

1 **BEFORE THE CANNABIS COMPLIANCE BOARD**
2 **STATE OF NEVADA**

3 STATE OF NEVADA, CANNABIS
4 COMPLIANCE BOARD,

5 Petitioner,

6 vs.

7 INTEGRAL PRODUCTION, LLC,

8 Respondent.
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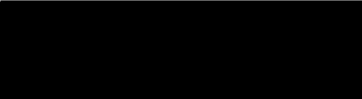
Case No. 2021-43

10 **COMPLAINT FOR DISCIPLINARY ACTION**

11 The Cannabis Compliance Board of the State of Nevada (the "CCB"), by and through
12 counsel, Aaron D. Ford, Attorney General of the State of Nevada, L. Kristopher Rath, Esq.,
13 Senior Deputy Attorney General, and Ashley A. Balducci, Esq., Senior Deputy Attorney
14 General, having a reasonable basis to believe that Respondent Integral Production, LLC
15 ("IPL" or "Respondent") has violated provisions of Chapters 678A through 678D of the
16 Nevada Revised Statutes ("NRS"), and the Nevada Cannabis Compliance Regulations
17 ("NCCR"), hereby issues its Complaint, stating the CCB's charges and allegations as
18 follows:

19 **JURISDICTION**

20 1. During all relevant times mentioned in this Complaint, IPL held, and
21 currently holds, the following licenses:

22 ID	License/Certificate	Last Issued / Renewed	Address
23 P020	Medical Production 24 54896246263684448089	5/18/2021	
25 RP020	Adult-use Production 26 59239887350322215968	5/18/2021	

27 2. During all relevant times mentioned in this Complaint, IPL is and was
28 registered as a Domestic Limited Liability Company in the State of Nevada. The Nevada

1 Secretary of State lists the manager of IPL as Integral Associates, LLC, of Chicago, IL. The
2 CCB's point of contact for IPL is Amanda Connor, Esq.

3 3. As IPL holds its licenses and certificates with CCB, it is subject to NRS Title
4 56 and the NCCR for the violations asserted herein. Therefore, IPL is subject to the
5 jurisdiction of the CCB and subject to discipline pursuant to NRS 678A through 678D and
6 the relevant provisions of the NCCR.

7 4. Pursuant to NRS 678A.500 and 678A.510(1), the CCB's Executive Director
8 has transmitted the details of the suspected violations of IPL to the Attorney General and
9 the Attorney General has conducted an investigation of the suspected violations to
10 determine whether they warrant proceedings for disciplinary action. The Attorney General
11 has recommended to the Executive Director that further proceedings are warranted, as set
12 forth in this CCB Complaint. The CCB has authorized proceeding with disciplinary action
13 against IPL, pursuant to NRS 678A.510(2)(b). Pursuant to NRS 678A.520(1), the CCB's
14 Executive Director has authorized service of this Complaint upon Respondent.

15 **FACTUAL ALLEGATIONS**

16 5. CCB incorporates all prior Paragraphs as though fully set forth herein.

17 6. On or about February 19, 2021, CCB agents conducted a routine inspection of
18 the IPL medical and adult-use cannabis production facility at [REDACTED]
19 [REDACTED]. The CCB agents for this inspection were Kristine Vasilevsky and
20 Fenton Harvey.

21 7. During the course of the aforementioned inspection, CCB agents found that
22 IPL did not have adequate security camera coverage. There were no video surveillance
23 cameras located within a room in the production area where cannabis product was located
24 at the time of the inspection.

25 8. CCB agents also found violations of NCCR 4 and NCCR 6 concerning two
26 sinks within the facility. There was only one hand sink located in the production room.
27 There was no soap located at that sink and the facility was unable to provide soap for the
28 sink. There was another hand sink located outside the production room that was used by

1 the entire facility staff. This sink was adequately stocked, but was not conveniently located,
2 as required.

3 9. CCB agents found that the hot water flowing from the three compartment
4 sink within the production facility did not reach the required temperature of 120°F under
5 NCCR 9.050(1)(c). The temperature would go no higher than 109°F.

6 10. CCB agents found the facility was using caution tape and a plastic trash bag
7 to cover half of a window in a room with shredders. This resulted in a surface that was not
8 smooth and was not easily cleanable, in violation of NCCR 10.

9 VIOLATIONS OF LAW

10 11. CCB incorporates all prior Paragraphs as though fully set forth herein.

11 12. As to certificate P020 and license RP020, Respondent IPL violated NCCR
12 6.085(1)(c)(3) and 4.040(1)(a)(14), by failing to maintain a required surveillance system.
13 Specifically, as set forth in Paragraph 7, above, CCB agents found there were no video
14 surveillance cameras located within a room in the production area where cannabis product
15 was located at the time of the inspection. This is a Category II violation, which carries a
16 civil penalty of not more than \$25,000 and a suspension of not more than 20 days. NCCR
17 4.040(2)(a)(1).

18 13. As to certificate P020 and license RP020, Respondent IPL violated NCCR
19 6.095(1)(e)(3) and 4.055(1)(a)(10) by failing to maintain hand washing facilities that are
20 fully stocked. Specifically, as set forth in Paragraph 8, above, the only one hand sink located
21 in the production room had no soap and the facility was unable to provide soap for this sink.
22 This is a Category IV violation, which carries a civil penalty of not more than \$5,000. NCCR
23 4.055(2)(a)(1).

24 14. As to certificate P020 and license RP020, Respondent IPL violated NCCR
25 6.095(1)(e)(3) and 4.055(1)(a)(10) by failing to maintain hand washing facilities that are
26 accessible and conveniently located. Specifically, as set forth in Paragraph 8, above, there
27 was a sink located outside the production room that was used by the entire facility staff. It
28 was not conveniently located or reasonably accessible, as required. This is a second

1 Category IV violation, which carries a civil penalty of not more than \$10,000 and/or a
2 suspension of not more than 7 days. NCCR 4.055(2)(a)(2).

3 15. As to certificate P020 and license RP020, Respondent IPL violated NCCR
4 9.050(1)(c) and 4.060(1)(a)(6) by failing to maintain the required minimum hot water
5 temperature at its three compartment sink, as set forth in Paragraph 9, above. This is a
6 Category V violation, which carries the penalty of a written warning. NCCR 4.060(2)(a)(1).

7 16. As to certificate P020 and license RP020, Respondent IPL violated NCCR
8 10.055(1) and 4.060(1)(a)(6) by failing to maintain interior surfaces that are smooth and
9 easily cleanable, as set forth in Paragraph 10, above. This is a second Category V violation,
10 which carries a civil penalty of not more than \$2,500. NCCR 4.060(2)(a)(2).

11 DISCIPLINE AUTHORIZED

12 Pursuant to the provisions of NRS 678A.600, NCCR 4.020, 4.030, 4.035 through
13 4.060, and 5.100, the CCB has the discretion to impose the following disciplinary actions:

- 14 1. Suspend the production certificate and license of IPL;
- 15 2. Impose a civil penalty of not more than \$90,000 for each separate violation of
16 NRS Title 56 and the NCCR on the production certificate and license of IPL; and
- 17 3. Take such other disciplinary action as the CCB deems appropriate.

18 The CCB may order one or any combination of the discipline described above.

19 RELIEF REQUESTED

20 Based on the foregoing, counsel for the CCB respectfully requests the CCB impose
21 the penalty of a 20 day suspension, civil penalties against IPL in the amount of \$42,500,
22 and a written warning regarding IPL's first Category V violation, for P020 and RP020.

23 NOTICE TO RESPONDENT

24 **PLEASE TAKE NOTICE**, that Respondent has a right to request a hearing on the
25 charges set forth herein, pursuant to NRS 678A.510 through 678A.590. **Failure to**
26 **demand a hearing constitutes a waiver of the right to a hearing and to judicial**
27 **review of any decision or order of the Board, but the Board may order a hearing**
28 **even if the respondent so waives his or her right.** NRS 678A.520(2)(e).

1 **PLEASE TAKE NOTICE**, you, as the Respondent, **must answer this Complaint**
2 **within 20 days after service of this Complaint**, unless granted an extension. Pursuant
3 to NRS 678A.520(2), in the answer Respondent:

4 (a) Must state in short and plain terms the defenses to each claim asserted.

5 (b) Must admit or deny the facts alleged in the complaint.

6 (c) Must state which allegations the respondent is without knowledge or information
7 form a belief as to their truth. Such allegations shall be deemed denied.

8 (d) Must affirmatively set forth any matter which constitutes an avoidance or
9 affirmative defense.

10 (e) May demand a hearing. **Failure to demand a hearing constitutes a waiver**
11 **of the right to a hearing and to judicial review of any decision or order of**
12 **the Board**, but the Board may order a hearing even if the respondent so waives his
13 or her right.

14 **Failure to answer or to appear at the hearing constitutes an admission by**
15 **the respondent of all facts alleged in the Complaint. The Board may take action**
16 **based on such an admission and on other evidence without further notice to the**
17 **respondent.** NRS 678A.520(3).

18 The Board shall determine the time and place of the hearing as soon as is reasonably
19 practical after receiving the Respondent's answer. The Board may assign a hearing officer
20 to conduct the hearing under NCCR 2.070, 4.095, and 4.110. The Board or its assigned
21 hearing officer shall deliver or send by registered or certified mail a notice of hearing to all
22 parties at least 10 days before the hearing. The hearing must be held within 45 days after
23 receiving the respondent's answer unless an expedited hearing is determined to be
24 appropriate by the Board, in which event the hearing must be held as soon as practicable.
25 NRS 678A.520(4). The Chair of the Board or the assigned hearing officer may grant one or
26 more extensions to the 45-day requirement pursuant to the request of a party or an
27 agreement by both parties.

28

1 Respondent's Answer and Request for Hearing must be either: mailed via registered
2 mail, return receipt; or emailed to:

3 Tyler Klimas, Executive Director
4 Cannabis Compliance Board
5 555 E. Washington Avenue, Suite 4100
6 Las Vegas, Nevada 89101
7 tklimas@ccb.nv.gov

8 If served by email, Respondent must ensure that it receives an acknowledgement of receipt
9 email from CCB as proof of service.

10 As the Respondent, you are specifically informed that you have the right to appear
11 and be heard in your defense, either personally or through your counsel of choice at your
12 own expense. At the hearing, the CCB has the burden of proving the allegations in the
13 Complaint. The CCB will call witnesses and present evidence against you. You have the
14 right to respond and to present relevant evidence and argument on all issues involved. You
15 have the right to call and examine witnesses, introduce exhibits, and cross-examine
16 opposing witnesses on any matter relevant to the issues involved.

17 You have the right to request that the CCB issue subpoenas to compel witnesses to
18 testify and/or evidence to be offered on your behalf. In making this request, you may be
19 required to demonstrate the relevance of the witness's testimony and/or evidence.

20 If the Respondent does not wish to dispute the charges and allegations set forth
21 herein, within 30 days of the service of this Complaint, Respondent may pay the civil
22 penalties set forth above in the total amount of \$42,500, and discontinue its operations for
23 20 days during which its license is suspended, on notice to:

24 Tyler Klimas, Executive Director
25 Cannabis Compliance Board
26 555 E. Washington Avenue, Suite 4100
27 Las Vegas, Nevada 89101

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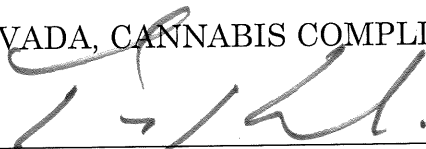
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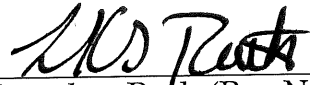
YOU ARE HEREBY ORDERED to immediately cease the activity described above
which is a violation of Nevada law.

DATED: August 31, 2021.

STATE OF NEVADA, CANNABIS COMPLIANCE BOARD

By: 
Tyler Klimas, Executive Director
555 E. Washington Avenue, Suite 4100
Las Vegas, Nevada 89101
(775) 687-6299

AARON D. FORD
Attorney General

By: 
L. Kristopher Rath (Bar No. 5749)
Senior Deputy Attorney General
Ashley A. Balducci (Bar No. 12687)
Senior Deputy Attorney General
555 E. Washington Ave, Suite 3900
Las Vegas, Nevada 89101
(702) 486-9287

Attorneys for the Cannabis Compliance Board

**DECLARATION AND CERTIFICATE OF SERVICE OF
COMPLAINT FOR DISCIPLINARY ACTION
(Service via Mail)**

I, Amber Virkler, hereby certify and affirm that:

1. I am over the age of 18 years old.
2. I am a Board Agent of the Cannabis Compliance Board ("CCB"), as defined in NCR 1.068.
3. Pursuant to NRS 678A.520 and NCCR 4.075, I have served the Respondent herein with the Complaint for Disciplinary Action ("Complaint") in the above captioned matter as follows:

By placing a true and correct copy of the Complaint to be deposited for mailing in the United States Mail in a sealed envelope via registered or certified mail, prepaid in Las Vegas, Nevada, to Respondent's point of contact with the CCB under NCCR 2.050 at Respondent's address on file with the Board as follow:

Name of point of contact served: Amanda Connor

Address on file with CCB: [REDACTED]

Date of Service: August 31, 2021

I declare under penalty of perjury that the foregoing is true and correct.

Executed on August 31, 2021
(date)


(signature)