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# Marijuana Rulemaking Work Group (MRWG)

Meeting #1

June 10, 2021

9:00 – 11:30 a.m.

Topic: Safe Overnight Storage of Product and Cash

# Agenda

- I. Introductions
- II. MRWG Purpose and Ground Rules
- III. MRWG Meeting Format and Process
- IV. Goals for Implementation
- V. Topic Discussion: Secure Storage of Product and Cash
- VI. Public Comment
- VII. Next Meeting: June 24, 9:00 a.m. - 11:30 a.m.



# Marijuana Rulemaking Work Group Members

Molly Duplechian (Co-Chair)	Denver Excise and Licenses
Abbey Borchers (Co-Chair)	Denver Excise and Licenses
Councilwoman Kendra Black	City Council District 4
Councilwoman Candi CdeBaca	City Council District 9
Alison Anderson	Seed & Smith Cannabis
Amy Andrle	L'Eagle Services
Bia Campbell	VS Strategies
Brian Snow	Denver Excise and Licenses
Bruce A. Nassau, Ph.D.	Mile High Medical Cannabis, LLC
Erin Spies	Native Roots Cannabis
Jarell Wall	Gentleman Quinns LLC
Joe Sandoval	Good Chemistry
Kevin Gallagher	Apothecary Farms

Marco Cabanillas	Denver Dept. Of Transportation and Infrastructure
Detective Paul Streate	Denver Police Department
Rachel DeVore	Colorado Harvest Company
Reginald Nubine	Denver City Attorney's Office
Ron Bradford	Peak 3, LLC
Sally Vander Veer	Medicine Man
Todd Oltmans	Livwell

# MRWG Purpose and Ground Rules

- The **purpose** of the MRWG provide input and suggestions to aid Denver's Department of Excise and Licenses in developing agency rules governing secure storage of marijuana and walk-up and drive-through windows.
- The MRWG is **advisory in nature**. Work Group members will review and discuss options for specific regulatory topics and provide comments and recommendations to the City.
  - Final rules will be signed and adopted by the Executive Director of Denver Excise and Licenses.
- Each member of the MRWG is an equal participant in the process and has equal opportunity to voice opinions and contribute ideas.
  - As with all other advisory work groups, the work group will not necessarily be working towards consensus, but rather **we will use everyone's input to develop the necessary rules**.
- MRWG members accept the responsibility to come to the meetings prepared for the discussions.
- MRWG members must commit to treating each other with respect, civility, and courtesy, whether or not they agree with one another's interests and concerns.

# MRWG Meeting Format and Process

## Work Group Members

- The MRWG meetings will present information for background and pose questions for discussion.
  - Any suggestions provided by the City are for the purposes of initiating and guiding the discussion.
  - The MRWG members may make suggestions in addition to what is being provided.
- MRWG members will be provided with an agenda of what will be discussed in advance of each meeting.
- MRWG members will also be able to submit additional comments in writing.
- Recordings from each meeting will be available to access in the future.
- If a Work Group member has a question or would like to make a comment relevant to the discussion occurring, they are welcome to speak up but should avoid interrupting the presenters or another Work Group member.
  - For the experience of the viewing audience, **please announce your name at the beginning of your statement/question.**
  - If you do not feel as though you are given an opportunity to speak, please use the "raise hand" feature or use the chat.
  - **Chat feature is only available to panelists** to avoid distractions for presenters and work group members.

## Public Input

- MRWG meetings are open to the public and can be viewed via Zoom Webinar. Information to view the meeting was distributed via the [Marijuana Information Bulletin](#) and is available on the [Marijuana Laws, Rules, and Regulations website](#).
- Members of the public may send written comments to [MarijuanaInfo@denvergov.org](mailto:MarijuanaInfo@denvergov.org). Comments will be accepted until the date of the public rulemaking hearing, which will be scheduled at a later date as part of the rule adoption process.

# Discussion Topic:

## Safe and Secure Storage of Product and Cash

### Goal

- Obtain input on alternate security measures that are functionally equivalent to the use of a safe for storage of marijuana and cash overnight. Alternative security measures should be as effective as the safe requirement in meeting the goals of deterring burglaries, reducing the rate of successful burglaries, and reducing the amount of marijuana taken in successful burglaries.

# Background on secure storage requirement in ordinance

Denver Revised Municipal Code Requirements	
<a href="#">DRMC 6-204(19)</a>	<i>Safe</i> means a metal box capable of being locked securely, constructed in a manner to prevent opening by human or mechanical force, or through the use of common tools, including but not limited to hammers, bolt cutters, crow bars or pry bars.
<a href="#">DRMC 6-209(a)(3)</a>	Beginning January 1, 2022, medical and retail marijuana stores shall install and use a safe in a limited access area, which shall be incorporated into the building structure or securely attached thereto, for overnight storage of all processed cannabis and cash. For marijuana-infused products that must be kept refrigerated or frozen, the establishment may lock the refrigerated container or freezer, so long as the appliance is affixed to the building structure. <b>Alternatively, a business may utilize security devices such as vaults, strong rooms or other security features that are functionally equivalent to a safe as determined by Department rule.</b>
<a href="#">DRMC 6-218(a)(12)</a>	Beginning January 1, 2022, retail marijuana hospitality and sales businesses shall install and use a safe in a limited access area, which shall be incorporated into the building structure or securely attached thereto, for overnight storage of all processed cannabis and cash. For marijuana-infused products that must be kept refrigerated or frozen, the establishment may lock the refrigerated container or freezer, so long as the appliance is affixed to the building structure. <b>Alternatively, a business may utilize security devices such as vaults, strong rooms or other security features that are functionally equivalent to a safe as determined by Department rule.</b>

# Background on safety and security requirements in MED rules

Marijuana Enforcement Division Rules	
3-220 – Security Alarm Systems and Lock Standards	<ul style="list-style-type: none"><li>• Each Licensed Premises shall have a Security Alarm System, installed by an Alarm Installation Company, on all perimeter entry points and perimeter windows.</li><li>• Security Alarm System may include hardwired systems and systems interconnected with a radio frequency method such as cellular or private radio signals that emit or transmit a remote or local audible, visual, or electronic signal; motion detectors, pressure switches, duress alarms; panic alarms; and hold-up alarms.</li><li>• Each Licensee must ensure that all of its Licensed Premises are continuously monitored. Licensees may engage the services of a Monitoring Company to fulfill this requirement.</li><li>• At all points of ingress and egress, the Licensee shall ensure the use of a commercial-grade, non-residential door locks.</li></ul>
6-110 – Retail Marijuana Sales: General Limitations or Prohibited Acts	<ul style="list-style-type: none"><li>• A Retail Marijuana Store shall not display Retail Marijuana outside of a designated Restricted Access Area or in a manner in which Retail Marijuana can be seen from outside the Licensed Premises. Storage of Retail Marijuana shall otherwise be maintained in Limited Access Areas or the Restricted Access Area. (Same requirement exists for medical marijuana stores and retail marijuana hospitality and sales businesses.)</li></ul>

# Background on safety and security requirements in MED rule, continued

## Marijuana Enforcement Division Rules

### 3-225 – Video Surveillance

- Video surveillance equipment shall, at a minimum, consist of digital or network video recorders, cameras capable of meeting the recording requirements described in this Rule, video monitors, digital archiving devices, and a color printer capable of delivering still photos.
- All video surveillance systems must be equipped with a failure notification system that provides prompt notification to the Licensee of any prolonged surveillance interruption and/or the complete failure of the surveillance system.
- Licensees are responsible for ensuring that all surveillance equipment is properly functioning and maintained, so that the playback quality is suitable for viewing and the surveillance equipment is capturing the identity of all individuals and activities in the monitored areas.
- All video surveillance equipment shall have sufficient battery backup to support a minimum of four hours of recording in the event of a power outage. Licensee must notify the Division of any loss of video surveillance capabilities that extend beyond four hours.
- Camera coverage required for all Restricted Access Areas, Limited Access Areas, point-of-sale areas, security rooms, all points of ingress and egress to Limited Access Areas, all areas where marijuana is displayed for sale, and all points of ingress and egress to the exterior of the licensed premises.
- Camera placement shall be capable of identifying activity occurring within 20 feet of all points of ingress and egress and shall allow for the clear and certain identification of any individual and activities on the Licensed Premises.
- At each point-of-sale location, camera coverage must enable recording of the patients, caregivers or consumer(s), and employee(s) facial features with sufficient clarity to determine identity.
- All entrances and exits to the facility shall be recorded from both indoor and outdoor vantage points.
- The system shall be capable of recording all pre-determined surveillance areas in any lighting conditions.
- All camera views of all Limited Access Areas must be continuously recorded 24 hours a day. The use of motion detection is authorized when a Licensee can demonstrate that monitored activities are adequately recorded.
- All surveillance recordings must be kept for a minimum of 40 days and be in a format that can be easily accessed for viewing.

# Group Discussion

What security measures do licensees use, above and beyond state requirements, that have helped combat burglaries?

What combination of security measures would be as effective as using a safe for overnight storage in meeting security goals?

What challenges might marijuana businesses face in implementing additional security measures? How can those challenges be mitigated?



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# Public Comment

Anyone that would like to speak and provide public comment should use the “**raise hand**” feature on Zoom to indicate they would like to make a public comment.

Each speaker is limited to **two minutes**.

Attendees and members of the public viewing the Work Group meetings may also send written comments to [Marijuanainfo@denvergov.org](mailto:Marijuanainfo@denvergov.org).



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# Next Steps

Next meeting – June 24, 2021 at 9:00 – 11:30 a.m.