

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

In the Matter of

TRCOL OF NILES, LLC dba TriMed Farm
License Nos.: AU-G-C-000326, AU-G-C-000378,
AU-G-C-000379 & AU-G-C-000416

ENF No.: 21-00486

_____/ CONSENT ORDER AND STIPULATION

CONSENT ORDER

On November 30, 2021, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the adult-use marijuana grower establishment licenses AU-G-C-000326, AU-G-C-000378, AU-G-C-000379 and AU-G-C-000416 of TRCOL of Niles, LLC dba TriMed Farm (“Respondent”) under the Michigan Regulation and Taxation of Marihuana Act (MRTMA), MCL 333.27951 *et seq.*, and the administrative rules promulgated thereunder. The formal complaint alleged Respondent violated Mich Admin Code R 420.211(2) and R 420.211(6).

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 and that Respondent violated Mich Admin Code R 420.211(2) and R 420.211(6).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of sixteen thousand and 00/100 dollars (\$16,000). This fine shall be paid within 30 days of the effective date of this order by check, money order, or online through Accela Citizen Access (ACA). Instructions on how to make online payments can be found under the Tips for Licensees bulletin section at www.michigan.gov/cra. Check or money orders shall be made payable to the State of Michigan with enforcement

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number “21-00486” and license numbers “AU-G-C-000326, AU-G-C-000378, AU-G-C-000379 & AU-G-C-000416” clearly displayed on the check or money order. Respondent shall mail the fine to Department of Licensing and Regulatory Affairs, Cannabis Regulatory Agency, PO BOX 30205, Lansing, Michigan 48909.

2. Respondent will provide an updated SOP detailing how staff will ensure proper disposal of marijuana plant and product waste within 30 days of the effective date of this order.
3. If Respondent fails to timely comply with the terms of this order, Respondent’s license shall be suspended until compliance is demonstrated.
4. Unless otherwise specified in this order, Respondent shall direct any communications to the CRA that are required by the terms of this order to CRA-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 7(1)(c) of the MRTMA, MCL 333.27957, and Mich Admin Code, 420.808.
7. Upon timely compliance of the terms of this order 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 30 days after the date signed by the CRA’s executive director or his designee, as set forth below.

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CANNABIS REGULATORY AGENCY

Signed on: 02/16/2023

By: Brian Hanna
Brian Hanna, Executive Director
and/or his designee
Cannabis Regulatory Agency

Digitally signed by: Brian Hanna
DN: CN = Brian Hanna email =
hannab@michigan.gov C = US O =
CRA OU = CRA
Date: 2023.02.16 14:47:40 -05'00'

STIPULATION

The parties stipulate to the following:

1. Respondent does not contest the allegations of fact and law in the formal complaint. By pleading no contest, Respondent does not admit the truth of the allegations, but agrees that the CRA's executive director or designee may enter an order treating the allegations as true for purposes of resolving the formal complaint.
2. Respondent understands and intends that by signing this stipulation, Respondent is waiving the right under the MRTMA, administrative rules promulgated thereunder, and the Administrative Procedures Act of 1969, MCL 24.201 *et seq.*, to require the CRA 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 was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
4. The CRA's enforcement division director or his/her designee must approve this proposed agreement before it is forwarded to the CRA'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

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prejudice to either party, should the CRA'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:

AGREED TO BY:

Desmond
Mitchell

Digitally signed by
Desmond Mitchell
Date: 2023.02.15
13:56:19 -05'00'

Desmond Mitchell, Operations Director
and/or his designee
Cannabis Regulatory Agency



Michael E. Gelatka, Managing Member
on behalf of Respondent
TRCOL of Niles, LLC

Dated: 02/15/2023

Dated: 2/13/2023



Robert A. Hendricks (P37087)
Attorney for Respondent

Dated: 2/14/2023

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

In the Matter of

TRCOL of Niles, LLC
AU-ER No.: 000903
License No.: AU-G-C-000326, AU-G-C-000378, AU-G-C-000379
& AU-G-C-000416
ENF No.: 21-00486

CMP No.: 21-001418

FORMAL COMPLAINT

The Marijuana Regulatory Agency (“Complainant”) files this formal complaint against TRCOL of Niles, LLC (“Respondent”) alleging upon information and belief as follows:

1. The Marijuana Regulatory Agency (MRA) is authorized under the Michigan Regulation and Taxation of Marihuana Act (MRTMA), 2018 IL1, *et seq.*, and Executive Reorganization Order No.2019-2, MCL 333.27001, to investigate alleged violations of the MRTMA and the Administrative Rule promulgated thereunder, take disciplinary action to prevent such violations, and impose fines and other sanctions against applicants and licensees that violate the MRTMA or Administrative Rules.
2. Section 8(1)(d) of the MRTMA provides that the Administrative Rules must ensure the health, safety, and security of the public and integrity of the marihuana establishment operations.
3. Respondent’s conduct as described below is a risk to public health and safety and/or the integrity of marihuana establishment operations.

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FACTUAL ALLEGATIONS AND INTENDED ACTION OF THE MRA

4. Respondent holds active state licenses under the MRTMA to operate multiple adult use Class C grower facilities in the state of Michigan.

5. Respondent operated at 1271 Eden Way, Chesaning, Michigan 48616, at all times relevant to this complaint.

6. Following an investigation, the MRA determined that Respondent violated the MRTMA and/or Administrative Rules promulgated thereunder as set forth below:

- a. On October 7, 2021, the MRA visited Respondent's establishment to discover Respondent burning marijuana stalks and stems (marijuana plant waste) on the establishment grounds.
- b. Respondent admitted to the burning of marijuana plant waste and that it received approval from the city to burn the marijuana plant waste because its woodchipper could not handle the volume of waste that was produced.
- c. Respondent failed to render the marijuana stalks and stems into an unusable and unrecognizable form through a method approved by the MRA in violation of Mich Admin Code, R 420.211(2), which states marihuana plant waste, including roots, stalks, leaves, and stems that have not been processed with a solvent must be rendered into an unusable and unrecognizable form through grinding or another method as determined by the agency that incorporates the marihuana plant waste with compostable waste specified in subdivisions (a) to (d) of this subrule so that the resulting mixture is not less than 50% non-marihuana plant waste: (a) Food waste (b) Yard waste (c) Vegetable based grease or oils (d) Other compostable wastes approved by the agency.
- d. Respondent disposed of the marijuana stalks and stems by burning them in an open and unsecured area on the establishment grounds in violation of

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Mich Admin Code, 420.211(6), which states a licensee shall dispose of marihuana product waste and marihuana plant waste in a secured waste receptacle using 1 or more of the following methods that complies with applicable state and local laws and regulations: (a) A licensed municipal solid waste landfill (b) A registered composting facility that has specific approval under part 115 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11501 to 324.11554, to accept the material (c) An anaerobic digester that has specific approval under part 115 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11501 to 324.11554, to accept the material (d) An in-state municipal solid waste or hazardous waste incinerator that has been permitted under part 55 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5501 to 324.5542.

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 333.27957 (1)(c) and Mich Admin Code, R 420.704(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 420.704(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 MRTMA and/or the Emergency 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:

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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

By Email: MRA-LegalHearings@michigan.gov

If Respondent fails to timely respond to this formal complaint, a contested case hearing will be scheduled to resolve this matter.

Questions about this complaint should be directed to the Marijuana Regulatory Agency's legal section at (517) 284-8599 or MRA-LegalHearings@michigan.gov.

Dated: 11/30/21

By: Claire Patterson
Claire Patterson, Manager
Scientific and Legal Section Manager
Enforcement Division
Marijuana Regulatory Agency

Digitally signed by Claire Patterson
Date: 2021.11.30 07:46:11 -05'00'