

# Nevada Cannabis Compliance Board

## Emergency Meeting Minutes November 5, 2021

The Nevada Cannabis Compliance Board (CCB) held a via remote technology system Zoom on November 5, 2021, beginning at 11:30 a.m.

### **Cannabis Compliance Board Members Present:**

**Michael Douglas, Chair**  
**Dennis Neilander**  
**Jerrie Merritt**  
**Bryan Young**

**Tyler Klimas, Executive Director, called the meeting to order at 11:39 a.m. and took roll.** Chairman Michael Douglas, Member Neilander, Member Merritt, and Member Young (joined at 11:43 a.m.) were present via video connection.

#### **I. Public Comment**

There was no public comment.

#### **II. Consideration of Emergency Order of Summary Suspension Pursuant to NCCR 4.105 (for possible action)**

##### **A. The CCB will consider whether to issue an Emergency Order of Summary Suspension for Kindibles, LLC) (P007/RP007) pursuant to NCCR 4.105.**

Director Klimas indicated that Chief Kara Cronkhite would present to the Board. Chair Douglas stated that he had received the memorandum. Member Neilander and Member Merritt confirmed that they had also received it.

Chief Cronkhite provided an overview to the Board. On October 20, 2021, CCB Staff observed several issues at Kindibles' production facility. The numbers recorded in Metrc [the seed-to-sale tracking system] were lower than the amount that was physically observed onsite. After a review of the counts recorded by the laboratory when collecting a representative sample for testing, it was verified that the production facility adjusted the amounts of individual treats upwards after a single production run passed the required testing. This suggested that additional treats were added to the production run after testing, were not one consistent mixture, and were not all made at the same time as required. Each additional run of treats should be a new production run and undergo the required testing. Four products tested on June 28, 2021 were adjusted upwards on July 9, 2021 in Metrc by the following values: 10,560 individual treats, 18,603 individual treats, 8,865 individual treats, and 9,234 individual treats. Each individual treat added was potentially unsafe to consumers.

CCB agents were able to verify from the production log that batches were being produced over a period of weeks and then entered into Metrc as a single production run. There were 1,500 edibles at the facility that were not tracked in Metrc and could end up in the illicit market. All products with questionable production and testing methods were put on hold, but there were several products onsite that were not in Metrc and have the potential to be sold in the illicit market. The facility has sent a Metrc cleanup request that claimed 700 grams of distillate was physically missing from the facility. If the alleged missing 700 grams of distillate had been used to create additional treats, those should have been considered a new production run and undergone all required testing.

This presented an imminent risk to the public's health and safety for many reasons, including: sale of product that has not passed all required testing, production of edibles using distillate that was unable to be located in Metrc, possession of product not tracked in Metrc, facility's own documentation does not account for the cannabis products at the facility, and possible sale of product outside of Metrc.

Director Klimas noted that Member Young had joined the meeting. Chair Douglas asked if Member Young had received the memorandum. Member Young confirmed he had received and reviewed the documentation.

Chair Douglas asked CCB Counsel to outline the proposed violations. Senior Deputy Attorney General Ashley Balducci stated the alleged violations included violations of NCCR 6.100, NCCR 4.035(1)(a)(12), NCCR 4.040(1)(a)(10), NCCR 6.080(7), NCCR 4.050(1)(a)(3), NCCR 6.082(4), NCCR 4.050(1)(a)(22) and NCCR 4.050(1)(a)(13), and NCCR 4.105(2).

Chair Douglas asked if there were any questions from the Board regarding the memorandum or summary. There were no questions from the Board.

Member Neilander made a motion to approve the immediate suspension of the license based on the record and finding that the record demonstrates there is an emergency and threat to the public health and safety based on the actions of the licensee. Member Merritt seconded the motion. All Members present said aye. Motion carried.

Director Klimas stated that a public health and safety bulletin would be issued for the product remaining in dispensaries that had been placed on hold.

**III. Public Comment**

There was no public comment.

**IV. Adjournment**

Meeting adjourned at 11:53 a.m.