application withdrawal OR provide evidence from the property manager of termination of the lease agreement with that business applicant.

9. Packaging and Labeling:

- a. Before a cannabis manufacturer delivers any edible cannabis or edible cannabis product to a dispensary, the same shall be labeled and placed in tamper-evident packaging which at least meets the requirements of California Business and Professions Code section 19347, as the same may be amended from time-to-time or superseded or replaced by subsequent State legislation or by any department or division of the State of California
- b. All items to be sold or distributed shall be individually wrapped at the original point of preparation by the business permitted as a medical cannabis manufacturer
- c. Labeling must include a warning if nuts or other known allergens are used, and must include the total weight (in ounces or grams) of cannabis in the package
- d. The package must have a label warning that the product is to be kept away from children
- e. The label must also state that the product contains cannabis and must specify the date of manufacture
- f. Any edible cannabis product that is made to resemble a typical food product must be in a properly labeled opaque (non-see-through) package before it leaves the medical marijuana manufacturing business
- g. Deliveries must be in a properly labeled opaque package when delivered
- h. The City Council may impose additional packaging and labeling requirements on cannabis or cannabis products by resolution, as permitted by law

**B. ENGINEERING DEPARTMENT**

- 1 Unless authorized by separate waste discharge requirements, the Cannabis General Order, or a CWA section 404 permit, the following discharges are prohibited:
  - a. Any waste that could affect the quality of the waters of the state.
  - b. Any wastewater discharge to City sewer that contains excessive nutrients (e.g., phosphate or nitrate), salinity constituents (e.g., sodium, chloride, potassium, calcium, sulfate, magnesium), constituents (e.g., iron, manganese, zinc, molybdenum, boron, and silver) or chemicals

**C. FIRE DEPARTMENT**

1. Fire extinguishers with a minimum rating of 2-A: 10-B: C shall be provided such that no point in the building is further than 75-foot travel distance to an extinguisher.
2. The existing fire sprinkler system shall be reviewed by a fire protection contractor or specialist for proper coverage. Sprinklers in the production, storage, shipping and receiving areas shall be spaced for Ordinary Hazard Occupancy per NFPA 13; 130 square feet per sprinkler maximum. Hydraulic

calculations may be required. Fire sprinkler plans shall be submitted to the Fire Department by a licensed C-16.

3. Keys shall be provided to access all spaces to be placed into the facility Knox box.

#### **D. COUNTY ENVIRONMENTAL HEALTH DEPARTMENT**

1. All hazardous materials stored, utilized and wastes generated, requires permitting through the Environmental Health Department CUPA program per California Health and Safety Code.
2. The applicant and/or facility operator must adhere to all applicable codes and regulations regarding the storage of hazardous materials and the generation of hazardous wastes set forth in California Health and Safety Code Section 25500-25519 and 25100- 25258.2 including the electronic reporting requirement to the California Environmental Reporting System (CERS).
3. The applicant and/or facility operator must apply for and obtain a permit for the storage of hazardous materials and the generation of hazardous wastes from the Nevada County Department of Environmental Health (NCDEH), Certified Unified Program Agency (CUPA).
4. The applicant and/or facility operator shall secure and annually renew the permit for this facility within 30 days of becoming subject to applicable regulations. Routine compliance inspections, conducted by NCDEH inspectors, will occur at the facility and compliance inspections are typically unannounced inspections during regular business hours: Monday - Friday, 8:00am - 5:00pm.
5. The applicant shall adhere to the County of Nevada Cannabis Ordinance, and any additional permitting, registration and reporting requirements.
6. Addition of the sale of edible cannabis products through a Dispensary in conjunction with the distribution processes proposed requires a permit from the Nevada County Department of Environmental Health (NCDEH).

#### **E. POLICE DEPARTMENT**

1. The Chief of Police or designee, shall conduct a facility inspection both prior to issuance of a tenant improvement permit and again prior to issuance of a cannabis business permit. Any recommended security features shall be implemented to the satisfaction of the Police Chief or designee prior to permit issuance.
2. The City reserves the right to postpone issuance of the Cannabis Business permit(s), in the event of any pending criminal investigations of any principal of the subject business, until such time that the investigation is closed.



Gold Country Growers Distribution  
PO Box 2511, Nevada City, CA 95959

September 21, 2020

City of Nevada City  
Planning Department  
Attn: Amy Wolfson  
317 Broad Street  
Nevada City, CA 95959

Re: Application Clarification Request Response to Nevada City Planning Department addressed to letter dated September 4, 2020

1. Gold Country Growers Distribution only references “deliveries” as a term for distribution deliveries ONLY. We do not deliver to end-users. *Please see the **updated Section C.1: Cannabis Business Description and Location addendum** attached to this letter.*
2. Gold Country Growers Distribution anticipates 1-3 vehicles parked onsite. Which does in fact include all employees and all distribution vehicles. *As stated in the **Business Plan Addendum section Parking Plan on page 8**: “Gold Country Growers Distribution’s proposed location at 440 Lower Grass Valley Road has ample parking and only plans on having 1-3 vehicles parked at location during business hours. These vehicles include: 1-2 Transportation Vehicles and 1 employee/staff vehicle.”*
3. Gold Country Growers Distribution plans on hiring 2 employees during the start up phase and will only have 2 employees on site during start up business hours. The future plan is to have up to 5 employees and only 2 to 3 employees on site during business hours. This answer is located in the ***Business Plan Addendum** sections **Day to Day Operations on page 6** and **Staffing Requirements on pages 8-9**.*

4. The Waste Plan was updated in the *Business Plan Addendum* section *Waste Plan on pages 6-7* and includes the following:

**-Rendering and Disposing of Cannabis Waste:**

Gold Country Growers Distribution is required to render all unusable cannabis and cannabinoid-containing products into cannabis waste before removing the waste from the licensed premises. Only authorized staff, within the designated destruction area and under supervision, will have the authority to destroy cannabis and cannabis products, and to enter destroyed cannabis and cannabis waste into CCTT-METRC and our computerized seed-to-sale system. All waste disposal activities will be performed in a designated area, under video surveillance.

It is the responsibility of the Distribution Manager to instruct the employees authorized to render cannabis waste on all procedures associated with rendering cannabis waste. Additionally, it is the responsibility of the Distribution Manager to ensure that no cannabis waste or any cannabis products awaiting destruction will be distributed to licensees. All waste disposal activities will be performed in a designated limited access area, under video surveillance. Areas of procedure that the rendering of cannabis waste covers include:

- Proper disposal of waste;
- Inventory monitoring requirements;
- Segregating the cannabis waste; and Record-keeping.

Cannabis goods that are outdated, damaged, deteriorated, mislabeled, contaminated, improperly stored, or recalled will be destroyed and properly disposed of.

**-Accidental Cannabis Waste:**

Any plant material that has fallen on the floor or has been contaminated with foreign materials renders the product unfit for sale and must be disposed of and properly destroyed in accordance with GCGD cannabis waste procedures. Areas of procedure, covered by the handling of accidental cannabis waste include:

- Segregating the accidental cannabis waste;
- Rendering the accidental waste unusable and unrecognizable;
- Proper disposal of waste;
- Statewide monitoring requirements (CCTT-METRC); and Record-keeping.

It is the responsibility of the Distribution Manager to ensure that all staff are trained on how to handle accidental cannabis waste and what classifies cannabis as “accidental cannabis waste”. Additionally, it is the responsibility of the Distribution Manager to ensure that all cannabis products to be destroyed and all cannabis waste will not be sold. Accidental cannabis waste may occur from improper storage conditions, including: Extremes in temperature; Humidity; Smoke and/or fumes; Pressure; and/or Age or radiation due to natural disasters, fires, accidents, equipment failures.

GCGD will have separate storage areas for quarantined accidental cannabis, such as cannabis that has failed testing and cannot be remediated, is outdated, damaged, deteriorated, mislabeled, or contaminated, or whose containers or packaging have been opened or breached, until such products are destroyed and disposed of.

The disposal of Cannabis Waste whether planned or accidental will be hauled away by a paid professional cannabis waste company and will be hired on a monthly pick up contract once we have started operation. The monthly pickup contract can be modified to weekly or daily pickups based on the amount of cannabis waste that is created over time.

5. Gold Country Growers Distribution plans on making 1 to 2 daily distribution trips during the start up phase and 1 to 5 daily distribution trips in the business future. The company currently owns 1 vehicle: 2016 Ford Transit Connect VIN# NMOGE9F78G1277764. This information can be found in the *Security & Transportation Plan, page 10*.

6. In reference to the **SCI Consulting Group: City of Nevada City: Distribution Application Summary Report** that was also included with this response letter:

Gold Country Growers Distribution has added all of the Not-Included “NI” items from the Application Compliance Checklist that our company was unaware of at the time of our initial application. Once we were informed of these compliancy items, we hired a multitude of professionals to update our business plans accordingly. Please see the document named *GoldCountryGrowersDistribution\_Addendums\_9.21.20.pdf* sent to Amy Wolfson via email today.

Thank you for your continued support. If you have any questions related to our response, please contact Christopher Johnston at 530-277-1098 or [christopher@goldcountrygrowers.com](mailto:christopher@goldcountrygrowers.com).

Sincerely,

Christopher R. Johnston



# City of Nevada City

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October 6, 2020

Gold Country Growers Distributors  
Attn: Christopher R. Johnston  
PO Box 2411  
Nevada City, CA 95959

*Via email: christoher@goldcountrygrowers.com*

**Subject: Nevada City Cannabis Business Zoning Verification Letter;  
440 Lower Grass Valley Avenue, Suite C**

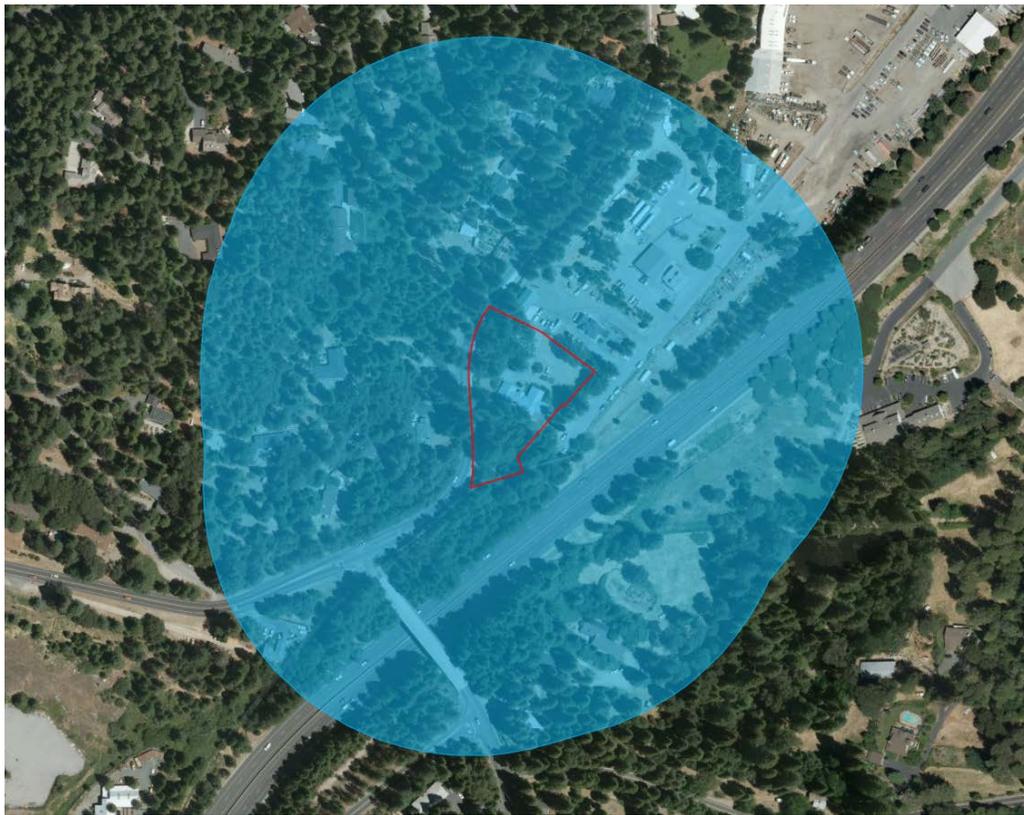
Dear Mr. Johnston:

This letter shall serve as verification that property located at 440 Grass Valley Avenue, Suite C, Nevada City, CA meets local locational requirements in terms of zoning to operate a Cannabis Distribution business. Pursuant to our local ordinance, Chapter 9.22 of the City Municipal Code, the “Distribution” business category is defined as follows:

*“Distribution” means the procurement, sale, and transport, of cannabis or cannabis products between entities licensed pursuant to the MCRSA and any subsequent State of California legislation regarding the same.*

*"Distributor" means a person engaged in the business of purchasing cannabis from a licensed cultivator, or cannabis products from a license manufacturer, for sale to a licensed dispensary*

The subject property is located within a split zoning designation whereby the subject structure and suite location is within a base zoning designation of “Light Industrial (LI)” with two combining districts of “Annexation (AN)” and “Scenic Corridor (SC)” relating to the property’s 1995 annexation into city limits and the proximity of the site to a scenic highway. The undeveloped, southern portion of the property is zoned Open Space and is not proposed to serve any part of the proposed business. While this zoning determination will suffice for local verification purposes, this Zoning Verification letter does not constitute verification of compliance with State locational requirements. Below is an aerial depiction of the subject site.



*Subject property boundary*



*600-foot radius area*

Issuance of a “Zoning Verification Letter” does not constitute written evidence of any kind of permission being given by the City of Nevada City, and it does not convey any right to operate a cannabis business in the City. Final decisions on the issuance of permits will be made by the City Council following the approved application procedure process.

Sincerely,

Amy Wolfson  
City Planner  
(530) 265-2496 x130