

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

In the Matter of

The Calmic LLC dba Apothecare Ann Arbor  
License No.: PC-000549

ENF No.: 23-00664

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

CONSENT ORDER

On October 3, 2023, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the medical marijuana provisioning center facility license (PC-000549) of The Calmic LLC dba Apothecare Ann Arbor (“Respondent”) under the Medical Marihuana 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 420.206a(1), 420.206a(2), 420.206a(3), & 420.211(1).

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 [all of/some of] the allegations contained in the formal complaint are true and that Respondent violated Mich Admin Code, R 420.206a(1), 420.206a(2), 420.206a(3), & 420.211(1).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of six-thousand and 00/100 dollars (\$6,000.00). 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](http://www.michigan.gov/cra). Check or money orders shall be made payable to the State of Michigan with enforcement number “23-00664” and license number “PC-000549” clearly displayed on the check or

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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 must submit adequate standard operating procedures (SOPs) regarding wasted product and surveillance.
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-CSS@michigan.gov](mailto:CRA-CSS@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 shall be subject to fines and/or other sanctions under section 407(1) of the MMFLA, MCL 333.27407(1), and Mich Admin Code, R 420.808.
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.

**CONTINUED ONTO NEXT PAGE**

This order shall be effective 10 days after the date signed by the CRA's executive director or his designee, as set forth below.

CANNABIS REGULATORY AGENCY

Signed on: 1/23/2024

By: Brian Hanna  
Digitally signed by: Brian Hanna  
DN: CN = Brian Hanna email = hannab@michigan.gov  
C = US O = CRA OU = CRA  
Date: 2024.01.23 15:45:21 -05'00'

Brian Hanna, Executive Director  
or his designee  
Cannabis 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 CRA to prove the violations set forth in the formal complaint by presentation of evidence and legal authority, and to present a defense to the violations.
3. The parties considered the following in reaching this agreement:
  - a. Respondent adequately secured the waste bin and was found to be fully compliant at an inspection in October 2023.
  - b. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
4. The CRA's centralized services director or 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

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reserve the right to proceed to an administrative hearing without prejudice to either party, should the CRA's centralized services 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:

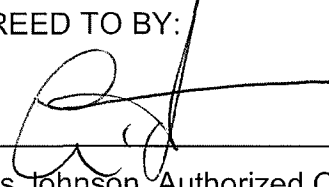
Sara E.  
Hernandez

 Digitally signed by: Sara E. Hernandez  
DN: CN = Sara E. Hernandez email =  
herandezs1@michigan.gov C = AD O =  
LARA OU = MRA  
Date: 2024.01.23 14:55:59 -05'00'

Sara Hernandez, CSD Director  
or her designee  
Cannabis Regulatory Agency

Dated: 01/23/2024

AGREED TO BY:



Louis Johnson, Authorized Officer  
on behalf of Respondent  
The Calmic LLC dba Apothecare Ann  
Arbor

Dated: 1-23-24

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

In the Matter of

The Calmic, LLC dba Apothecare Ann Arbor  
License No.: PC-000549

ENF No: 23-00664

\_\_\_\_\_ /

FORMAL COMPLAINT

The Cannabis Regulatory Agency (“CRA”) files this formal complaint against The Calmic, LLC dba Apothecare Ann Arbor (“Respondent”) alleging upon information and belief as follows:

1. The CRA 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 CRA’s authority to impose sanctions on the license.

FACTUAL ALLEGATIONS AND INTENDED ACTION OF THE CRA

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

4. Respondent operated at 2793 Plymouth Road, Suite C, Ann Arbor, Michigan 48105, at all times relevant to this complaint.

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

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- a. On June 26, 2023, the CRA received an anonymous complaint alleging Respondent was not providing proper training to employees and did not have up-to-date standard operating procedures (SOP) onsite.
- b. On July 18, 2023, a CRA Regulation Agent (RA) visited Respondent's provisioning center and met with Respondent's Manager, S.B.
- c. S.B. was unable to locate Respondent's SOPs regarding waste management, product destruction, and video surveillance.
- d. During the visit, the CRA RA observed marijuana product in a plastic bin located under a workstation. S.B. stated the bin was Respondent's waste bin. The bin contained product waste that had not been secured and rendered unusable and unrecognizable.

### **Count I**

Respondent's actions as described above in paragraph c demonstrate a violation of Mich Admin Code, R 420.206a(1), which states a marijuana business must have up-to-date written standard operating procedures on site at all times.

### **Count II**

Respondent's actions as described above in paragraph c demonstrate a violation of Mich Admin Code, R 420.206a(2), which states standard operating procedures must be made available to the agency upon request.

### **Count III**

Respondent's actions as described above in paragraph c demonstrate a violation of Mich Admin Code, R 420.206a(3), which states standard operating procedures must detail the marijuana business operations and activities necessary for the marijuana business to comply with the acts and these rules.

### **Count IV**

Respondent's actions as described above in paragraph d demonstrate a violation of Mich Admin Code, R 420.211(1), which states a marijuana product that is to be

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destroyed or is considered waste must be rendered into an unusable and unrecognizable form through grinding or another method as determined by the agency that incorporates the marihuana product waste with 1 or more of the following types of non-consumable solid waste so that the resulting mixture is not less than 50% non-marihuana product waste: (a) paper waste. (b) plastic waste. (c) cardboard waste. (d) food waste. (e) grease or other compostable oil waste. (f) fermented organic matter or other compost activators. (g) soil. (h) other waste approved in writing by the agency.

THEREFORE, based on the above, the CRA 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 420.704(2), any party aggrieved by an action of the CRA 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 CRA 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 MMFLA and/or the administrative rules. A compliance conference request must be submitted to the CRA 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  
Cannabis Regulatory Agency  
P.O. Box 30205

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Lansing, Michigan 48909

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

By Email: [CRA-LegalHearings@michigan.gov](mailto:CRA-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 Cannabis Regulatory Agency at (517) 284-8599 or [CRA-LegalHearings@michigan.gov](mailto:CRA-LegalHearings@michigan.gov).

Dated: 10/3/23

By: Alyssa A. Grissom  
Digitally signed by Alyssa A. Grissom  
Date: 2023.10.03 14:28:23 -04'00'

Alyssa A. Grissom  
Legal Section Manager  
Cannabis Regulatory Agency

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