

STATE OF MICHIGAN  
DEPARTMENT OF REGULATORY AFFAIRS<sup>1</sup>  
MARIJUANA REGULATORY AGENCY

In the Matter of

The Fire Station Precinct 1, LLC  
ERG No.: 000329  
License No.: PC-000080  
ENF No.: 20-00049

CMP No.: 20-000318

\_\_\_\_\_/ CONSENT ORDER AND STIPULATION

CONSENT ORDER

On June 17, 2020, the Marijuana Regulatory Agency (MRA) issued a formal complaint against the medical marijuana provisioning center facility license (PC-000080) of The Fire Station Precinct 1, LLC (“Respondent”) under the Medical Marijuana Facilities Licensing Act (MMFLA), MCL 333.27101 *et seq.*, and the administrative rules promulgated thereunder. The formal complaint alleged Respondent violated Mich Admin Code, R 333.236(1), R 333.236(2), R 333.274(3), R 333.275(1)(a)(b), R 333.275(2), and Rule 3(1)(a) of the Testing of Marijuana Product Intended for Inhalation Emergency Rules dated November 22, 2019.

The executive director reviewed the stipulation contained in this document and agrees the public interest is best served by resolution of the formal complaint. Therefore, the executive director finds that the allegations contained in the formal complaint are true to the extent that Respondent violated Mich Admin Code, R 333.236(2) and Rule 3(1)(a) of the Testing of Marijuana Product Intended for Inhalation Emergency Rules dated November 22, 2019. The executive director finds that the remaining allegations are dismissed.

Accordingly, for these violations, IT IS ORDERED:


<sup>1</sup> Executive Reorganization Order 2019-2 created the Marijuana Regulatory Agency (MRA) as a Type I agency within the Department of Licensing and Regulatory Affairs (LARA). MCL 333.27001(1)(a)(d). The MRA exercises its statutory powers, duties, and functions independent of LARA’s direction. MCL 16.103.

1. Respondent must pay a fine in the amount of Eight Thousand Seven Hundred Fifty and 00/100 dollars (\$8,750.00). This fine shall be paid within 30 days of the effective date of this order by check or money order made payable to the State of Michigan with enforcement number "20-00049" clearly displayed on the check or money order. Respondent shall mail the fine to Department of Licensing and Regulatory Affairs, Marijuana Regulatory Agency, PO BOX 30205, Lansing, Michigan 48909.
2. If Respondent fails to timely pay the fine, Respondent's license shall be suspended until payment is received.
3. The paragraphs of the formal complaint alleging violations of Mich Admin Code R 333.236(1), R 333.274(3), R 333.275(1)(a) (b) and R 333.275(2) are DISMISSED.
4. Unless otherwise specified in this order, Respondent shall direct any communications to the MRA that are required by the terms of this order to [MRA-LegalHearings@michigan.gov](mailto:MRA-LegalHearings@michigan.gov).
5. Respondent shall be responsible for all costs and expenses incurred in complying with the terms and conditions of this consent order.
6. If Respondent violates any term or condition set forth in this order, Respondent will be subject to fines and/or other sanctions under section 407(1) of the MMFLA, MCL 333.27407(1), and Mich Admin Code, R 420.806.
7. Upon timely payment of the fine by Respondent, the matters set forth in the formal complaint shall be deemed resolved and closed subject to this Consent Order.

This order shall be effective on the date signed by the MRA's executive director or his designee, as set forth below.

MARIJUANA REGULATORY AGENCY

Signed on: 2/1/21

By:  Andrew Brisbo, Executive Director  
Marijuana Regulatory Agency

## STIPULATION

The parties stipulate to the following:

1. The facts alleged in the formal complaint are true and constitute a violation of the administrative rules promulgated under the MMFLA.
2. Respondent understands and intends that by signing this stipulation, Respondent is waiving the right under the MMFLA, administrative rules promulgated thereunder, and the Administrative Procedures Act of 1969, MCL 24.201 *et seq.*, to require the MRA to prove the charges set forth in the formal complaint by presentation of evidence and legal authority, and to present a defense to the charges.
3. The parties considered the following in reaching this agreement:
  - a. Respondent's facility was a temporary operator during the appeal of its application denial and prior to receiving a state operating license.
  - b. Respondent alleges there was confusion and/or miscommunication with the MRA and the statewide monitoring system (METRC) that led to its failure to enter items into METRC immediately upon licensure.
  - c. Respondent voluntarily closed its facility to enter beginning inventory into METRC; to ensure that its point of sale system was integrated with METRC; and all items were tagged and labeled appropriately.
  - d. Upon notification of the requirement to test all vape cartridges for Vitamin E Acetate, all sales ceased, the items were tested, and did not contain Vitamin E Acetate.
  - e. Respondent put forth that these violations were not as the result of intentional or willful misconduct.
  - f. The Formal Complaint at issue was the first disciplinary action document issued against Respondent.
  - g. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
4. The MRA's enforcement division director or her designee must approve this proposed agreement before it is forwarded to the MRA's executive director or his designee for review and issuance of the above consent order. The parties reserve the right to proceed to an administrative hearing without prejudice to either party, should the MRA's enforcement division director, executive director, or their designees reject the proposed consent order.

By signing this stipulation, the parties confirm that they have read, understand, and agree with the terms of the consent order.

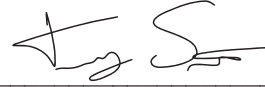
AGREED TO BY:

Julie Kluytman Digitally signed by: Julie Kluytman  
DN: CN = Julie Kluytman email =  
kluytmanj@michigan.gov C = AD  
Date: 2021.02.01 13:50:00 -05'00'

Julie Kluytman, Director  
Enforcement Division  
Marijuana Regulatory Agency

Dated: 2/1/21

AGREED TO BY:



Terry Simaan, Authorized Officer  
On behalf of Respondent  
The Fire Station Precinct 1, LLC

Dated: February 1, 2021



Jason R. Canvasser (P69814)  
Attorney for Respondent

Dated: February 1, 2021

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MARIJUANA REGULATORY AGENCY

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FORMAL COMPLAINT

The Marijuana Regulatory Agency (“Complainant”) files this formal complaint against The Fire Station Precinct 1, LLC (“Respondent”) alleging upon information and belief as follows:

1. The Marijuana Regulatory Agency (MRA) is authorized under the Medical Marijuana Facilities Licensing Act (MMFLA), MCL 333.27101 *et seq.*, and Executive Reorganization Order No.2019-2, MCL 333.27001, to investigate alleged violations of the MMFLA and the administrative rules promulgated thereunder, take disciplinary action to prevent such violations, and impose fines and other sanctions against applicants and licensees that violate the MMFLA or administrative rules.

2. Section 402(12) of the MMFLA provides that the expiration of a license does not terminate the MRA’s authority to impose sanctions on the license.

3. Section 206(c) of the MMFLA provides that the administrative rules must ensure the health, safety, and security of the public and integrity of the marijuana facility operations.

4. Respondent’s conduct as described below is a risk to public health and safety and/or the integrity of marijuana facility operations.

MARIJUANA REGULATORY AGENCY  
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909  
[www.michigan.gov/MRA](http://www.michigan.gov/MRA)

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FACTUAL ALLEGATIONS AND INTENDED ACTION OF THE MRA

5. Respondent holds an active state operating license under the MMFLA to operate a medical marihuana provisioning center in the state of Michigan.

6. Respondent operated at 9148 North Dort Highway, Mt. Morris, Michigan, 48458 at all times relevant to this complaint.

7. Following an investigation, the MRA determined that Respondent violated the MMFLA and/or administrative rules promulgated thereunder as set forth below:

- a. Respondent obtained a medical marihuana provisioning center license on January 9, 2020 and obtained credentials to use the statewide monitoring system (METRC) on January 27, 2020.
- b. On February 26, 2020, the MRA observed the physical inventory of Respondent's location and determined the following:
  - a. None of the products available for sale had been identified or recorded in METRC in violation of Mich Admin Code R333.236(1).
  - b. None of the products available for sale contained a batch number or identification tag or label in violation of Mich Admin Code R 333.235(2).
- c. On February 26, 2020, the MRA reviewed Respondent's METRC inventory and determined that the Respondent had not entered all transactions, current inventory, and other information into METRC in violation of Mich Admin Code R 333.274(3).
- d. Respondent was operating without accessing or entering information into METRC, therefore, Respondent was unable to verify that any sale of marihuana product to a patient or a caregiver would not exceed the daily and/or monthly purchasing limits in violation of Mich Admin Code R 333.275(1)(a),(b),(2).
- e. On February 26, 2020, Respondent admitted to MRA staff that they had sold over 5,000 "24karat liquid gold" vape cartridges, marihuana products intended for inhalation, without the products having passing test results for Vitamin E Acetate

testing in violation of the Testing of Marijuana Product Intended for Inhalation  
Emergency Rule 3(1)(a).

THEREFORE, based on the above, the MRA gives notice of its intent to impose fines and/or other sanctions against Respondent's license, which may include the suspension, revocation, restriction, and/or refusal to renew Respondent's license.

Under MCL 333.27407(4) and Mich Admin Code, R 333.29494(2), any party aggrieved by an action of the MRA suspending, revoking, restricting, or refusing to renew a license, or imposing a fine, shall be given a hearing upon request. A request for a hearing must be submitted to the MRA in writing within 21 days after service of this complaint. Notice served by certified mail is considered complete on the business day following the date of the mailing.

Respondent also has the right to request a compliance conference under Mich Admin Code, R 333.294(1). A compliance conference is an informal meeting at which Respondent has the opportunity to discuss the allegations in this complaint and demonstrate compliance under the MMFLA and/or the administrative rules. A compliance conference request must be submitted to the MRA in writing.

Hearing and compliance conference requests must be submitted in writing by one of the following methods:

By Mail: Department of Licensing & Regulatory Affairs  
Marijuana Regulatory Agency  
P.O. Box 30205  
Lansing, Michigan 48909

In Person: Department of Licensing & Regulatory Affairs  
Marijuana Regulatory Agency  
2407 North Grand River  
Lansing, Michigan 48906

If Respondent fails to timely respond to this formal complaint, a contested case hearing will be scheduled to resolve this matter. The MRA reserves the right to review the formal complaint and amend it should this matter proceed to a contested case hearing.

MARIJUANA REGULATORY AGENCY  
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909  
[www.michigan.gov/MRA](http://www.michigan.gov/MRA)

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Questions about this complaint should be directed to the Marijuana Regulatory Agency at (517) 284-8599 or [MRA-LegalHearings@michigan.gov](mailto:MRA-LegalHearings@michigan.gov).

Dated: 16 June 2020

**MARIJUANA REGULATORY AGENCY**

By: **Kavita Kale**  Digitally signed by: Kavita Kale  
DN: CN = Kavita Kale email = kalek@michigan.gov C =  
US  
Date: 2020.06.16 14:17:47 -04'00'

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Kavita Kale, Enforcement Division Director

MARIJUANA REGULATORY AGENCY  
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909  
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**PROOF OF SERVICE**

I hereby certify that on June 17, 2020, I mailed a copy of the Formal Complaint dated June 17, 2020, in the above captioned case by certified mail (return receipt requested) to:

The Fire Station Precinct 1, LLC  
9148 North Dort Highway  
Mt. Morris, Michigan 48458

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Jessica S. Fox  
Departmental Analyst  
Marijuana Regulatory Agency  
Department of Licensing & Regulatory  
Affairs

MARIJUANA REGULATORY AGENCY  
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