ASHA PHARMACEUTICALS, INC.

CANNABIS MANUFACTURING

REVISED PROJECT DESCRIPTION AND OPERATIONS PLAN

Updated May 27, 2020

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PROJECT DESCRIPTION

PROJECT DESCRIPTION

Prepared by:

ASHA PHARMACEUTICALS, INC.
14505 Catalina Street
San Leandro, CA 94577

Prepared for:

City of San Leandro Community Development Department
835 East 14th Street
San Leandro, CA 94577

Updated May 27, 2020

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1.0 INTRODUCTION

ASHA Pharmaceuticals, Inc. (ASHA) has prepared this Project Description for a cannabis manufacturing facility located at 14505 and 14509 Catalina Street, San Leandro, California 94577 (Project Site). ASHA proposes to manufacture non-volatile cannabis products for medicinal and adult use. ASHA had previously proposed volatile manufacturing as part of the proposed cannabis activities. However, volatile manufacturing has been removed from the proposed cannabis activities due to health and safety concerns expressed by the neighbors and the public. ASHA is committed to the safety of the public and its employees, and while it is believed that volatile manufacturing can be conducted in a safe environment with the proper engineering and administrative controls, ASHA has determined that it is in the best interest of the public to remove these activities from the operations.

This Project Description has been prepared for the purposes of obtaining a Conditional Use Permit (CUP) from the City of San Leandro Community Development Department (City). The following document describes the existing site characteristics, proposed project, and proposed tenant improvements. Additionally, ASHA has prepared a site and floor plan, operations plan, traffic analysis, and noise study as part of this CUP application.

1.1 EXISTING SITE CHARACTERISTICS

The Assessor Parcel Numbers are 80G-933-34 (Unit H) and 80G-933-36 (Unit J). The two units were combined into one distinct facility under Permit #2008-01663; however, in talking with County Building Staff, these units were not recorded and so ASHA will separate the Units as described below. The Project Site is approximately 4,720 square feet and is part of a larger building that is approximately 21,700 square feet. The Project Site is located on a 78,875 square foot lot that is nearly level. Access to the Project Site is provided by Catalina Street, which connects to Farallon Drive. The Project Site is zoned Industrial Park and is in the Light Industrial land use category. The Project Site is in City Council District 6. Figure 1 below shows the Project Site in relationship to the surrounding area. Additionally, photographs of the Project Site can be seen in Attachment A – Site Photographs.

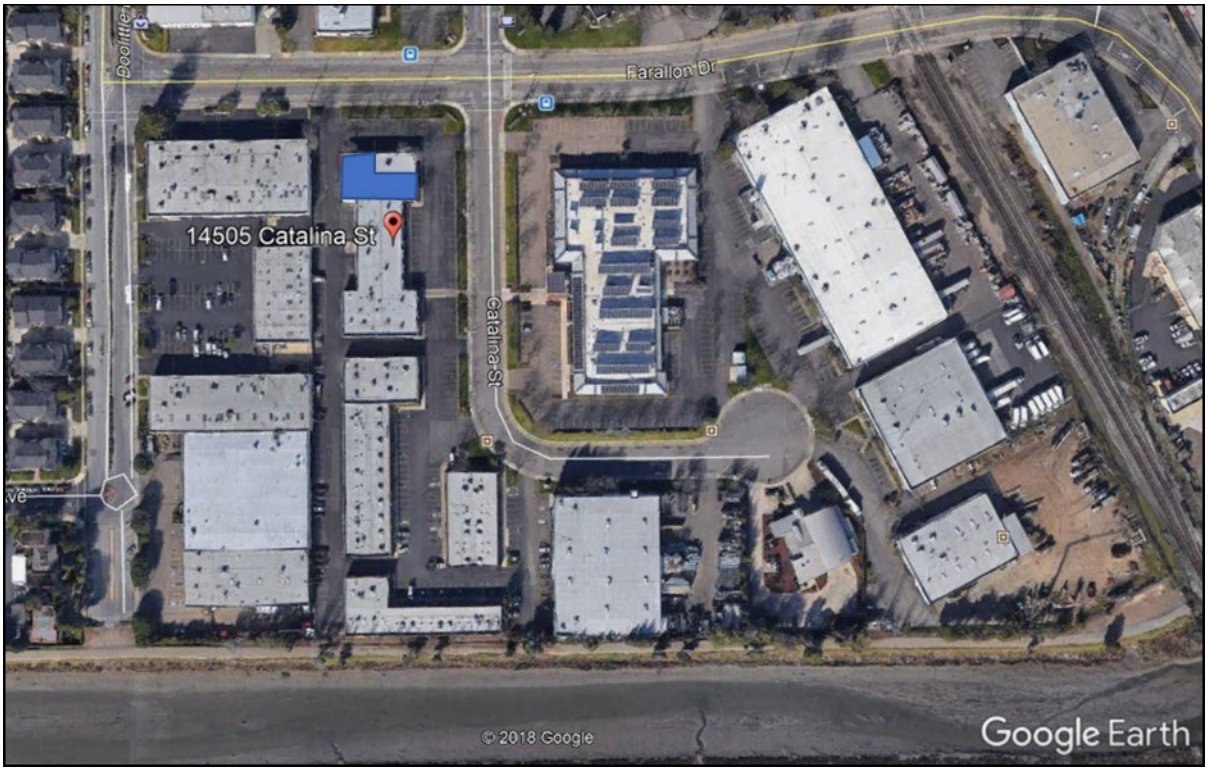

Figure 1. 14505 Catalina Street, San Leandro, California 94577 (Google Earth, 2018).

The Project Site was previously occupied by a research and development company for food manufacturing. The remaining portion of the building is used as office space. The Project Site is separated from other uses by walls. There are no shared uses or common areas within the building. The Project Site has landscaping consisting of grass, trees, and shrubs. There are 93 parking spaces including seven accessible standard parking spaces and one accessible van parking space. There is also one bicycle parking rack.

Surrounding land uses include industrial operations, manufacturing, and warehousing. Approximately 675 feet to the south is the Estudillo Canal, a flood control canal. Approximately 380 feet to the west is medium density residential located along Doolittle Drive. The Project Site is buffered from the canal and residential areas by existing industrial buildings.

The Project Site has several existing heating, ventilation and air conditioning (HVAC) systems located on the roof of the building. Additionally, there are existing exhaust fans and ventilation ports located on the roof. There is an existing parapet wall on the roof that screens mechanical equipment from view of surrounding streets and properties. The exterior of the building also has existing lighting. The interior of the building has existing fire sprinklers installed in compliance with California Fire Code Regulations.

Electricity and gas are provided by Pacific Gas and Electric Company. Water is provided by East Bay Municipal Utility District. The sewer is maintained by the City of San Leandro Public Works Department. Trash is serviced by Waste Management or Alameda County Industries.

The City of San Leandro Police Department is located approximately 2.5 miles to the northeast. The nearest fire station is Alameda County Fire Station No. 11, located approximately 700 feet to the southeast. The nearest school is James Madison Elementary School, located approximately 2,800 feet to the east. There are no sensitive receptors near the Project Site.

1.2 CORRESPONDENCE RECEIVED

ASHA has talked with the Catalina Business Park Owner's Association (Association) and has received a letter stating the Association approves ASHA's proposed business plan and tenant improvements. Additionally, ASHA talked with neighboring businesses that share a wall. The results of the discussions are detailed below:

1. **Gaming Funding Group (14507 Catalina St.)** I spoke with Compliance Officer, Jade Jaeckle, in person on January 6, 2020 and she informed me that her company was moving, so they are closing down by the end of the month and the space will be empty.

2. **3H Com, LLC (14511 Catalina St.)** I spoke with Hoan Hoang, Owner on February 10, 2020, over the phone and explained the nature of our business, what we planned to manufacture, security plans, number of employees, etc. and Mr. Hoang stated that he has no issues with it. I gave him our contact info in case he has any questions and he wished us the best of luck. Since the date of this communication, Mr. Hoang signed a letter prepared by David Grodin. The letter expressed concern about odors, increased insurance rates, the use of volatile chemicals, and potential crime. This letter was submitted to the Planning Commission as part of the scheduled hearing April 7, 2020. ASHA personnel are continuing to have dialogue with the neighbors to address their concerns. Additionally, ASHA has removed the volatile manufacturing component of the proposed operations.

3. **Grodin Financial and Insurance Services.** As stated above, Mr. David Grodin submitted a letter to the Planning Commission as part of the scheduled hearing April 7, 2020. The letter expressed neighbor

concerns, such as odors, increased insurance rates, and potential increase in crime. . ASHA personnel are continuing to have dialogue with the neighbors to address their concerns.

1.3 PROPOSED PROJECT

Manufacturing operations will be conducted in two phases. Phase 1 will be implemented following project approval. Phase 1 includes the manufacturing of non-volatile and infused cannabis products. Phase 2 will be implemented approximately one year from the start of operations associated with Phase 1. Phase 2 implementation includes non-volatile manufacturing and infused cannabis products (e.g. edibles). Phasing the project allows ASHA time to structure their operations in a manner that promotes operational efficiency and financial stability in an evolving cannabis industry.

Phase 1 implementation includes the manufacturing of non-volatile cannabis products. Non-volatile manufacturing will include the following:

1. Pre-rolled joints and infused pre-roll joints - Pre-rolled joints are created by grinding the cannabis flower and/or trim and filling the material into already made rolling papers. In addition, the pre-rolled joints can be infused with additional cannabis extracts, such as cannabis oil.
2. Moon Rocks - Moon rocks are created by taking cannabis flowers and infusing them with cannabis oil or other extracts such as rosin or kief, as discussed below.
3. Filling vape cartridges with cannabis oil - This process involves filling cartridges with distillate or other cannabis oil. Distillate or other cannabis oils will be procured from a licensed distributor. Additionally, the oil can be infused with terpenes to enhance the oil and create different flavor profiles.
4. Dry sift, also known as “kief” - Kief is created through mechanical means in which the raw cannabis material (i.e. flower or trim) is mechanically tumbled in a drum with a micron screen. The trichomes, or resinous heads on the cannabis flower and trim, pass through the micron screen. The process of making kief does not use solvents or chemicals. Kief can be further processed into rosin, as discussed below.
5. Manufacturing of rosin - Rosin is a process that uses high pressure and low temperatures to extract a resinous sap from either cannabis flower, dry sift, or ice-water hash. If used, ice-water hash will be procured from a licensed distributor. The process of making rosin does not use solvents or chemicals.

Phase 2 implementation includes the manufacturing of edibles (i.e. non-volatile manufacturing), which includes the following:

1. Edibles - Edible manufacturing will include extraction of cannabinoids using oil and butter. The oil and butter will then be used to make edible products, such as gummies and cookies.

All cannabis products will be manufactured in compliance with the requirements set forth by the California Department of Public Health (CDPH), Manufactured Cannabis Safety Branch. Manufacturing activities are discussed further in the Operations Plan submitted with this CUP application.

1.3.1 FACILITY LAYOUT

The Project Site occupies approximately 4,720 square feet of an approximately 21,700 square foot building. The Phase 1 design layout includes the following:

1. 1,082 square feet for non-volatile manufacturing operations;
2. 442 square feet for raw cannabis storage;

3. 108 square feet for post process product storage;
4. 628 square feet of ancillary storage;
5. 226 square feet of shipping and receiving area;
6. 108 square feet to serve as a vault and security surveillance storage room;
7. 1,600 square feet for general office space, including a conference room, employee breakroom, and lobby entrance; and
8. 3 restrooms and one shower stall occupying 279 square

   feet. The Phase 2 design layout includes the following:
9. 1,082 square feet for non-volatile manufacturing operations, including post processing;
10. 442 square feet for raw cannabis storage;
11. 243 square feet for edible manufacturing;
12. 261 square feet of post process storage;
13. 126 square feet for a walk-in freezer;
14. 628 square feet of ancillary storage;
15. 226 square feet of shipping and receiving area;
16. 108 square feet to serve as a vault and security surveillance storage room;
17. 1600 square feet for general office space, including a conference room, employee breakroom, and lobby entrance; and
18. 3 restrooms and one shower stall occupying 279 square feet.

The layout of the Project Site and proposed uses can be seen on the site and floor plan submitted with this CUP application.

1.3.2 TENANT IMPROVEMENTS

As part of Phase 1 implementation, ASHA proposes the following tenant improvements:

1. Construction of a fire rated wall to separate the two parcels – Units H and J.
2. Installation of security cameras.
3. Paint existing roof top mounted HVAC condenser units to match the trim of the building.
4. Relocate one ADA parking space.
5. Installation of odor control equipment, including exhaust ducting. ASHA will utilize existing ventilation ports as necessary.
6. Installation of furniture and equipment used in the manufacturing process, such as chest freezers and equipment to produce kief, dry sift and pre-roll joints. The furniture and equipment will be portable and will not be anchored to the ground or any portion of the building.

As part of Phase 2 implementation, ASHA proposes the following interior tenant improvements:

1. Installation of plumbing and sink in the employee break room, which will be relocated.
2. Installation of a walk-in freezer. The location of the walk-in freezer will occupy a space that was used by the previous tenant for a walk-in freezer. This space has existing electrical to supply power to the walk-in freezer.

3. Installation of a gas range stove and portable oven. The location of the gas range stove and portable oven is in an area used by the previous tenant for cooking and baking. ASHA will use existing gas and electrical connections.
4. No new utilities are proposed as part of the project, and no work is proposed within the public right of way; therefore, an encroachment permit is not required.

1.3.3 HOURS OF OPERATION

ASHA's proposed hours of operation will be from 9 a.m. to 6 p.m., Monday through Sunday, for all activities occurring onsite. Employees will work in single shifts.

1.3.4 STAFFING

ASHA will have up to 10 employees during Phase 1 implementation. Employees will work in a single shift. Following Phase 2 implementation, ASHA estimates having up to 16 employees.

1.3.5 PARKING AND LANDSCAPING

The Project Site has adequate parking and accessible parking to accommodate the proposed manufacturing use and other existing uses on the property. 62 parking spaces would be required if the entire 21,700 square foot building were used as office space. However, there are 92 parking spaces for the property. Additionally, a maximum of four accessible parking spaces would be required for the entire property. The property has seven accessible parking spaces and one accessible van parking space.

The entire property has approximately 9,790 square feet of landscaping. Based on the lot size of 78,875 square feet, only 7,887 square feet of landscaping is required. The lot has approximately 12.4 percent landscaping; therefore, additional landscaping is not required.

The entire property has approximately 9,790 square feet of landscaping. Based on the lot size of 78,875 square feet, only 7,887 square feet of landscaping is required. The lot has approximately 12.4 percent landscaping; therefore, additional landscaping is not required.

1.3.6 ELECTRICITY AND WATER USE

Electricity will be used primarily for cannabis storage (i.e. freezers), lighting, manufacturing equipment, and HVAC systems. ASHA estimates annual electricity use to be approximately 56,000-kilowatt hours per year upon implementation of Phase 2. This estimate is based on the California Energy Commission's high-end use for industrial facilities in the Year 2020 (California Energy Commission, 2012). To minimize electricity use, ASHA will implement the following:

1. use energy efficient lighting fixtures for normal business operations;
2. use energy efficient mechanical equipment, such as air conditioning units and freezers; and
3. turn off equipment when not in use.

Water will be used for typical business operations, such as normal restroom uses and washing of equipment. Estimated daily water demand upon implementation of Phase 2 is approximately 170 gallons per day, or 62,050 gallons (0.19-acre feet) per year. This estimate is based on the number of employees, average restroom use, and estimated water for washing equipment. This estimate is also supported by the Bonneville Environmental Foundations water demand calculator for manufacturing/industrial operations and office use (Bonneville, 2019). To minimize water use, ASHA will ensure that low flow toilets and sink aerators are installed in restroom facilities per California Building Code requirements.

1.3.7 SIGNAGE

ASHA does not propose any signs other than security signs stating the Project Site is being monitored by an alarm system and video surveillance.

1.3.8 ODOR CONTROL

ASHA will implement odor control systems throughout the facility. Odor control will include engineering and administrative controls to ensure odors are not detected outside the building or in adjacent office areas. Odor management is discussed in Section 4.0 of ASHA's Operations Plans submitted with this CUP application.

1.3.9 SECURITY

ASHA will implement security measures consistent with CDPH requirements for manufacturing facilities. Security measures include physical measures, alarm systems, video surveillance, and operational measures to ensure the safety of employees and the public. Security measures are discussed further in Section 5.0 of ASHA's Operations Plan submitted with this CUP application.

1.3.10 WASTE

ASHA will manage cannabis waste, solid and recycling waste, and universal waste in compliance with local, state, and federal regulations. All cannabis waste will be stored onsite in locked containers and will be disposed of at a licensed disposal facility. Solid waste will be picked up on a weekly basis by the licensed waste hauler contracted to pick up waste in the City of San Leandro. Waste management is discussed further in Section 6.0 of ASHA's Operations Plan submitted with this CUP application.

1.3.11 INVENTORY MANAGEMENT

ASHA will track and trace incoming cannabis and manufactured cannabis products in compliance with California Cannabis Track and Trace Metrc system requirements. All manufactured cannabis products will follow CDPH protocol for batch production management and quality assurance.

1.3.12 TRAFFIC ANALYSIS

A traffic analysis was performed by Hexagon Transportation Consultants (letter dated May 31, 2019). The analysis concluded that the proposed project would not cause an increase in traffic and that further analysis was not required. Hexagon's traffic analysis has been submitted with this CUP application.

1.3.13 NOISE STUDY

A noise study was performed by Charles M. Salter Associates (letter dated June 19, 2019). The noise study concluded that based on the proposed equipment, noise levels would be consistent with the City of San Leandro's noise standards, and that interior noise would not exceed OSHA thresholds requiring worker hearing protection. The noise analysis has been submitted with this CUP application.

1.3.14 CITY OF SAN LEANDRO COMPLIANCE

The Project Site is in an industrial park, which cannabis manufacturing is an allowed use with approval of a CUP. The project will not create new structures or development that is out of character with the surrounding industrial uses. The Project Site is not located adjacent to residential uses or sensitive receptors. The project complies with all parking, landscaping, and mechanical screening requirements.

Non-volatile manufacturing activities will not use any chemicals or solvents. All non-volatile manufacturing activities will be conducted using safe practices, best available control technology, and equipment that is engineered with safety controls in compliance with agency regulations and California

Building Code requirements. All waste will be managed in accordance with local, state, and federal regulations.

The project will implement engineering and administrative control to manage odors in a manner that will not cause a nuisance to surrounding properties. A traffic analysis and noise study have been prepared and conclude that the propose project will not have any negative impacts on the surrounding environment. Additionally, the project's energy and water use will not create excessive demand on public services.

1.3.15 CALIFORNIA ENVIRONMENTAL QUALITY ACT COMPLIANCE

The CDPH requires that all commercial cannabis projects be assessed in compliance with the California Environmental Quality Act. The proposed project will utilize an existing building and proposes minor tenant improvements to the interior and exterior of the building as described above. The project will not impact traffic, create excessive noise, or use energy or water in an inefficient manner. Based on the proposed improvements, activities, and accompanying studies, the project qualifies for a Categorical Exemption (Class 1) under Title 14 of the California Code of Regulations; Chapter 3 - Guidelines for Implementation of the California Environmental Quality Act; Article 19 – Categorical Exemptions; Section 15301 – Existing Structures.

2.0 REFERENCES

Google Earth. 2018.

California Energy Commission. Commission Final Report. California Energy Demand 2012-2022 Final Forecast. Volume 1: Statewide Electricity Demand and Methods, End-User Natural gas Demand, and Energy Efficiency. 2012. https://www.energy.ca.gov/2012publications/CEC-200-2012-001/CEC-200-2012-001-CMF-V1.pdf

Bonneville Environmental Foundation. 2019. https://store.b-e-f.org/calculate-business-footprint/water/

OPERATIONS PLAN

Prepared by:

ASHA PHARMACEUTICALS, INC.
14505 Catalina Street
San Leandro, CA 94577

Prepared for:

City of San Leandro Community Development Department
835 East 14th Street
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1.0 INTRODUCTION

ASHA Pharmaceuticals, Inc. (ASHA) has prepared this Operations Plan for a cannabis manufacturing facility located at 14505 and 14509 Catalina Street, San Leandro, California 94577 (Project Site). ASHA proposes to manufacture non-volatile cannabis products for medicinal and adult-use. Our goal is to be an industry leader in cannabis manufacturing. To do this, we will adhere to strict industry standards and use best available control technology to supply high quality cannabis products in California's cannabis market. At the core of our operations, ASHA believes in "Safety First" and puts the highest priority on public safety and the safety of its employees. This Operations Plan discusses facility design, manufacturing activities, security measures, odor management, waste management, and inventory management.

Manufacturing operations will be conducted in two phases. Phase 1 will be implemented following project approval. Phase 1 includes the manufacturing of non-volatile and infused cannabis products. Phase 2 will be implemented approximately one year from the start of operations associated with Phase 1. Phase 2 implementation includes non-volatile manufacturing and infused cannabis products (e.g. edibles). Phasing the project allows ASHA time to structure their operations in a manner that promotes operational efficiency and financial stability in an evolving cannabis industry.

1.1 REGULATORY COMPLIANCE

The Operations Plan is intended to comply with the following agency permit requirements and regulations:

- City of San Leandro (City) - Title 5, Chapter 6 of the San Leandro Administrative Code.
- California Department of Public Health (CDPH) Type 6 License (Phase 1). California Code of Regulations, Title 17, Division 1, Chapter 13. Manufactured Cannabis Safety Branch.

ASHA will apply for the appropriate manufacturing license with the CDPH following approval of a Conditional Use Permit with the City, and upon implementation of Phase 1 and 2.

2.0 ORGANIZATIONAL STRUCTURE

2.1 CONTACT INFORMATION

ASHA Pharmaceuticals
Binh Tang – Owner/ General Manager
14505 Catalina Street
San Leandro, CA 94577
(510) 460-0759

2.2 RESPONSIBILITY OF MANAGER

ASHA's General Manager or their authorized designee will be responsible for overseeing the daily activities. The General Manager may elect to authorize another person or persons to act on their behalf. General Managers are those individuals who, directly or indirectly, are engaged in the management or oversight of ASHA's activities. Additionally, the General manager may elect to authorize another person or persons to act in the various management capacities as discussed below.

2.2.1 COMPLIANCE MANAGER

The Compliance Manager is responsible for regulatory compliance, reporting, agency notifications, and ensuring that inventory is tracked and traced according to this plan and state guidelines. In the event of a regulatory audit, the Compliance Manager will be responsible for providing agencies with requested documents.

2.2.2 SECURITY MANAGER

The Security Manager is responsible for ensuring that security measures are up to date and systems are functioning properly. The Security Manager will be responsible for notifying state and local agencies of any security breaches.

2.2.3 INVENTORY CONTROL MANAGER

The Inventory Control Manager is responsible for ensuring inventory is entered into the California Cannabis Track and Trace (CCTT) Metrc system. The Inventory Control Manager will be responsible for coordinating and tracking the delivery of cannabis products. The Inventory Control Manager will also be responsible for quality assurance, diversion prevention, and disposal of expired, deteriorated, or damaged cannabis products.

2.2.4 EMPLOYEE TRAINING MANAGER

The Employee Training Manager is responsible for ensuring that employees who are authorized to track and trace cannabis products using California's Track and Trace (CCTT) Metrc system are trained per state guidelines. They will also be responsible for ensuring that employees are trained on their roles and responsibilities, compliance, security, and record keeping.

2.2.5 RECORD KEEPING MANAGER

The Record Keeping Manager is responsible for keeping records of compliance notifications and actions, inventory control and tracking, quality assurance, security breaches, employee training, financial records, and any other record logs required by the state and local agencies.

2.2.6 FACILITY LIAISON.

The Facility Liaison is responsible for correspondence with the public and responding to agency requests for inspections.

2.3 STAFFING

ASHA will have up to 10 employees during Phase 1 implementation. Employees will work in a single shift. Following Phase 2 implementation, ASHA estimates having up to 16 employees. The General Manager will assign employees to work in designated areas for manufacturing or administrative duties.

ASHA employees will be 21 years of age or older. All employees will be required to go through an employment review process that includes being interviewed by the General Manager and providing employment references.

2.4 TRAINING

Once hired, employees will be required to go through training pertaining to their authorized job duties. ASHA will develop training procedures as part of its quality assurance program. Training will follow federal, state, and local agency requirements and will include, but is not limited to, the following:

1. laws and regulations regarding medicinal and adult-use cannabis;
2. job specific procedures for manufacturing, packaging, food handling, and administrative duties;
3. odor management;
4. receiving and shipments of inventory and inventory tracking;
5. security and emergency procedures;
6. regulatory compliance;
7. record keeping; and
8. quality assurance and control.

Training requirements for the above-mentioned topics are discussed further below.

3.0 FACILITY OPERATIONS

3.1 HOURS OF OPERATION

ASHA's proposed hours of operation will be from 9 a.m. to 6 p.m., Monday through Sunday, for all activities occurring onsite. Employees will work in single shifts. All visitors will only be allowed to enter and exit the facility during the proposed hours of operation.

3.2 FACILITY LAYOUT

The Project Site occupies approximately 4,720 square feet of an approximately 21,700 square foot building. The Phase 1 design layout includes the following:

- 1,082 square feet for non-volatile manufacturing operations;
- 442 square feet for raw cannabis storage;
- 108 square feet for post process product storage;
- 628 square feet of ancillary storage;
- 226 square feet of shipping and receiving area;
- 108 square feet to serve as a vault and security surveillance storage room;
- 1,600 square feet for general office space, including a conference room, employee breakroom, and lobby entrance; and
- 3 restrooms and one shower stall occupying 279 square feet.

The Phase 2 design layout includes the following:

- 1,082 square feet for non-volatile manufacturing operations, including post processing;
- 442square feet for raw cannabis storage;
- 243 square feet for edible manufacturing;
- 261 square feet of post process storage;
- 126 square feet for a walk-in freezer;
- 628 square feet of ancillary storage;
- 226 square feet of shipping and receiving area;
- 108 square feet to serve as a vault and security surveillance storage room;
- 1600 square feet for general office space, including a conference room, employee breakroom, and lobby entrance; and
- 3 restrooms and one shower stall occupying 279 square feet.

The layout of the Project Site and proposed uses can be seen in Attachment A.

3.3 NON-VOLATILE MANUFACTURING

As part of Phase 1, ASHA will conduct non-volatile and infused product manufacturing. Cannabis flower, trim material, and post processed cannabis oil (e.g. distillate or shatter) will be purchased from an outside source (i.e. licensed distributor) and stored until used for manufacturing. As part of Phase 2, ASHA will manufacture edibles. All manufactured cannabis will be sold to a licensed distributor and tested in compliance with CDPH requirements. All manufactured products will comply with CDPH requirements for batch production and track and trace requirements. No hazardous materials (i.e. solvents or chemicals) will be used for non-volatile manufacturing. Non-volatile manufacturing activities are discussed further below.

3.3.1 PRE-ROLLED JOINTS AND INFUSED PRE-ROLLS

Pre-rolled joints are created by grinding the cannabis flower and/or trim and filling the material into already made rolling papers. The pre-rolled joints are either packaged for sale to a licensed distributor or infused with additional cannabis concentrates such as kief, cannabis oil, rosin, or combination thereof. Kief and rosin used in the infused pre-roll joints will be manufactured onsite. Once infused, the final product is packaged for sale to a licensed distributor.

3.3.2 MOON ROCKS

Moon rocks involves taking cannabis flowers and infusing them with cannabis oil, rosin, kief, or combination thereof. If necessary, the oil or rosin is heated up to bring the material to a liquid state from a solid state. The oil or rosin is then infused into the cannabis flower. At this time the products can be packaged and sold to a distributor or it can be further infused with kief, and then it is packaged and sold to a distributor.

3.3.3 CANNABIS OIL CARTRIDGES

As stated previously, post processed cannabis oil (e.g. distillate) will be purchased from a licensed source and used to fill vape cartridges. If necessary, terpenes will be added to the oil to enhance and create different flavors. Once filled, the cartridges will be packaged and sold to a licensed distributor.

3.3.4 DRY SIFT OR KIEF

Dry sift is produced through mechanical means in which a machine is used to tumble the trim and flowers. The tumbling allows the trichomes, or resinous glands on the trim and flower, to pass through a mesh screen. The trichomes are collected and then can be packaged for sale to a distributor or can be further processed into rosin. The process of making kief does not use any chemicals or solvents.

3.3.5 ROSIN

Rosin is produced using a starting material of either flowers, dry sift, or ice-water hash. The starting material is inserted into a micron bag. A machine using high pressure and low heat presses the bag and squeezes out resinous sap. The resinous sap is then collected, cured, and packaged. The process of making rosin does not use any chemicals or solvents.

3.3.6 EDIBLES

As part of Phase 2, ASHA will conduct non-volatile manufacturing of oils and butters to be used in producing edibles. The Project Site was previously used as a research and development facility for non-cannabis food production, and has existing infrastructure for ovens, gas stove, and storage of frozen materials. ASHA will use cannabis trim, rosin, kief, oil, or combination thereof to create edible products, such as gummies and cookies. Edibles will be packaged and sold to a distributor for retail sale.

3.3.7 NON-VOLATILE MANUFACTURING EQUIPMENT

ASHA proposes to use the equipment listed in Table 1 for manufacturing activities. Note, equipment is separated by Phase 1 and Phase 2.

Table 1. Equipment used for non-volatile manufacturing.

Equipment	Use
Phase 1 Equipment	
Freezer	Storage of raw cannabis material
Mechanical grinder	Grinding flower and trim for pre-rolls
Rolling Papers	Pre-roll joints
Pre-roll joint filler	Fills multiple pre-rolled joints
Flasks, beakers, and heated magnetic stirrer	Heat oil and rosin for pre-roll infusion
Pollen Tumbler	Creating dry sift or kief
Pneumatic press and heat plates	Rosin production
Electric air compressor	Provides pressure for rosin production
Refrigerator	Storage of post processed concentrates
Cartridges, jars, packaging material	Post process packaging of manufactured products
Phase 2 Equipment	
Oven	Bake edibles
Gas stove	Cannabis extraction with oils and butter
Walk-in freezer	Cannabis material storage
Chest freezer	Food storage
Refrigerator	Food and post process storage
Shelving and trays	Edible processing
Packaging materials	Post process packaging of edible materials

3.4 QUALITY ASSURANCE AND CONTROL

ASHA will develop procedures as part of its operations to ensure compliance with agency regulations and to ensure that cannabis products produced or sold by ASHA exceed industry standards. Quality assurance and control will be addressed by developing procedures for the following:

1. facility and equipment inspections;
2. cannabis product handling and inspection;
3. quality assurance laboratory testing throughout the manufacturing process;
4. inventory tracking;
5. employee training;
6. using best available technology in manufacturing processes; and
7. packaging and labeling.

3.5 DELIVERIES

Deliveries of non-cannabis goods (e.g. packaging materials and office supplies) will occur during operating business hours. All vehicles making deliveries of non-cannabis products will make deliveries to the lobby area. All deliveries will be coordinated with the General Manager or their authorized designee.

Deliveries and transportation of cannabis products to and from the Project Site will occur during operating business hours. ASHA estimates up to two deliveries per week for delivery of cannabis materials purchased from a licensed distributor. ASHA estimates up to two shipments per week for cannabis products produced onsite. Only authorized employees will be present when cannabis products are being delivered.

Delivery drivers of cannabis materials will be required to sign in and out upon entry and exit. Deliveries of cannabis products will be accompanied by a transportation manifest and will be tracked and traced according to state requirements.

3.6 SUPPLY CHAIN

ASHA has been in contact with existing licensed distributors to supply the facility with cannabis flower, trim, and post processed cannabis oil. All incoming and outgoing shipments of cannabis products will be conducted through a licensed distributor. All incoming and outgoing shipments of cannabis products will be entered into the CCTT Metrc System prior to shipping and receiving. Inventory Management is discussed further in Section 7 below.

3.7 GROSS REVENUE

ASHA estimates approximately $1M to $1.5M in annual gross receipts during the first year of operation. Following Phase 2 implementation, ASHA estimates annual gross receipts of $3 to $5M dependent on market conditions and output.

4.0 ODOR MANAGEMENT

The purpose of this section is to identify potential cannabis related odor sources and mitigate the potential for odor detection outside of designated areas. ASHA will comply with the City's odor management requirements for cannabis manufacturing. Any required changes to odor mitigation controls will be submitted to the City for review and approval.

4.1 ODOR SOURCES

ASHA will conduct cannabis manufacturing operations that have the potential to create odors. Potential sources of odor include the following:

1. raw cannabis flower and trim storage;
2. non-volatile cannabis manufacturing operations;
3. post processed cannabis storage;
4. packaging of cannabis material;
5. cannabis waste storage; and
6. activities that include transferring cannabis material from one are to another within the facility.

4.2 TIMING OF ODOR SOURCES

ASHA will store raw cannabis material, post processed cannabis products, and cannabis waste on a continual basis. Cannabis products will be moved in and out of storage areas during normal business hours on an as needed basis for manufacturing operations. Manufacturing activities will occur during normal business hours. Cannabis related odors have the greatest potential to occur during normal business hours. Manufactured cannabis products will be transferred to designated storage areas and containers, as needed, and at the end of each day. Once cannabis has been placed in storage containers and/or packaging there is no potential for odors.

4.3 ODOR MITIGATION

As stated above, there are potential cannabis related odors from cannabis storage and manufacturing activities. The timing of odors varies on the activities occurring at the facility but the engineering and administrative controls for mitigating potential odors will be the same, as discussed below.

4.3.1 ENGINEERING CONTROLS

ASHA will use best control technology to ensure odors are not detectable outside of the facility or in common areas such as the visitor lobby or walkways located outside of odor emitting areas. To achieve odor control, doors will be used to separate areas where odors have the potential to be emitted. Only authorized personnel will be able to enter these areas using a keycard/keypad used to open doors.

In addition, ASHA will use fans and carbon air filters in every room that has the potential to emit odors. A fan is used to push or pull air through the carbon filter. Carbon filters use activated carbon to neutralize odors as air passes through the filter. Carbon filters and fans will be used to "scrub" and recirculate air in the room. Additionally, fans and carbon filters used for ventilation will exhaust air outside the building (e.g. through the roof). This displacement of air causes negative pressure in the room. For example, if the

fan and filter remove 1,000 cubic feet of air per minute from a room, then there is a net difference of 1,000 cubic feet of air needing to be supplied to the room. This negative pressure causes air from outside the room to be pulled in; therefore, air and odors do not escape.

The proposed locations of air filter equipment are shown in Attachment A – Odor Mitigation Plan. The number of carbon filters will be determined by the size of the room (in cubic feet) and air flow within each room. Example specifications for proposed carbon filters and fans can be seen in Attachment B – Example Air Filter Equipment. A licensed mechanical engineer will prepare building plans with air filter locations, equipment specifications, and air flow calculations following approval of a Conditional Use Permit from the City.

4.3.2 ADMINISTRATIVE CONTROLS

Procedures to ensure odors are not emitted outside of their respective rooms includes, but is not limited to, the following:

1. Isolate odor-emitting activities from other areas by having doors that separate each room. Doors will remain closed at all times except for entry and exit by authorized personnel.
2. Ensure that windows are not opened at any time.
3. Ensure that authorized personnel work in their designated areas.
4. Establish procedures to inspect doors, windows, and odor control equipment (e.g. carbon air filters and fans) and maintain and/or replace equipment according to the manufacturer's recommendations.
5. Establish procedures to manage odor complaints and train employees on odor mitigation.

4.3.3 MANAGING ODOR COMPLAINTS

ASHA will perform the following to manage potential odor complaints:

1. ASHA will provide the General Manager's contact information to the City for any odor related complaints. At the City's request, the contact information of the General Manager will also be provided to neighboring businesses and residences in the event of an odor complaint. Additionally, ASHA will ensure that either the General Manager or their authorized designee has the contact information for the City where a person can be reached regarding odor complaints. The name and contact information for the City will be posted at the Project Site.
2. ASHA will have the General Manager or authorized designee onsite during operational hours to ensure odor complaints can be answered and managed accordingly.
3. All odor complaints will be addressed within 24 hours of receiving the complaint.
4. The General Manager or authorized designee will identify the location of where the odor is causing a nuisance and inspect the outside area of the facility for detection.
5. The General Manager or authorized designee will inspect all doors, windows, and areas of potential for odor-emitting activities, and will ensure these areas are properly isolated. If it is found that isolation is not performed correctly, the General Manager will investigate the reason and do one of the following:
    a. Talk with staff about the need to keep doors closed for odor-emitting areas. If necessary, retrain staff on administrative odor controls discussed herein.
    b. Contact a licensed contractor to fix broken doors, windows, or seals.

c. If necessary, contact a licensed contractor to install self-closing doors or equipment to ensure doors are automatically closed after being opened.

6. The General Manager or authorized designee will also inspect engineering controls to ensure all equipment is functioning properly. This will include, but is not limited to, the following:
    a. ensure equipment is turned on and working properly;
    b. inspect equipment to ensure fans, filters, and ducting are attached correctly;
    c. inspect equipment maintenance logs to ensure filters have been replaced as required by manufacturer;
    d. replace filters, if necessary; and
    e. replace broken fans or ducting that has been damaged.
7. All odor complaints will be documented, including:
    a. the person making the complaint;
    b. where the complaint occurred;
    c. the date and time of the complaint;
    d. the person that received the complaint;
    e. the date and time the complaint was investigated;
    f. engineering controls that were inspected and administrative controls that were assessed;
    g. identification of engineering and/or administrative controls causing the odor;
    h. actions taken to correct the problem, including the work performed, equipment needed, and any additional training; and
    i. recommendations and actions taken to ensure the problem does not continue.

4.3.4 CONTINGENCY ODOR MANAGEMENT

If odor nuisances continue after implementing the administrative and engineering controls discussed herein, ASHA will perform one or more of the following:

1. Minimize operations that create odors.
2. Purchase additional filters and fans as backup in the event the equipment breaks, or replacement is necessary.
3. Add additional charcoal filters and fans, or upgrade to larger size filter and fans in areas with odor-emitting activities.
4. Contract with a licensed mechanical engineer to assess air movement and determine if additional fan and carbon filter combinations are necessary, or if there is additional best available control technology that can be installed. All additional equipment will be installed according the manufacturer's recommendations, and ASHA will use licensed contractors, as required.
5. Contract with a professional odor management specialist to assess and determine what additional measures and equipment can be added to ensure adequate odor mitigation is achieved.

Each one of the above-mentioned steps will be assessed and monitored to determine if the modifications are effective in mitigating odors.

ASHA will notify the City of any changes to equipment and procedures used to mitigate odors. Any changes will be added to ASHA's inspection procedures and training processes.

4.3.5 ODOR MANAGEMENT TRAINING

The General Manager or their authorized designee will be trained on the following:

1. The measures listed in Sections 4.3.2 through 4.3.4. These measures will be part of an inspection checklist that will include a site plan and the location of odor control devices.
2. Location of the maintenance logs.
3. Type and function of odor control equipment, the manufacturer's recommendations for filter replacement, location of user manuals, and manufacturer's contact information if technical assistance is needed.
4. Where to purchase replacement equipment.
5. The location of contact information of a local licensed contractor that can perform maintenance, as necessary.
6. The name and phone number of a license mechanical engineer or odor management specialist that can audit engineering controls and make recommendations and modifications.

Staff will be trained on the procedures for mitigating odors, will be familiar with odor control equipment, and will be instructed to notify the General Manager or authorized designee if they notice equipment malfunction, suspect odor controls are not effective, or detect odors outside designated areas.

The General Manager or their designee will be responsible for training all new employees prior to beginning work in areas where there is potential for odor-emitting activities. All training will be documented, and the records will be kept as part of ASHA's record keeping procedures.

4.3.6 ODOR MANAGEMENT RECORDKEEPING

Records pertaining to this Odor Management Plan will include, but are not limited to, the following:

1. Performed maintenance logs for mechanical equipment. Timing of maintenance will follow the manufacturer recommendations.
2. Records of purchases for maintenance equipment (e.g. carbon filter and replacement).
3. Documentation and notification of equipment malfunctions.
4. Documentation of odor complaints.
5. Employee training logs.
6. Documentation for review and changes to engineering and administrative controls.

Records will be kept for a period of seven years. Records will be available in either hard copy or electronic format for review by agency personnel upon request.

5.0 SECURITY MEASURES

The following section addresses physical security measures, alarm and video surveillance systems, and operational measures to ensure security at the Project Site.

5.1 PHYSICAL SECURITY MEASURES

ASHA will impose physical security measures that comply with state and local agency requirements. Physical measures include, but are not limited to, physical barriers such as walls and secure doors that restrict access to the public and unauthorized personnel. At no time will cannabis products or activities be visible to the public from outside the facility or in public or common areas within the facility.

5.1.1 PREMISES INGRESS AND EGRESS

Employee and visitor access to the building will be through a single point of entry located in the lobby identified on the Security Location Plan (see Attachment B). All employees and visitors will be required to sign in and out upon entering and exiting the Project Site.

5.1.2 DOORS, LOCKS, AND STORAGE

All entry, exit, and interior doors to limited access areas will require a keycard and/or keypad code that can only be accessed by authorized employee personnel, except for restroom doors. All door locks to limited-access areas will be commercial grade, non-residential locks.

Safes used for cannabis product and monetary storage will be anchored to the floor to ensure they cannot be removed. The General Manager or their authorized designee will have access to the safes.

5.1.3 LIGHTING

The Project Site has existing outside lighting sufficient enough to deter potential trespassers, theft, and vandalism; and to allow recording of the video surveillance system. All outside lighting will be shielded in a manner that will not illuminate surrounding properties.

Inside lighting will be used to allow for business operations. Interior lighting will be turned off during non-business hours.

5.1.4 SIGNAGE

ASHA will post security signs on doors to areas requiring authorized access (e.g. “Authorized Personnel Only”). ASHA will post security signs that the Project Site is being monitored by video surveillance to deter theft, vandalism, and unauthorized persons from entering the site.

5.1.5 MAINTENANCE

ASHA will create procedures for facility maintenance inspections. Inspections will include visual inspection of doors, locks, lighting, and security signs. ASHA will be responsible for making repairs and will use licensed professionals, as required. Maintenance inspections will be documented and kept as part of ASHA’s record keeping process.

5.2 ALARM SYSTEM

ASHA will have an alarm and surveillance system professionally installed, maintained, and monitored. The alarm system will include video surveillance, motion sensors, door sensors, and window sensors. The alarm system will also include smoke, fire, and carbon monoxide detection.

5.2.1 VIDEO SURVEILLANCE

Video surveillance cameras will be placed around the exterior and interior portions of the Project Site to monitor activities. See Attachment C – Security Camera Location Plan for proposed locations of security cameras. Video surveillance cameras will have the following:

1. Cameras will be assigned a number for identification purposes during the building permit process.
2. The video cameras will be able to effectively and clearly record images of the area under surveillance at all times.
3. Each camera will be permanently mounted and in a fixed location. Each camera will be placed in a location that allows the camera to clearly record activity occurring within 20 feet of all points of entry and exit on the licensed premises and allows for the clear and certain identification of any person and activities in all areas requiring authorized access.
4. The security surveillance cameras will be remotely accessible to the City of San Leandro Police Department (SLPD) and will be compatible with the SLPD's software and hardware. SLPD will have remote real-time access to the cameras.

5.2.2 VIDEO RECORDING PROTOCOL

Video recording will include the following:

1. Video will be recorded 24-hours a day on high-definition cameras at a minimum 15 frames per second, with a resolution of at 1280 X 720 pixels.
2. Recorded images will clearly and accurately display the time and date. Time will be measured in accordance with the United States National Institute Standards and Technology standards.
3. The surveillance-system storage device or the cameras will be transmission control protocol (TCP) capable of being accessed through the internet.
4. Video surveillance recordings will be stored in a secure manner to protect from tampering or theft (e.g. tamper proof cabinet).
5. The video surveillance system will be equipped with a failure notification system that provides notification to the licensee of any interruption or failure of the video surveillance system or video surveillance-system storage device.
6. Video surveillance recordings will be kept for a period of at least 90 days per state guidelines.

5.2.3 ALARM AND SENSORS

ASHA will have an alarm system capable of notifying the police and other emergency services of a break in or emergency, such as a fire. The alarm system will include motion, door, and window sensors capable of detecting unauthorized activity. Door sensors will also detect entry and exit into authorized areas.

5.2.4 BACKUP POWER

In the event of a power failure, ASHA will have battery backup power capable of providing power to the security system and keeping the Project Site secure for a minimum of one day. Backup power will be able operate video surveillance and storage, alarms and sensors, and ensure door locks are not released during a power failure.

5.2.5 SECURITY SYSTEM MAINTENANCE

ASHA will create inspection forms for facility maintenance inspections. Inspections will include visual inspection of video surveillance equipment. Repairs to video surveillance or alarm systems will be completed by the professional alarm company responsible for maintenance and monitoring.

5.3 NETWORK SECURITY

ASHA will utilize computers, mobile devices, ancillary equipment, and software as part of business operations. These devices will be used to ensure continuous operations, document retention, and compliance with agency regulations. To keep computer and network systems safe, ASHA will contract with a local information technology (IT) company to manage ASHA's network, computer hardware, cyber security, and computer and information system backup. This can include, but is not limited to, the following:

1. 24/7 emergency support;
2. internet, email, and computer system security;
3. antivirus software and updates;
4. computer system and document backup hardware and software;
5. disaster recovery;
6. IT documentation software;
7. monitoring and analytics;
8. access control for network users;
9. email and cloud backup services;
10. web development and services; and
11. asset management, such as servers, workstations, mobile devices, firewall/network equipment, and security patches.

5.4 DELIVERIES OF CANNABIS PRODUCTS

Deliveries of cannabis products to the Project Site will be supplied by licensed distributors. Deliveries of cannabis products will occur during normal business hours of 9 a.m. to 6 p.m. Delivery drivers will be required to sign in and out upon entry and exit. All delivery times and dates will be coordinated with the General Manager or their authorized designee to ensure only one delivery vehicle is onsite at a time. All deliveries and transportation of cannabis products will be entered into the CCTT Metrc System prior to shipping or receiving. All cannabis products shipped and received will be accompanied by a transportation manifest.

Deliveries of non-cannabis goods (e.g. office products, packaging, etc.) will occur during normal business hours of 9 a.m. to 6 p.m. All vehicles making deliveries of non-cannabis products will park in the parking lot and make deliveries to the lobby area. Records of receipt of non-cannabis deliveries will be kept as part of ASHA's record keeping process.

5.5 OPERATIONAL SECURITY MEASURES

5.5.1 EMPLOYEE ACCESS

All employees must be at least 21 years of age. ASHA will issue identification badges for all employees. Badges will be laminated or plastic-coated and be visible at all times while engaging in commercial cannabis activity. The identification badge will, at a minimum, include the ASHA's name, license number, the employee's first name, an employee number exclusively assigned to that employee for identification purposes, and a color photograph of the employee that clearly shows the full front of the employee's face and that is at least 1 inch in width and 1.5 inches in height.

ASHA employees will be assigned access cards and/or codes to enter and exit areas where they are authorized to work. Employee will have access to authorized areas using the keycard and/or keypad door entry provided by the security system. Employees will be restricted from entry and exit of areas where they are not authorized to work as part of the security system. Access cards and/or codes will be revoked from employees no longer working at the Project Site.

Employees will be required to enter and exit the building through the secure lobby and sign in and out upon arriving and exiting the Project Site.

5.5.2 VISITOR ACCESS

All contractors and agency personnel coming to the Project Site will coordinate with the General Manager or their designated person. All visitors entering the Project Site must be at least 21 years of age and will be required to present government issued identification. The age of the visitor will be verified by the General Manager or their authorized designee.

All visitors coming to the Project Site will be assigned a visitor badge with a badge number corresponding to their name. ASHA will require that all visitors record their name, signature, company, and reason for the visit. All visitors will be required to enter and exit the building through the lobby and will be required to sign in and out upon entry and exit.

All contractors and agency personnel will be escorted through the facility at all times by authorized ASHA personnel. Contractors and agency personnel will only be able to access areas where they are authorized for the purposes of their work, inspection, or visit. Contractors and agency personnel will not remain onsite if they are not engaging in the activity expressly related to their approved work, inspection, or other approved visit relating to the operations of the Project Site. Contractors and agency personnel will not be provided access cards and/or codes at any time.

Visits from the public will not be allowed unless authorized by ASHA. Public visitors will be required to be at least 21 years of age and will be required to present government issued identification. Visitors will be escorted at all times through the facility and will not be allowed to access areas other than for the purposes of their approved visit. Public visitors will not remain onsite if they are not engaging in the activity expressly related to their approved visit. Public visitors will not be provided access cards and/or codes at any time.

5.5.3 EMERGENCY PROCEDURES

In the event of a life-threatening emergency, employees will be instructed to call 911 and move to a safe location. Additional measures include:

1. in general, only trained responders should provide first aid assistance;
2. do not move the victim unless the victim's location is unsafe;
3. control access to the scene;

4. take “universal precautions” to prevent contact with body fluids and exposure to bloodborne pathogens; and
5. meet the ambulance at the nearest entrance or emergency access point and direct them to victim(s).

If a medical emergency is reported, dial 9-1-1 and request an ambulance. Provide the following information:

1. number and location of victim(s);
2. nature of injury or illness;
3. hazards involved; and
4. nearest entrance (emergency access point).

Evacuation may be required if there is a fire in the building or other hazard. Employees will be warned to evacuate the building by use of fire alarm/sirens and verbal warnings. Employees will assemble in the parking lot for accounting in the event an evacuation is needed.

An act of violence in the workplace could occur without warning, such as a break in, attempted robbery, active shooter, or other acts of violence that are life-threatening while employees are working at the Project Site. ASHA employees will be trained on the locations and methods to take safe refuge.

In the event of a non-life-threatening emergency, such as suspicious activity, employees will be instructed to call SLPD at (510) 577-2740.

5.6 NOTIFICATION AND INCIDENT REPORTING

ASHA will notify the SLPD or agency responsible for regulatory oversight in the event of the following:

1. Any theft, loss, or other criminal activity occurring at the Project Site.
2. Any other breach of security.

All incidents regarding a breach in security will be recorded and records kept as part of ASHA’s record keeping process.

5.7 INSPECTIONS

Prior to beginning operations, ASHA will contact the SLPD for an inspection to verify the proposed security measures contained herein.

5.8 SECURITY TRAINING

The Employee Training Manager will ensure employees are trained on the security measures discussed in this section prior to beginning employment. If there are any significant changes to this plan, employees will be notified of such changes and notification will be documented. In addition, employees will go through an annual refresher course to review security and emergency procedures. Training records will be kept at the facility in hard copy and/or electronic versions and will be accessible to regulatory inspection upon request.

5.9 SECURITY RECORDKEEPING

The Record Keeping Manager or authorized designee will maintain the following records:

1. security inspections,
2. maintenance of physical security measures, video surveillance, and alarm systems,
3. notifications regarding a breach in security measures; and,
4. employee training.

Records will be kept for a period of seven years. Records will be available in either hard copy or electronic format for review by agency personnel upon request.

6.0 WASTE MANAGEMENT

Waste streams will be managed by the type of waste and agency requirements. Wastes types associated with the facility include:

1. cannabis waste,
2. solid waste,
3. liquid waste, and
4. universal waste.

6.1 CANNABIS DERIVED WASTE

Cannabis related waste associated with the activities described above include:

1. leaves and flowers;
2. post-process manufactured cannabis waste;
3. any event resulting in exposure or compromise of cannabis products; and
4. any event where the destruction of cannabis products is required by state or local regulatory agencies, such as cannabis product reaching its best-by, sell-by, or expiration date, if any.

6.1.1 CANNABIS WASTE DISPOSAL

Cannabis waste will be disposed of in designated waste receptacles inside the facility. Cannabis waste receptacles will be airtight, locked, under video surveillance, and only be accessible to authorized personnel. ASHA will dispose of cannabis waste in compliance with local and state requirements. ASHA will ensure that cannabis waste that is not considered hazardous is disposed of at a licensed facility using one of the following methods:

1. contract with a licensed disposal company that specializes in cannabis waste disposal, such as GAIACA; or
2. contract with Alameda County Industries, a local licensed waste services provider.

ASHA will dispose of cannabis waste on a weekly basis, at a minimum. ASHA will coordinate with the waste hauler for the day and time for pickup. An ASHA employee authorized to dispose of cannabis waste will be present during the designated pickup time.

Prior to cannabis waste disposal it will be rendered unrecognizable and unusable by mixing the cannabis waste with 50 percent of non-cannabis waste by weight. The following non-cannabis mediums may be used in the mixture:

1. paper waste;
2. plastic waste;
3. cardboard waste;
4. food waste;
5. grease or other compostable oil waste;
6. Bokashi or other compost activators;
7. soil; and
8. other state-approved medium that will render cannabis waste unusable and unrecognizable.

In addition, ASHA will perform the following:

1. record the name of the entity hauling the waste;
2. obtain documentation from the entity hauling the waste that indicates the date and time of each collection of cannabis waste at the licensed premises;
3. obtain a copy of the certified weight ticket, or other documentation prepared by the entity hauling the waste confirming receipt of the cannabis waste;
4. track all cannabis waste in accordance with state track and trace requirements; and
5. keep records of cannabis waste disposal.

6.2 SOLID WASTE

Consistent with typical business operations, ASHA will generate solid waste consisting of normal refuse, such as paper products, discarded packaging, plastics, building materials, food, broken equipment, and recyclable materials. Solid waste does not include cannabis waste.

6.2.1 SOLID WASTE DISPOSAL

Products that cannot be recycled will be discarded in trash receptacles designated for solid waste. Solid waste bins will be located inside the facility and emptied on a weekly basis, or as needed, into the outside dumpster. The solid waste receptacle will be a shared dumpster with other building occupants. Solid waste will be picked up by a local waste hauler on a weekly basis.

Products such as paper, cardboard, plastics, bottles etc. will be recycled to the maximum extent feasible. Recycling bins will be in the facility and emptied on a weekly basis, or as needed, into the outside recycling dumpster or recycling receptacle. The recycling dumpster will be a shared with other building occupants. Recycling waste will be picked up by a local waste hauler on a weekly basis.

6.3 LIQUID WASTE

Liquid waste associated with the facility operations will include domestic wastewater. ASHA proposes to minimize liquid waste by implementing the following:

1. install water fixtures that minimize water consumption, such as low-flow toilets and sink aerators; and
2. follow manufacturer specifications for cleaning of equipment.

ASHA will not dispose of manufacturing solvents in sinks or bathrooms.

6.3.1 DOMESTIC LIQUID WASTE

Domestic waste resulting from normal restroom use will be discharged into the sewer system.

ASHA will clean the facility as necessary. Equipment will be cleaned according to the manufacturer recommendations, or as necessary. ASHA will use normal cleaning products, such as bleach and bio-degradable soaps that are permitted by federal, state, and local agencies. Liquid waste associated with cleaning activities will be minimized to the maximum amount feasible.

6.4 UNIVERSAL WASTE

Universal waste is common waste that is considered hazardous but can be disposed at a licensed disposal facility. Universal wastes can include, but is not limited to, the following:

1. batteries;
2. compact fluorescent light bulbs;
3. electronics; and
4. ink cartridges.

ASHA will coordinate with Waste Connections for pickup of universal waste or will self-haul the waste to a licensed disposal facility. Universal waste will be disposed of in compliance with federal and state regulations.

6.5 WASTE TRAINING

ASHA will develop training and procedures to manage wastes appropriately, which can include, but is not limited to, the following:

1. designate authorized personnel to manage and track cannabis waste in compliance with state requirements;
2. designate authorized personnel to manage and track hazardous waste in compliance with federal, state, and local agency requirements; and
3. develop procedures and train employees on the storage, handling, and disposal of cannabis waste, solid waste, hazardous, and universal waste.

All employees will be required to go through waste training during the hiring process and on an annual basis. Documentation of waste training will be kept as part of ASHA's record keeping procedures.

6.6 WASTE RECORDKEEPING

ASHA will maintain the following records:

1. weight tickets for cannabis waste disposal;
2. records relating to destruction of cannabis goods; and
3. employee training records.

Records will be kept for a period of seven years. Records will be available in either hard copy or electronic format for review by agency personnel upon request.

7.0 INVENTORY PROCEDURES

7.1 INVENTORY CONTROL

All cannabis products will be stored in one of the post process storage rooms. All cannabis storage areas will have limited access and will only be accessible to authorized personnel. Cannabis products will not be stored outside or be visible to the public. Cannabis will not be stored in bathrooms, break rooms, or changing facilities. Cannabis storage areas will be continually monitored by a video surveillance.

The Inventory Control Manager will manage cannabis product inventory control by implementing the following measures:

1. The Inventory Control Manager will create and maintain an active and functional account within the California Cannabis Track and Trace (CCTT) Metrc system prior to engaging in any commercial cannabis activity, including the purchase, sale, testing, packaging, transfer, transport, return, destruction, or disposal of any cannabis products.
2. The Inventory Control Manager or designated person will act as the CCTT Metrc system account manager. Any person authorized to be a CCTT Metrc account manager will be trained on the CCTT Metrc system prior to access or use. In addition, the account manager may authorize additional employees as users only if they receive CCTT Metrc system training.
3. Authorized account managers and employees authorized to use CCTT Metrc will attend and successfully complete all required CCTT Metrc system training, including any orientation and continuing education. All training records will be kept as part of ASHA's record keeping procedures discussed herein and in the associated Operations Plan.
4. The account manager and each authorized user will be assigned a unique login identification username and password. The account manager or each user accessing the CCTT Metrc system will be required to use their assigned login information and will not be permitted to use the login information of another employee or account manager. Under no circumstances will login information be shared or transferred to other individuals.
5. The Inventory Control Manager or authorized account manager will maintain a complete, accurate, and up-to-date list of all CCTT Metrc system users, including their full names and usernames.
6. The Inventory Control Manager or authorized account manager will monitor all compliance notifications from the CCTT Metrc system. All compliance notifications will be resolved in a compliance with the notification timing requirements.
7. The Inventory Control Manager or authorized account manager will keep a separate record, independent of the CCTT Metrc system, of all compliance notifications received from the CCTT Metrc system, and how compliance with the notification and timing requirements was achieved. Records will be kept as part of ASHA's record keeping process discussed in the associated Operations Plan.
8. The Bureau of Cannabis Control (BCC) or California Department of Public Health (CDPH) will be notified as soon as possible for all compliance notifications that cannot be resolved within three business days.
9. ASHA acknowledges responsibility for the actions of the account manager or authorized users while using the CCTT Metrc system.

7.2 INVENTORY TRACKING

ASHA will track all manufacturing activities using the State's CCTT Metrc system. The Inventory Control Manager or authorized employee will record all commercial cannabis activity in the CCTT Metrc system, including but not limited to, the following:

1. disposition of incoming and outgoing cannabis material and products;
2. packaging and labeling of cannabis products;
3. manufactured cannabis products;
4. sale of all cannabis products;
5. transportation of cannabis products to a distributor;
6. receipt of all cannabis products;
7. return of all cannabis products;
8. all destruction and disposal of cannabis products and cannabis waste;
9. laboratory testing and results of all cannabis products; and
10. any other activity as required by the state or local agency with regulatory authority.

7.3 RECEIVING SHIPMENTS OF INVENTORY

ASHA will perform the following for all shipments of inventory:

1. ASHA will only receive shipments of inventory of cannabis products from a licensed distributor.
2. ASHA will accept shipments of cannabis products only between the hours of 9 a.m. and 6 p.m.
3. During business hours, cannabis deliveries will enter the designated shipping and receiving area. At no time will cannabis be visible to the public.

The Inventory Control Manager or authorized employee will record in the CCTT Metrc system the following information for shipments received:

1. the name, license number, and premises address of the licensee transporting the cannabis products;
2. name and type of the cannabis products;
3. unique identifier of the cannabis products;
4. amount of the cannabis products, by weight or count;
5. the sell-by or expiration date provided on the package of cannabis goods, if any;
6. the price the licensed retailer paid for the cannabis goods, including taxes, delivery costs, and any other costs;
7. date and time of the activity or transaction;
8. name and license number of other licensees involved in the activity or transaction; and
9. driver's license number of the personnel transporting the cannabis products, and the make, model, and license plate number of the vehicle used for transport.

Upon receipt of cannabis products for inventory and storage, the Inventory Control Manager or authorized employee will ensure that cannabis products received are the same as described in the shipping manifest and will record acceptance and acknowledgment of the cannabis products in the CCTT Metrc system. In addition, the Inventory Control Manager or their authorized employee will inspect all cannabis products received to ensure products have not been damaged and are not defective.

The Inventory Control Manager or their authorized employee will record and document in the CCTT Metrc system any discrepancies between the type or quantity of cannabis products specified in the shipping manifest and the type or quantity of cannabis products received. The Inventory Control Manager or authorized employee will contact the licensee responsible for the originating cannabis product or transporting the product in the event of a discrepancy. Final resolution will be documented and recorded using the CCTT Metrc system.

7.4 SHIPPING MANIFEST

A shipping manifest will accompany every transport of cannabis product being shipped from the Project Site. Prior to transporting cannabis products, the Inventory Control Manager will generate a shipping manifest through the CCTT Metrc system for the following activities:

1. testing and sampling;
2. sale of cannabis products to a licensed distributor;
3. destruction or disposal of cannabis goods; and
4. any other activity transporting of cannabis products allowed by state and local agency regulations.

The Inventory Control Manager will securely transmit the manifest to the licensee receiving the cannabis products prior to transporting the cannabis products. The Inventory Control Manager is responsible for any discrepancies between the shipping manifest and the cannabis products in its possession during transport.

The ASHA employee authorized to transport cannabis products for distribution will not void or change a shipping manifest during transport, or after departing from the originating licensed premises.

7.5 INVENTORY RETURNS AND PRODUCT RECALL

If the Inventory Control Manager, upon receiving and inspecting a cannabis product from a licensed distributor, discovers that the cannabis product is defective or damaged, ASHA may return the cannabis product to the distributor or selling licensee only in exchange for a non-defective or non-damaged version of the same type of cannabis products. All returns will be entered into the CCTT Metrc system.

In the event of a recall of cannabis products delivered by ASHA, ASHA will use the CCTT Metrc system to identify the licensee to which the product was shipped. ASHA will make every attempt (i.e. phone, email, mail) to contact the licensee and arrange for a product return. As necessary, ASHA will coordinate cannabis product(s) recall returns with the licensed cannabis operator that reported the recall.

7.6 TRACKING ADJUSTMENTS AND WASTE DISPOSAL

The Inventory Control Manager or authorized employee will adjust inventory in the CCTT Metrc system in the event of the following:

1. spoilage or fouling of the cannabis products;
2. any event resulting in exposure or compromise of the cannabis products; and
3. any event where the destruction of the cannabis product is required by state or local regulatory agencies.

If cannabis products are being destroyed or disposed of, the account manager or authorized employee will record in the CCTT Metrc system the following additional information:

1. name of the employee performing the destruction or disposal;
2. reason for destruction or disposal; and
3. name of the entity being responsible for cannabis waste disposal.

No cannabis products will be disposed of as cannabis waste unless the cannabis products have been removed from their packaging and rendered unrecognizable and unusable.

7.7 TIMING OF TRACKING

All transactions entered into the CCTT Metrc system will occur by 11:59 p.m. Pacific Standard Time on the day the transaction occurred.

The Inventory Control Manager or authorized employee will enter and record complete and accurate information and will correct any known errors entered immediately upon discovery.

7.8 INVENTORY RECONCILIATION

ASHA's Inventory Control Manager will perform the following:

1. Reconcile all inventories of cannabis products at least once every 30 days for manufacturing.
2. For manufacturing, a significant discrepancy in inventory is a discrepancy that is not within five percent of the documented inventory.
3. If an audit finds missing inventory, the Inventory Control Manager will notify the CDPH and include the date and time of occurrence of the theft, loss, or criminal activity, the name of the local law enforcement agency that was notified, and a description of the incident including, where applicable, the item(s) that were taken or lost.

7.9 LOSS OF ACCESS

If at any point ASHA loses access to the CCTT Metrc system, ASHA will prepare and maintain hard copy records detailing all commercial cannabis activities that were conducted during the loss of access. Records include the tracking and reporting items discussed above. Employees responsible for CCTT Metrc tracking will be trained on how to keep hard copy records in the event access to the CCTT Metrc system is lost.

In the event there is loss of access to the CCTT Metrc system, ASHA will document and notify the CDPH of the following:

1. when access to the system is lost;
2. when access to the system is restored; and
3. the cause for the loss of access, if known;

Once access is restored, all commercial cannabis activity that occurred during the loss of access will be entered into the CCTT Metrc system within three business days of access being restored.

ASHA will not transport, transfer, or deliver any cannabis products until access is restored and all information is recorded in the CCTT Metrc system.

7.10 BATCH PRODUCTION RECORDS

ASHA will package manufactured cannabis produced onsite. All packaged materials will be weighed and labeled in accordance with state guidelines and tracked using the CCTT Metrc System. Medicinal and adult-use cannabis products will be packaged and labeled separately.

ASHA will prepare a written batch production record every time a batch of cannabis is manufactured. The batch production record will accurately follow the appropriate manufacturing protocol, and each step of the protocol shall be performed in the production of the batch. The batch production record shall document complete information relating to the production and control of each batch, including all the following details:

1. batch or lot number of the finished batch of cannabis product of all cannabis products used in the batch;
2. identity of equipment and processing lines used in producing the batch;
3. date and time of the maintenance, cleaning, and sanitizing of the equipment and processing lines used in producing the batch, or a cross-reference to records, such as individual equipment logs, and where this information is retained;
4. identification number assigned to each component (or, when applicable, to a cannabis product received from a supplier for packaging or labeling as a cannabis product), packaging, and label used;
5. identity and weight or measure of each component used;
6. statement of the actual yield and a statement of the percentage of theoretical yield at appropriate phases of processing;
7. actual results obtained during any monitoring operation; and
8. results of any testing or examination performed during the batch production, or a cross-reference to such results.

ASHA will document, at the time of manufacturing a batch, the following:

1. The date on which each step of the manufacturing protocol was performed.
2. The initials of the persons performing each step, including:
    a. initials of the person responsible for weighing or measuring each component used in the batch;
    b. initials of the person responsible for verifying the weight or measure of each component used in the batch;
    c. initials of the person responsible for adding the component to the batch; and,
    d. initials of the person responsible for verifying the addition of components to the batch.

ASHA will document, at the time of packaging and labeling operations, the following:

1. an actual or representative label, or a cross-reference to the physical location of the actual or representative label specified in the manufacturing record;

2. expected number of packaging and labels to be used, the actual quantity of the packaging and labels used, and, when label reconciliation is required, reconciliation of any discrepancies between issuance and use of labels; and
3. results of any tests or examinations conducted on packaged and labeled cannabis products (including repackaged or relabeled cannabis products), or a cross-reference to the physical location of such results.

During quality control of manufactured products produced onsite or offsite, the Inventory Control Manager will perform the following:

1. review the batch production record;
2. review all required monitoring operation(s);
3. review the results of all tests and examinations, including tests and examinations conducted on components, in-process materials, finished batches of cannabis product, and packaged and labeled cannabis products;
4. either approve and release, or reject, the batch for distribution; and
5. either approve and release, or reject, the finished cannabis product, including any repackaged or relabeled cannabis product.

ASHA will document any required material review and disposition decision. ASHA will provide batch production documents that comply with the following:

1. Contains the actual values and observations obtained during monitoring and, as appropriate, during verification activities.
2. Is accurate, legible, and does not cross out information that can no longer be read.
3. Is concurrent with the activity documented.
4. Is detailed as necessary to provide history of work performed, including:
    a. information adequate to identify any associated manufacturing facility (e.g., the name, license number, and when necessary, the location of the facility);
    b. the date and the time of the activity documented, as necessary;
    c. the signature or initials of the person performing the activity; and
    d. the identity of the product, the lot number or batch identifier, if any.

7.11 TESTING

ASHA will have a laboratory conduct quality assurance testing for manufactured cannabis products. The Inventory Control Manager will ensure that all cannabis product batches are stored separately in distinct containers from other cannabis product batches while awaiting testing results.

1. The Inventory Control Manager will ensure that each storage container is labeled, and labels are physically attached, with the following information:
    a. name and license number of the manufacturer or cultivator that provided the batch;
    b. date of entry into the storage area;
    c. unique identifiers and batch number associated with the batch;

d. description of the cannabis products with enough detail to identify the batch;

e. weight of or quantity of units in the batch; and

f. best-by, sell-by, or expiration date of the batch, if any.

7.12 TESTING ARRANGEMENTS

After preparing a batch of manufactured product, the Inventory Control Manager will contact a testing laboratory and arrange for a laboratory employee to come to the facility and select a representative sample(s) for laboratory testing.

8.0 RECORD KEEPING

As part of the Operations Plan, and in compliance with state and local agency regulations, ASHA will develop reporting forms that include, but are not limited to, the following:

1. financial records including, but not limited to, bank statements, sales invoices, receipts, tax records, and all records required by the California Department of Tax and Fee Administration (formally Board of Equalization) under Title 18 California Code of Regulations sections 1698 and 4901;
2. personnel records, including each employee's full name, social security or individual taxpayer identification number, date employment begins, and date of termination of employment if applicable;
3. training records, including but not limited to the content of the training provided, and the names of the employees that received the training;
4. contracts with other licensees regarding commercial cannabis activity;
5. permits, licenses, and other local authorizations to conduct the licensee's commercial cannabis activity;
6. security records, except for surveillance recordings which are required to be kept for 90 days per City regulations;
7. records relating to the composting or destruction of cannabis goods;
8. documentation for data or information entered into the track and trace system;
9. all other documents prepared or executed by ASHA or their authorized designee in connection with cannabis activities;
10. facility and equipment maintenance;
11. incident notification for security breaches and operational complaints (e.g. odor complaint);
12. any other records discussed in this Operations Plan and/or required by local or state agencies.

ASHA's records will be legible and stored in a location that is protected from debris, moisture, contamination, hazardous waste, fire, theft, and alteration by unauthorized persons.

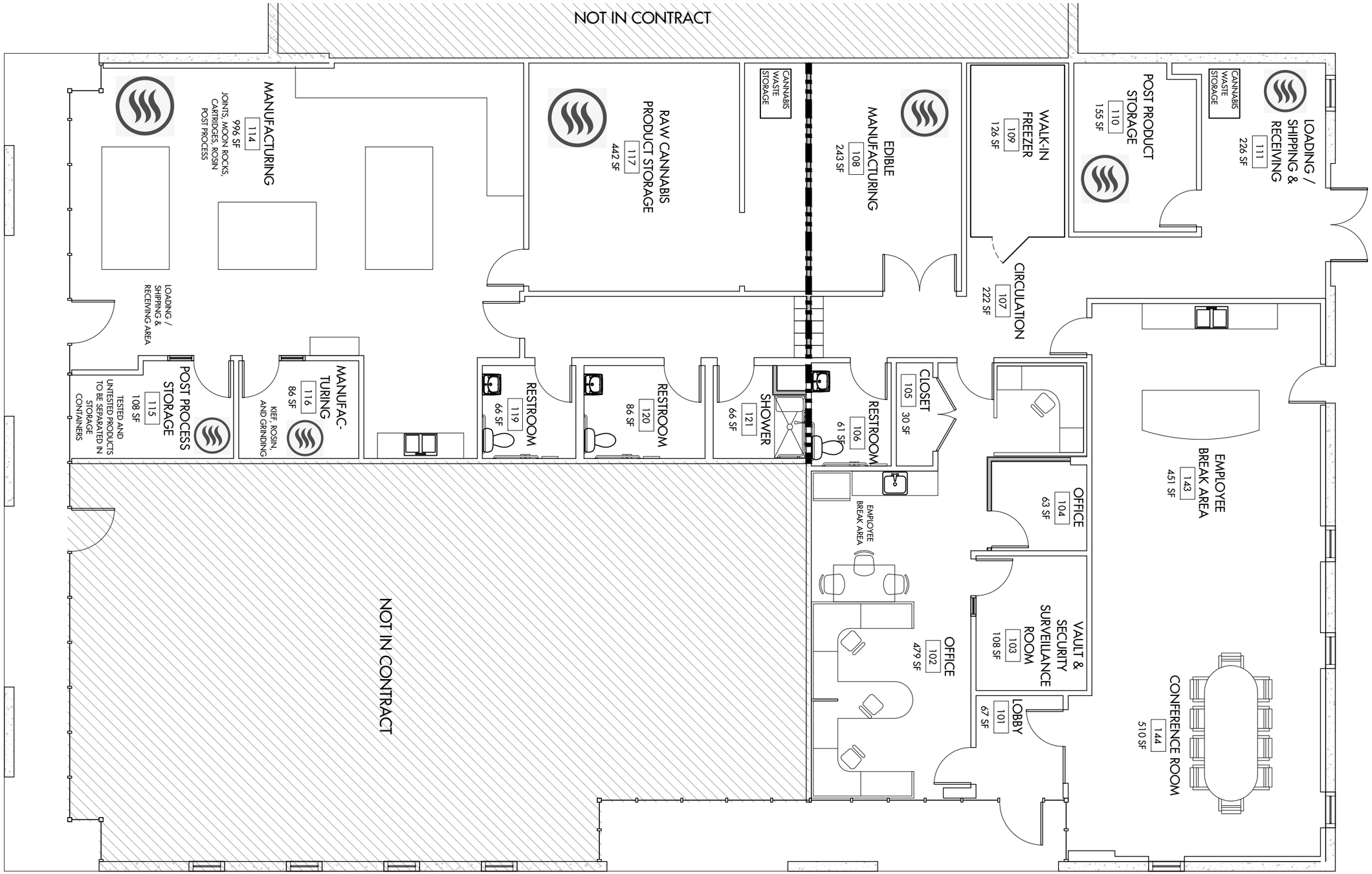
ASHA will keep all records for a minimum of seven years, or as required by the City or agencies with regulatory oversight. Records will be available in either hard copy or electronic format for review by agency personnel upon request. Only the General Manager or their authorized designee will have access to records.

9.0 REFERENCES

Can-Filters®. 2018. 16” Max-Fan. http://canfilters.com/16-max-fantm.html

Can-Filters®. 2018. Max-Filter 2500. http://canfilters.com/max-2500.html

ATTACHMENT A: ODOR MITIGATION PLAN



- Odor Control Device Locations

0 4' 8' 16'

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

N

SAN LEANDRO MANUFACTURING

14505 & 14509 CATALINA STREET
SAN LEANDRO, CA 94577

A.P.N.: 80G-933-34 & 80G-933-36

PROJECT NUMBER:
19034

SET ISSUED:
USE PERMIT APPLICATION 06/--/2019

PLOT DATE: 5/28/2020

SHEET NAME:
ODOR CONTROL MITIGATION PLAN

SHEET NUMBER:
OCMP-1

ATTACHMENT B: EXAMPLE ODOR CONTROL EQUIPMENT

CARBON AIR FILTER AND FAN

16" MAX-FAN™

CFM	2436 at 0wg
RPM	1680
Max Watts	347
Amps	1.5 @ 240v AC 60 Hz
Max Abient Temp.	80°C / 176°F
Diameter	16"
Length	16.375"
Blade Design	Mixed Flow
Housing	Aluminum
Inlet/Outlet	16"

Figure 1. The above depiction is an example of the type of fan that is used to push or pull air through a carbon air filter as shown in Figure 2 below. This fan can be attached to ducting to exhaust air outside the facility.

MAX-FILTER 2500

Max Exhaust CFM: 1250 cfm / 2123 m³h @ 0.1 sec contact time
Max Recirculating (Scrubbing) CFM: 2500 cfm / 4247 m³h
Recommended Min Airflow: 625 cfm / 1147 m³h
Prefilter: Yes
Flange: 14" - 16"
Dimensions: (with pre-fi lter)

Outside Diameter: 50 cm/ 20"
Height: 100 cm / 39.4"

Total Weight: 47 kg / 103 lbs.
Carbon Weight: 37 kg / 81.5 lbs.
Carbon Bed Depth: 6.5 cm / 2.5"
Max Operating Temp: 80°C
Pressure drop at max CFM: 180pa / .75"wg

Figure 2. The above depiction is an example of a carbon filter that neutralizes odors when used in conjunction with a fan as shown in Figure 1 above.

ATTACHMENT C: SECURITY CAMERA LOCATION PLAN

NOT IN CONTRACT

LOADING / SHIPPING & RECEIVING
111
226 SF

CANNABIS WASTE STORAGE

POST PRODUCT STORAGE
110
155 SF

WALK-IN FREEZER
109
126 SF

CIRCULATION
107
222 SF

EDIBLE MANUFACTURING
108
243 SF

CANNABIS WASTE STORAGE

RAW CANNABIS PRODUCT STORAGE
117
442 SF

MANUFACTURING
114
996 SF
JOINTS, MOON ROCKS, CARTRIDGES, ROSIN POST PROCESS

LOADING / SHIPPING & RECEIVING AREA

POST PROCESS STORAGE
115
108 SF
TESTED AND UNTESTED PRODUCTS TO BE SEPARATED IN STORAGE CONTAINERS

MANUFAC-TURING
116
86 SF
KIEF, ROSIN AND GRINDING

RESTROOM
119
66 SF

RESTROOM
120
86 SF

SHOWER
121
66 SF

RESTROOM
106
61 SF

CLOSET
105
30 SF

EMPLOYEE BREAK AREA

OFFICE
104
63 SF

EMPLOYEE BREAK AREA
143
451 SF

OFFICE
102
479 SF

VAULT & SECURITY SURVEILLANCE ROOM
103
108 SF

LOBBY
101
67 SF

CONFERENCE ROOM
144
510 SF

NOT IN CONTRACT

Security Camera Location

0 4' 8' 16'

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

N

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