



# ADMINISTRATIVE REGULATIONS, PERFORMANCE STANDARDS AND CONDITIONS TO OPERATE A LICENSED MEDICAL MARIJUANA DISPENSARY IN MARYSVILLE



## I. Introduction

Marysville Municipal Code Chapter 5.10 requires the Cannabis Review Committee to establish and amend administrative regulations for the licensing of dispensaries, and authorizes the Cannabis Review Committee to set forth standards for operation of medical marijuana dispensaries.

The definitions set forth in Marysville Municipal Code Chapter 5.10 apply to the interpretation and understanding of these Administrative Regulations (“Regulations”).

## II. Compliance with State Law, Municipal Code and Regulations

The Dispensary shall meet all the operating criteria for the dispensing of medical marijuana, in compliance with State law, MCRSA including California Health and Safety Code Section 11362.7 *et seq.*, the Marysville Municipal Code, and the Cannabis Review Committee’s Regulations for the licensing and operation of Medical Marijuana Dispensaries.

The Dispensary shall comply with all applicable state and local laws, policies or regulations, including the Health and Safety Code, the City adopted Building Code, Plumbing Code, Electrical Code, Mechanical Code, Fire Code, and the Americans with Disabilities Act.

The Dispensary shall pay the Cannabis Business Tax as required pursuant to Section 5.12.020 of the Marysville Municipal Code.

The Dispensary shall comply with the Conditions of Approval and Cannabis Review Committee’s Administrative Regulations for Medical Marijuana Dispensaries, including any additions or revisions thereto.

Failure to comply with the Conditions of Approval, Cannabis Review Committee’s Administrative Regulations for Marijuana Medical Dispensaries, and all applicable local and state laws or regulations may result in the imposition of fines, and suspension or revocation of the Dispensary license after an administrative hearing. The Dispensary may also be subject to enforcement through the City’s nuisance abatement process and other administrative enforcement mechanisms, civil action, and criminal prosecution.

### **III. Licensing**

#### **A. Applications for License**

The Cannabis Review Committee shall be responsible for implementing a process for selection of qualified Dispensaries, and may set forth criteria to determine a Dispensary's qualifications to meet the City's ordinance, *regulations* and state law. In addition to the standards set forth in Marysville Municipal Code Chapter 5.10, the City of Marysville's Medical Marijuana Dispensary License Application Guidelines, and these Regulations, the Cannabis Review Committee or its designee may consider the history of applicant's operating experience in the City of Marysville during the review of his or her application for Marijuana Medical Dispensary License or the renewal thereof.

In applying for a dispensary license, the Dispensary shall pay the required regulatory fee, license application fees, use permit fee, and other processing fees annually in advance as mandated in Chapter 5.10 of the Marysville Municipal Code. Dispensary Licenses are valid for one (1) year from the date of issuance. License fee shall be due prior to the annual expiration of the license.

The Dispensary shall comply with any specific, additional administrative regulations, procedures and measures imposed as conditions of approval by the Cannabis Review Committee to ensure that the operation of the Dispensary is consistent with protection of the health, safety and welfare of the community and will not adversely affect surrounding uses. Additionally, any approved aspects of the Medical Marijuana Dispensary's License application shall be deemed to be incorporated into the Dispensary's License; failure to comply with the Business Plan and other aspects of the license may be grounds for revocation of the license.

#### **B. Renewal of Licenses**

Dispensary licenses must be renewed annually with the Community Development & Services Department. License holders shall contact the Community Development & Services office no later than thirty (30) days before the expiration of the current license to begin the renewal process. At that time, the Dispensary shall submit verification of the current Business Tax Certificate, audited financial statements for the previous license term, and any other requested financial documents or information as required by the Marysville Municipal Code or the Regulations. If the Dispensary is part of a multi-dispensary business or is included as part of a non-dispensary business for tax reporting purposes, the audited financial statements must be for the dispensary portion of the business.

As part of the annual renewal process, the Dispensary shall be inspected by the Building Inspector, Fire Marshall, or their designees. Violations of the Marysville Municipal Code shall be corrected within a reasonable time, as determined by the Building Inspector, Fire Marshal or his/her designee. The Dispensary shall provide proof to the Cannabis Review Committee that there are no outstanding violations of the Marysville Municipal Code.

### **C. Revocation**

Suspensions and revocations of licenses shall follow the procedures set forth in Marysville Municipal Code Section 5.10.070 and 5.10.180.

### **IV. Performance Standards**

A Dispensary shall operate in conformance with the following standards, and such standards shall be deemed to be conditions of approval on the Dispensary's License, to ensure that its operation is in compliance with California law, MCRSA, the Marysville Municipal Code, and to mitigate any potential adverse impacts of the Dispensary.

#### **A. Operations at the Dispensary**

1. The Dispensary shall provide the Cannabis Review Committee, and all neighbors located within fifty (50) feet of the premises with the name, phone number, and facsimile number of an on-site community relations staff person who shall be the responsible point of contact to whom notice can be provided if there are operating problems associated with the Dispensary. The Dispensary shall make a good faith effort to encourage neighbors to call the community relations staff person to try to solve operating problems, if any, before any calls or complaints are made to the Police Department.
2. The Dispensary shall only provide, distribute, dispense, give or transmit medical marijuana to qualified patients or primary caregivers.
3. Except for security guards only qualified patients and caregivers shall be allowed inside of the Dispensary, except that the City may approve short term limited duration visits from third parties with appropriate supervision and oversight from security and dispensary personnel. The City must be notified in advance and be informed as to who and why the third-party guests will be present and the measures that will be taken to prevent diversion. Examples of 3<sup>rd</sup> party guests who may be approved include contractors hired for verifiable construction, or other work, and government officials.
4. The Dispensary may only dispense, store, or transport marijuana in aggregate amounts tied to its membership numbers. The dispensary may possess no more than eight (8) ounces of dried marijuana per qualified patient or caregiver, and maintain no more than six (6) mature and twelve (12) immature marijuana plants per qualified patient. However, if a qualified patient or primary caregiver has a doctor's recommendation that the above quantity does not meet the qualified patient's needs, the qualified patient or primary caregiver may possess an amount of marijuana consistent with the patient's needs. For purposes of determining the quantity of marijuana, only the dried mature processed flowers of female cannabis plants or the plants conversion shall be considered.

5. The maximum operating hours for the Dispensary shall be as follows: 6:00 am to 10:00 pm daily. The Dispensary is prohibited from operating between the hours of 10:01 p.m. and 5:59 a.m., except that patients who have entered the premises prior to closing time may complete their transactions, but must be escorted out of premises immediately upon completion of transaction.
6. Dispensaries are encouraged to disclose the percentage level of delta-9 (trans) tetrahydrocannabinol, cannabidiol, and cannabinol in medical marijuana to qualified patients at all times. In addition, the Dispensary must comply with MCRSA packaging, labeling requirements and dosage amounts.
7. Dispensaries shall follow the direction of the Cannabis Review Committee or their designee regarding any medical marijuana found to be non-compliant with testing standards. These instructions may extend to any medical marijuana found to be unsafe based on such testing results, or to the Dispensary's operations and practices generally.
8. Representative samples of medical marijuana distributed by the collective shall be analyzed by an independent laboratory to ensure it is free of harmful contaminants regulated by local, state or federal regulatory statutory standards. Any medical marijuana from which the representative sample tested positive for a harmful contaminant at a level which exceeds the local, state or federal regulatory or statutory standards shall be destroyed forthwith.
9. Any medical marijuana provided to collective members shall be properly labeled in strict compliance with state and local laws, regulations and policies.
10. The Dispensary shall not allow cannabis to be smoked, ingested or otherwise consumed on the premises. The term premise include the dispensary building, as well as any accessory structures, parking areas, or other immediately surrounding areas.
11. The Dispensary shall not hold or maintain a license from the State Department of Alcoholic Beverage Control to sell alcoholic beverages, or operate a business that sells alcoholic beverages.
12. The Dispensary shall post a copy of the Business Tax Certificate issued by the Finance Department and a copy of the Medical Marijuana Dispensary License issued by the Cannabis Review Committee in a conspicuous place on the premises.
13. Dispensaries that sell edible marijuana products must do so in compliance with all state and local laws, regulations and policies including any requirements of the California Department of Public Health.
14. Dispensaries that sell manufactured edible medical marijuana products, including but not limited to drinks, infused water, cookies, candy or brownies, shall sell the edible products for the sole consumption by qualified patient members in compliance with all applicable state and local laws, regulations and policies including any requirements of the California Department of Public Health.

15. All employees responsible for the handling, processing, dispensing, providing and/or cultivation of marijuana must be members of the Dispensary. Any person who seeks employment in a Medical Marijuana Dispensary shall submit an application to the Chief of Police for a work permit prior to entering into such employment. The application shall be submitted on forms supplied by the Chief of Police and shall include, but not be limited to, the true name, address and description of the applicant, the name and address of the applicant's employer and the position the applicant holds. The application shall be accompanied by the fingerprints of the applicant in cases where the applicant's fingerprints are not already on file at the police department.

The Chief of Police may deny, revoke, suspend or decline to such applicant a work permit if the applicant has been convicted of a felony or any offense involving gambling, narcotics, use of force or violence, theft, embezzlement or any other offense involving moral turpitude.

Furthermore, the Chief of Police may deny, revoke, suspend or decline such permit if, based upon investigation into the background of the applicant, the Chief of Police determines that the applicant is of poor moral character and is not likely to carry on in a lawful manner the activities for which the work permit is required or if the applicant has deliberately given false answers to questions contained in the application submitted. No person shall work in a medical marijuana dispensary in the city and no medical marijuana dispensary shall employ any person after the Chief of Police has denied his or her application for a work permit.

Thirty days prior to the expiration date of a currently valid medical marijuana dispensary work permit, the permittee shall apply for the renewal of said permit. The Chief of Police may grant such renewal provided he finds that all facts set forth in the renewal application are substantially the same as on the original application and the permittee has not violated any provisions of this chapter or the Chief of Police may deny such renewal pursuant to Marysville Municipal code section 5.10.170.

## **B. Records**

16. The Dispensary shall maintain records of its members using the State of California Medical Marijuana Identification Card number issued by the county or the County's designee, pursuant to California Health and Safety Code Section 11362.7 *et seq.*, or a doctor's written recommendation. The Dispensary shall track when Members' medical marijuana recommendation and/or identification cards expire and enforce conditions of membership by excluding members whose identification card or recommendation are invalid or have expired. Additionally, the Dispensary shall exclude members who are caught diverting marijuana for non-medical use. All membership records shall be available for inspection by the City or the City's designee given 24 hours notice.

17. The Dispensary shall, by using the patient or caregiver's identification number, keep an accurate account of the number of members that visit the Dispensary each month, and for the entire license year.

18. Within thirty (30) days of the end of the calendar quarter, the Dispensary shall provide the Cannabis Review Committee a count of the total number of members of the Dispensary and the number of Dispensary visits during the previous calendar quarter.

19. Within thirty (30) days of the end of the calendar quarter, the Dispensary shall provide the Cannabis Review Committee a listing of the medical marijuana products for sale during the previous calendar quarter, the prices of such products, and the end of quarter quantity on hand, listed in the applicable units, for each product. This process may also be modified by a quarterly inspection from the City or its designee in-lieu of this requirement.

20. The Dispensary must maintain a point of sale system, approved by the Cannabis Review Committee, which, at minimum, keeps accurate records, follows accepted cash handling practices and maintains a general ledger of cash transactions. Additionally, a Dispensary shall maintain records of all member contributions of labor or other resources made to the Dispensary.

21. The Dispensary shall allow the Cannabis Review Committee or their designee to access the books, records, accounts and all data relevant to its operations for purposes of conducting an audit or examination to determine compliance with the Marysville Municipal Code, MCRSA, and all other state and local laws, regulations and policies. Books, records, accounts and all relevant data shall be produced no later than twenty-four (24) hours after receipt of the Cannabis Review Committee's request.

22. The Dispensary shall maintain a log of patient complaints and shall make the log available to the Cannabis Review Committee upon request. The log shall contain at a minimum the date of the complaint, the complaining patient's identification number or reference to his/her written recommendation, the nature of the complaint, and the action taken by the Dispensary to address the complaint.

### **C. Facilities**

23. The Dispensary must adhere to all zoning and separation requirements enumerated in Marysville Municipal Code Section 18.67.030.

24. The Dispensary shall not license any breach of peace inside of the dispensary or any disturbance of public order or decorum by any tumultuous, riotous or disorderly conduct.

25. The Dispensary shall be designed with sufficient sound absorbing insulation so that the noise generated inside the Dispensary is not audible on the premises, beyond that of normal commercial offices, or public rights-of-way, or any other building or other separate unit within the same building as the Dispensary.

26. The Dispensary shall be designed to provide sufficient odor absorbing ventilation and exhaust system so that any odor generated inside the Dispensary is not detected outside the building, on adjacent properties or public rights-of-way, or within any other unit located within the same building as the Dispensary, if the use only occupies a portion of a building.

27. The dispensary shall provide litter removal services twice each operating day on and in front of the premises and, if necessary, on public sidewalks within one hundred feet (100') of the Dispensary.

#### **D. Security**

28. Security cameras shall be installed and maintained in good working condition, and the camera and recording system must adhere to all requirements enumerated in Marysville Municipal Code Section 5.10.200 (l).

29. The Dispensary shall be equipped with, and the operators of such dispensaries shall maintain in working order at all times, a centrally monitored burglary/robbery alarm system which is monitored by an alarm company properly licensed by the State of California Department of Consumer Affairs Bureau of Security and Investigative Services in accordance with California Business & Professions Code § 7590 *et seq.* and whose agents are properly licensed and registered under applicable law. At minimum, the alarm system must include door contacts, glass break detectors, exterior bells, motion detectors, fire detectors, and carbon monoxide detectors.

30. The Dispensary shall provide on-site security guards duly licensed by the State of California, Department of Consumer Affairs. Each security guard shall possess a "Security Guard Card" at all times. On-site security must adhere to all requirements enumerated in Marysville Municipal Code Section 5.10.200 (c).

31. Among other things, Security guards shall be responsible for ensuring compliance with all subsections of Chapter 5.10.200 of the Marysville Municipal Code.

32. The Dispensary shall direct its security guards to monitor the outside of the premises for loitering and unlawful sale of medical marijuana by members. Further, those security persons shall be directed to report to the Dispensary all unlawful sales of medical marijuana by members. The Dispensary shall immediately cease providing medical marijuana to the reported member, and make a report within twenty-four (24) hours to the issuing County Health Department or the doctor that issued the medical marijuana recommendation for the member. If the patient is cleared by the County Health Department, or its agent, the dispensary may resume providing medical marijuana to the patient or caregiver. The dispensary shall keep a record of all incidents where members unlawfully provide medical marijuana to non-members. Additionally, the dispensary shall inform patients and caregivers about this condition and remind them that it is unlawful for them to sell medical marijuana.

33. Windows and roof hatches at the property shall be secured to prevent unauthorized entry and also equipped with latches that may be released quickly from the inside to allow exit in the event of an emergency.

34. The Dispensary shall maintain adequate exterior lighting in the parking areas, in compliance with Marysville Municipal Code 5.10.200 (m) and approved dispensary security plan, to help provide safety for qualified patients, primary caregivers, and employees.

## **E. Signage**

35. That exterior signage for the dispensary shall be approved by the planning department in the zoning clearance and conditional use permit issued to the establishment and in compliance with Marysville Municipal Codes 5.10 and 18.67.040.

36. The dispensary shall, license post, and thereafter maintain signs inside the Dispensary where they may be easily read by members. Each sign shall be white with black lettering, and shall comply with the following regulations regarding text, size and content:

Sign 1: Font size at least 1 inch; Overall size at least 18" by 33"

### **PATIENT NOTICE**

1. YOU HAVE THE RIGHT TO HAVE YOUR PRODUCT REWEIGHED AND SUPPLEMENTED IF IT IS UNDER THE STATED WEIGHT AT THE TIME OF PURCHASE.

2. IF YOU DO NOT HAVE A VALID STATE OF CALIFORNIA IDENTIFICATION CARD ISSUED BY A COUNTY HEALTH DEPARTMENT OR A VALID PATIENT ID CENTER CARD, THIS DISPENSARY MUST CONFIRM YOUR MEDICAL NEED FOR CANNABIS. IF YOU HAVE A VALID IDENTIFICATION CARD, YOU SHOULD NOT BE ASKED FOR ADDITIONAL INFORMATION.

Sign 2: Font size at least 1 inch

TO REGISTER COMPLAINTS OR COMPLIMENTS ABOUT THIS DISPENSARY, CONTACT: THE CITY OF MARYSVILLE 530-749-3900.

Sign 3: Font size at least 1 inch

THE DIVERSION OF CANNABIS FOR NONMEDICAL PURPOSES IS A VIOLATION OF STATE AND LOCAL LAW.

Sign 4: Font size at least 1 inch

THE USE OF CANNABIS MAY IMPAIR A PERSON'S ABILITY TO DRIVE A MOTOR VEHICLE OR OPERATE HEAVY MACHINERY.

Sign 5: Font size at least 1 inch

LOITERING AT THE LOCATION OF A MEDICAL MARIJUANA DISPENSARY FOR AN ILLEGAL PURPOSE IS PROHIBITED BY CALIFORNIA PENAL CODE SECTION 647(h) and Marysville Municipal Code Chapter 5.32.

Sign 6: Font size at least 1 inch

THIS MEDICAL MARIJUANA DISPENSARY HAS RECEIVED A LICENSE TO OPERATE FROM THE CITY OF MARYSVILLE.

Sign 7: Font size at least 1 inch

PERSONS UNDER THE AGE OF 18 ARE PRECLUDED FROM ENTERING THE PREMISES UNLESS THEY ARE A QUALIFIED PATIENT OR A PRIMARY CAREGIVER, AND THEY ARE IN THE PRESENCE OF THEIR PARENT OR GUARDIAN.

Sign 8: Font size at least 1 inch

SMOKING, INGESTING OR CONSUMING MARIJUANA ON THE PREMISES OR IN THE VICINITY OF THE DISPENSARY IS PROHIBITED.

#### **F. Labor & Employment Practices**

38. Dispensary must provide incentive and opportunities for continuing education and training of their employees. Dispensary shall provide proof of their policy and regulations. The City reserves the right to review employee policies and procedures and to audit their employee records to determine how many employees have participated in education and training programs as well as what programs are being offered and how employees are being compensated to assure that the Dispensary is complying with this condition.

39. Dispensary must provide a good faith effort to employ a staff comprised of Marysville or Yuba County residents, and hire from Marysville or Yuba County training and employment development centers to the degree indicated in its approved dispensary application. Dispensary may fall below percentage required only if it can show a good faith effort to hire local Marysville or Yuba County residents and either due to lack of qualifications or disqualification based on background a sufficient pool of candidates could not be established of such residents.

40. Dispensary must, at all times, adhere to no less than the salary range that was identified and approved in their Application for a Medical Marijuana Dispensary. Wage scale should be provided in writing for all levels of employment at the facility.

41. Dispensary must provide Equal Benefits and sign Declaration of Non-Discrimination.

#### **G. Community Benefits**

42. Dispensary is required to operate as a not for profit until no longer required by state law. However, within one year of operation, the Dispensary must leverage its not-for-profit status to provide funding to organizations whose work matches the Dispensary's philanthropic agendas and which benefit the City of Marysville. The Dispensary will identify which organizations or projects in the community it will aid or fund as it has identified both in writing and orally as part of the selection process.

**V. Effective Date of Regulations and Changes**

Any amendments to the regulations shall take effect immediately, and compliance with current regulations shall be required for all new license applicants.

All dispensaries impacted by a change in the state Regulations, including but not limited to, any change to existing regulations or the addition of a new regulation, shall comply with the changed or new regulation within sixty (60) days of the effective date of the regulation, unless a longer time is approved in advance in writing by the Cannabis Review Committee.

***DISCLOSURE: THE CULTIVATION, POSSESSION, DISTRIBUTION AND SALE OF ANY TYPE OF MARIJUANA, INCLUDING MEDICAL MARIJUANA, IS PROHIBITED UNDER FEDERAL LAW.***

***A DISPENSARY LICENSE ISSUED BY THE CITY OF MARYSVILLE DOES NOT PROVIDE ANY IMMUNITIES OR DEFENSES TO STATE AND FEDERAL PROSECUTION OR ENFORCEMENT ACTIONS AGAINST DISPENSARY LICENSEES, THEIR CULTIVATORS, LANDLORDS OR OTHER PARTIES INVOLVED IN MEDICAL MARIJUANA ACTIVITY. THUS, THE LICENSE SHOULD NOT BE RELIED UPON AS PROVIDING ANY IMMUNITIES OR DEFENSES FROM SUCH PROSECUTION OR ENFORCEMENT ACTION.***

***The licensee agrees to indemnify and save harmless the City of Marysville, its officers, agents, employees and volunteers, and each of them, from any suits, claims, or actions brought by any person or persons, corporations, government agencies or other entities because any activities associated with this license such as but not limited to medical marijuana distribution, cultivation or transportation.***

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Marti Brown  
Marysville City Manager

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Date

\_\_\_\_\_  
Christian S. Sachs  
Marysville Chief of Police

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Date

\_\_\_\_\_  
Jim Bermudez  
Marysville Community Services & Development Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Ron Karlen  
Marysville Fire Chief

\_\_\_\_\_  
Date

\_\_\_\_\_  
Licensee

\_\_\_\_\_  
Date