

Cannabis Manufacturing & Distribution

6925 Luther Drive
Sacramento, CA 95823
APN: 041-0100-029

Prepared for:
CDP Fabricators, Inc.



Security Plan



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Attachment B - Alert 360 Proposal

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1. INTRODUCTION

CDP Fabricators Inc. understands there are considerable risks in operating a cannabis business. Those risks include potential burglaries and theft by outside parties, product diversion by both employees and customers, risk of minors accessing product, and risk to the safety of our employees. Our company is committed to ensuring a safe environment that mitigates as much risk as possible. Risk mitigation includes, but is not limited to, implementing the security requirements as mandated by all state and local laws, including the roles set forth by the City of Sacramento Land-Use and Development Code, specifically where it concerns Zoning Regulations and Comprehensive Site Development Standards in Title 5, chapter 5.150 Cannabis Businesses Title 8 Health and Safety, and Title 17 Planning and Development Code. In addition to ensuring the safety and security of its employees and customers, CDP Fabricators Inc. accepts responsibility for safeguarding against the theft or diversion of any cannabis items, and any records, be they in hardcopy documents or in digital form.

The following Security Plan has been prepared in consultation with Alert 360 and Alpha Alarm & Audio Inc. (license #944754/AC-06853), experts in support of the City of Sacramento Cannabis Conditional Use Permit application for the property located at 6925 Luther Drive, Sacramento, California. This Plan will be implemented by the designated Security Manager once appointed, as well as other key members of the Applicant's Management/Ownership team. The plan will also be reviewed by a third-party professional security company at least once per year, and after any security related incident, to ensure that the plan is current and that areas needing improvement are addressed frequently. The plan will also be reviewed by the county and sheriff's office and will be updated any time the facility upgrades or makes changes to its electronic security equipment, or any time rules and regulations presented by the Program change.

All CDP Fabricators Inc. standards in this Security Plan and referenced hereto are written in compliance in accordance with City of Sacramento Land Use and Development Code referenced above. We have chosen Alert 360 as a qualified California Security Company to monitor the premises during operational hours and after hours with the goals of providing a safe and secure facility for employees, protecting the public and to complying with all local and state regulations. CDP Fabricators Inc. will work closely with the City of Sacramento City Manager and Chief of Police to ensure that the plan exceeds all minimum-security requirements.

2. REGULATORY COMPLIANCE

The following security plan is written to comply with all local regulations including the Title 5, 8, 17 of the City of Sacramento Code. This security plan complies with the California Code of Regulations and the Bureau of Cannabis Control Regulations for the Type 11 Distribution and all applicable regulations for the Type 7 Volatile Manufacturing license from the Department of Public Health including provisions for CCR, Article 5. Security Measures.

Municipal Codes have been addressed throughout the security plan in the following ways:

City of Sacramento Code:

Title 5 Business License and Regulations

- Chapter 5.150 -Cannabis Businesses
- Article VI – Cannabis Manufacturing

- Article VIII – Cannabis Distribution
- Title 8 – Health and Safety
 - Chapter 8.36 - Alarm Systems
 - Chapter 8.60 – Hazardous Materials Cleanup
- Title 17 – Planning and Development Code
 - Division II – Zoning Districts and Land Use Regulations

The following State Codes and Standards have been addressed throughout the security plan:

California Code of Regulations and The Bureau of Cannabis Control Regulations:

- § Section 5002 (d)(29)(D) – BCC-LIC-018 Security Procedures-
- Article 5. Security Measures including
 - § 5042 Limited Access Areas
 - § 5043 Licensee Employee Badge Requirement
 - § 5044 Video Surveillance System
 - § 5045 Security Personnel
 - § 5046 Locks
 - § 5047 Alarm System

Article 6. Track & Trace Requirements including

- § 5048 Track and Trace Requirements
- § 5049. Track and Trace Reporting
- § 5050. Loss of Access
- § 5051. Track and Trace System Reconciliation
- Article 9. Record Retention
 - § 5739. Records
- Chapter 7. Enforcement
 - § 5800. Right of access

Hours of Operation in connection with Security Design Principles

Hours of operation for manufacturing and distribution hours on Monday- Sunday from 6am-9pm and with operating hours beginning at 5:00am to provide time for opening activities and three additional hour after closing for passive activities such as operating lights, monitoring equipment or systems, and cleaning.

At full capacity, the facility operations daily will include all functions of manufacturing, distributing, and transporting cannabis, including manufacturing products, receiving of cannabis product from other cultivators, manufacturers, and distributors, storage of product, marketing of product and exchange of information with potential customers and operations, financial transactions, transport of cannabis products, and activities related to cultivation in various stages. The ownership recognizes that security is more than simply adding locks and security guards to keep everything safe. The risks of operating cannabis-based businesses are many, and CDP Fabricators Inc. intends to take all necessary steps to a secured operation.

CDP Fabricators Inc. is committed to ensuring the development of a safe environment that mitigates as much risk as possible. Risk mitigation includes, but is not limited to, implementing security protocol as mandated by all state and local laws, including the roles set forth by the City of Sacramento. Licensee protocols will safeguard inventory and provide preventative mechanisms for burglary and theft by outside parties, product diversion by both employees and customers, risk of minors accessing product, and risk to the safety of employees. Additionally, the company standards and procedures prevent theft or diversion of records whether in hardcopy or digital format. This security plan also includes physical improvements that follow best practices and incorporate the principles of CPTED, Crime Prevention Through Environmental Design.

CPTED principals include the definition of defensible space and enforcement of territoriality in addition to effectiveness of surveillance and physical security enhancements that include landscaping and maintenance services. Enhancements include CCTV and access control systems, mechanisms for lighting and locking, pedestrian and vehicle traffic flow analyses and security related business practices such as logistics plans, procedures, logs, and maintenance plans.

Furthermore, this plan addresses the track and track handling practices for cannabis on behalf of the licensee, particularly those with a high possibility of diversion (loading and unloading vehicles, transportation, storage, processing, etc.)

With these considerations in mind, the following covers the areas of concern addressed throughout this Security Plan:

- Characteristics of the Site
- Proposed Physical Security Plan
- Standard Operating Procedures

3. CHARACTERISTICS (PREMISES, FIXTURES, AND EQUIPMENT)

3.1 SITE CONDITIONS

The proposed Type 7 manufacturing and Type 11 licensed facilities will occupy a newly renovated 6,100 sq. ft. building located at 6925 Luther Drive, Sacramento, Ca 95823. The following are descriptions of the proposed premises:

External deliveries will be received through the delivery area at the southeast corner of the facility. It has two secured 12' rollup doors for intake of transportation and delivery vehicles.

TYPE 7 VOLATILE SOLVENT MANUFACTURING 3,974 SQ. FT.

The business focused on extraction of oils found within the cannabis plant via ethanol and butane extraction. Our manufacturing operation will also consist of extracting cannabinoids from the cannabis plant using hydrocarbon solvents, post-extraction processing to remove the solvent from the finished products, infusion into pre-rolls and vape cartridges, and finally finished product packaging. This premise comprised of both an extraction and post extraction booth, packaging, cold storage, prep material, and storage.

TYPE 11 DISTRIBUTION 1,316 SQ FT.

The distribution operation a of CDP Fabricators Inc. will be located in the southeast corner of the facility. The area is comprised of two separate enclosed spaces: product storage vault and secured loading. Distribution is connected to the remainder of the facility via a corridor to the west and adjacent to the manufacturing premises. All shipping and receiving products will be through 12' roll-up doors in the in the secured loading area.

ADMINISTRATIVE & SUPPORT OFFICES

Common areas are located on the south side of the facility and can be accessed from the front (west) side of the building through a private access lobby that is secured by a door with a card reader or keys. The area is comprised of a reception area, one office, an employee breakroom, and a restroom. Access to this area will be restricted to employees of the facility.

4. PROPOSED PHYSICAL SECURITY PLAN

4.1 DESIGN SUMMARY

CDP Fabricators Inc. intends to implement exterior security measures that integrate the principles of CPTED to the extent possible. Landscaping on the site will be maintained by the licensee in accordance with CPTED principals. With regard the facility interior, CDP Fabricators Inc. commits to the following security measures. Measures listed are for the full facilities buildout, a security diagram has been prepared in alignment with this security plan and can be found on the last page of the plan set submitted with this application:

- Installation of a UL certified burglar alarm in compliance with City and state requirements.
- Installation of a CCTV system to monitor and record all traffic around the facilities, including Twenty- four (24) 4Mp 1080p HD turret cameras with appropriate mounts, 7 of which are exterior cameras and 17 interiors cameras. All cameras are on a cloud base server so that police can access and review footage in real time at station or in vehicles.
- Installation of modern LED lamps with full cutoff fixtures to limit glare and light trespass.
- Installation of security devices including but not limited to sensors and locks on all windows and exterior doors to the facilities, panic buttons, motion detectors, and key card readers.
- The use of only commercial-grade, nonresidential door locks and plates at all points of entry and exit to the licensed premises and in all highly secure areas within the facility.
- Secured and locked waste containers that will be kept in a restricted access area of the facility.

4.2 PERIMETER CONTROLS

Perimeter controls will be designed for the facilities to support or enhance the existing physical boundaries of the facilities and act as a deterrent for burglary, robbery, trespassing and other crime. The CPTED concept is applied in concentric rings of security, beginning with the property border as the outermost layer.

- The facilities perimeter includes a public access parking lot and security fencing around the remaining perimeter.
- Transportation vehicles must enter the south of the building. The gate may only be opened and closed by the security staff at the buildings after verification of the vehicle and driver.
- Exterior lighting will be added to provide additional security and camera visibility.
- Extensive video monitoring and recording will be implemented on both the exterior and interior of the facilities.
- Fencing is the first layer of security for our premises. Our facility is already outfitted with a security fence and vehicular gate providing access from the street to our transport area. We will maintain all components of the fence and gate to make sure it continues to provide the expected level of security.
- The securely fenced area will be gated with an automatic access control system equipped with RFID card reader or similar security device. These devices are cloud based and require no software installation but can always operate the gate remotely. The Security Manager or designee can manage the application on any computer or smart device designated to monitor the security of the entries and exits to the premises. In addition, these devices are capable of interacting with unique identifier codes assigned to staff and read through their cell phone or Bluetooth device.
- HD Video Camera and infrared lights allow the capture of pictures and video at all hours of day and night and the recording and storage of user codes to monitor all activity.
- There will be no exterior signage to bring additional attention to the operation except for the address on the front of the property. A 1' x 1' sign or larger stating "All Activities Monitored by Video Camera" or similar will be posted at all entry and exit doors as well as in conspicuous areas along the perimeter of the facility. "No Loitering", Public Drinking, or Public Smoking/Consumption of Cannabis" signs will be posted inside and outside the premises.

4.3 PARKING

We have provided adequate parking (9 spaces) as required by CCC Land Use and Development Code Title 17 Section 17.608 Parking Regulations. The property is located in the urban district and is zoned industrial and will be used for warehouse and manufacturing operations, therefore are required one parking space per 4,000 gross square feet of building, as well as, maximum one space per 500 gross square feet of building. Our building is 6,100 square feet and we are required to have two parking spaces. CDP Fabricators, Inc. tends to employ eight to ten individuals and expect some to use the available on street parking along Luther Drive. CDP Fabricators Inc. has included one (1) ADA accessible space within their total which is located near the front entrance to our facility.

4.4 RESTRICTED ACCESS – ACCESS CONTROLS

Access control systems are designed to grant secure entry into restricted access areas of the facilities. Each premises includes restricted and limited access areas. Employees will be required to have keys and/or key cards to enter any of these areas. All common areas of the facility are secured with restricted access doors. Limited access areas such as the product storage rooms are also secured with commercial door locks, plates, and key cards. Employees will obtain appropriate key or key cards access based upon the employee's role and only authorized personnel will be allowed access.

The design, equipment and placement of the security system will be carefully considered under the expertise of cannabis security consultants to ensure secured and compliant premises. The entire premises will be monitored and alarmed through the implementation of security equipment and devices including but not limited to:

- A UL certified cellular communication burglar alarm with door contacts, motion detectors, safe contacts, and wireless panic buttons which will be remotely monitored.
- Electrified door locks and readers and key interior and restricted access locations.
- CCTV – 2.64mp 1080p HD cameras with remote viewing from smartphone, tablet or desktop.

In addition to facility-wide security and monitoring, each individual section of the building will also be outfitted with the appropriate security measures, especially in high-risk and restricted access areas:

Access Controls

Security alarm equipment such as window contacts and panic buttons, surveillance cameras, ultra-secure storage vaults and other safety equipment such as lockout-tagout equipment and instructions will be located at strategic, restricted-access points throughout the premises. Security safes and other sensitive items such as products, cash, or equipment will be situated so they are not visible from either of the main buildings.

4.5 DOORS, WINDOWS, AND LOCKING HARDWARE

While the creation of a defensible perimeter increases the resiliency of security measures that can reduce outside threats, the implementation of counter measures on the interior of the facility has a supportive effect in reducing risks of theft or diversion from internal threats. The following will apply to all windows and doors of the facilities:

- All windows will be rendered inoperable or locked and covered by frosted glass or similar acceptable product with at least 50% transparency to prevent clear viewing in the to the interior of the facility.
- All windows will be upgraded with impact and forced entry resistant window film and/or steel welded interior bars to prohibit forced entry.
- The facility has a main door for the entry of all visitors, who will be screened and verified and will await a security escort to the reception area.
- Employees and other personnel will enter through the private, restricted access lobby on the west side of the building just off the street.

- All entry and access points, such as windows, will be monitored via secured technology including but not limited to, sensors, alarms, locks and video surveillance in all sensitive-task, and restricted-access areas.

4.6 SECURITY CAMERAS (CCTV)

The CCTV system will be designed to support and complement the visually monitored perimeter which defends against and prevents documents intrusions, diversion and theft. The interior of the facilities will be additionally improved to provide continuous coverage of individuals handling cannabis and related products. Any security hardware will be closely monitored and speedily serviced, repaired or replaced in the event of hardware failure. The system will be designed to include all the following specifications:

- Cameras will have permanent day/night infrared capability and will effectively record the areas under surveillance.
- To the extent possible, all video surveillance cameras will be installed in a manner that prevents intentional obstruction, tampering with, or disabling.
- Individual cameras will have a minimum resolution of 1280x720 pixels and will record continuously 24/7 at a minimum of 30 frames per second with recordings kept on file for a minimum of 90 days.
- The system will be transmission control protocol (TCP) capable and accessible through the internet.
- Each authorized user will have individual credentials and remote access to the system.
- All camera hardware will be tampering and vandal resistant.
- The Network Video Recorder (NVR) will have the ability to download and generate DVDs/flash drives of CCTV footage as well as print still images via a nearby printer.
- The NVR will use a failure notification system to alert the licensee of an interruption in the video surveillance.
- A backup gas generator or battery, linked to the NVR, will power the CCTV system in case of a power outage.
- The system will maintain an accurate date/time stamp in compliance with the US National Institute Standards and Industry Technology Standards. The displayed date and time will not significantly obstruct the view of recorded images.
- The NVR for each premises will be separated in the high-level restricted access security office to prevent tampering or theft.
- Additional camera placement will cover areas that are no more than 20 feet from where cannabis and related products are handled, transported, or stored.
- All recordings shall be located in secure rooms or areas of the premises in an access and environment-controlled area which is separate from the room where the computer and monitoring equipment is located. All CDP recordings will be stored in the secured office.
- CDP Fabricators Inc. will be responsible for ensuring that the security surveillance camera's footage is remotely accessible by the local law enforcement, and that it is compatible with the county's

software and hardware. Video will be of sufficient quality for effective prosecution of any crime found to have occurred on the site of the cannabis business.

The buildings will be outfitted with a combination video assessment and surveillance system (VASS) package of motion detectors, door sensors, keypad entries, panic buttons, interior siren, and other features which will be further described in the formal security proposal at the appropriate phase of the project. The formal security proposal will ensure that:

- The facilities are outfitted with surveillance cameras that actively monitor all current points of ingress/egress as well as the building grounds. A list of proposed camera locations can be found on the security diagram of the attached plan set.
- Additional closed-circuit tv (CCTV) surveillance will be installed as needed to provide coverage of the main building's entrances (at the Reception and Manufacturing areas) interior/exterior, product transport and staging areas and restricted access areas where safes and security equipment are kept. Exterior cameras will monitor the parking area, loading area outside the transportation vehicle door.
- All installed security equipment will be controlled with a centralized electronic panel for each individual premises. A designated, limited-access area for Secured Data Storage is located in Office. All security monitors that show the media feed for all interior and exterior cameras, including the property perimeter will be located in the reception and office area. These areas will be continuously monitored by management and appointed security staff throughout working hours to ensure consistent compliance with safe entries and exits, deliveries, all other activities that occur on the facilities premises.
- All camera locations will be firmly established at the time of the final security plan and will be day/night capable with a resolution of no less than (2) megapixels and a minimum frame rate of 30 frames per second. The driveway entrance and exit, and each licensed premises entrance and exit, will be covered by a camera set at 100 pixels per foot or higher to capture license plates and faces. The VASS system will provide comprehensive coverage of all high-risk areas of the facility and easy access to stored surveillance records.
- The system will include a gas backup power supply, a 16-channel video recorder capable of storing recorded video feed for 90 days as required by state law, and 2.64-megapixel 1080p HD dome cameras mounted to walls and ceilings as needed. Video storage will be kept in an internet cloud managed by Bay Alarm and accessible only by the facility management and designees who will be able to respond to any activation within one hour.
- Cameras will be waterproof to I-66 minimum. Cameras will also be moisture proof.
- Thermal technology will be used for cameras that secure the perimeter fencing.

4.7 ALARM SYSTEM

If necessary, the applicant will obtain an alarm user's permit from the City Police Department. A licensed third-party alarm company will then install, maintain, monitor, and respond to an alarm system on the licensed premises.

4.8 VAULTS AND SAFES

The all rooms where cannabis products will be stored will be outfitted with appropriate and compliant storage equipment and containers to maintain the security and safety of all cannabis material. We will have cash on the property from the distribution portion of the cannabis operation which will be stored in safes. All other valuables will be kept in designated fireproof safe in the office, which is also considered a restricted access area. Only management will be granted access to the restricted security vault area. All restricted access areas will be outfitted with motion detectors, glass sensors, doors with commercial grade locks and plates, and surveillance cameras, as noted previously.

4.9 ENERGY

The primary electricity needs at the warehouse facilities are for lighting to support office space, ventilation, manufacturing, and distribution. Secondary needs include equipment, outdoor lighting, and a security system.

4.10 NOISE MITIGATION

CDP Fabricators Inc. are not expected to pose any noise issues for the surrounding landowners. Our facility will comply with the City of Sacramento noise ordinance to ensure that we are not considered a nuisance. The only noise we anticipate from our operations will be generated from the extraction and post extraction booths, and the transport vehicles for deliveries or supplies.

4.11 USE OF ONSITE SECURITY GUARDS

If the city permit is approved, CDP Fabricators Inc. does not intend to contract with a security guard service company at this time. If CDP Fabricators Inc. decides in the future to hire third party security firm, then they will execute a contract for a security services firm in accordance with all local and state regulations even though the Bureau of Cannabis Control, Section 5045(b), states that licensees who do not have retail services are not required to maintain onsite security guards during business hours or afterward.

5. STANDARD OPERATING PROCEDURES

5.1 GENERAL SECURITY POLICIES

- Loitering is always prohibited on the property.
- No cannabis product shall be inhaled, smoked, eaten, ingested, or otherwise consumed on the property.
- CDP Fabricators Inc. will never sell, dispense, or consume alcoholic beverages or tobacco products in or around the property.
- CDP Fabricators Inc. will never allow cannabis products to be left unattended or in an area that is not locked and secured.
- CDP Fabricators Inc. will ensure that cannabis products will never be visible from any point or vantage point of the exterior of the buildings.

- CDP Fabricators Inc. will never allow persons under the age of twenty-one (21) to enter the premises at any time.
- CDP Fabricators Inc. will not allow any retail sales or activities including the issuance of recommendations for medical cannabis.
- Any hired security personnel must always carry radios while on shift.
- The CCTV system will be checked daily to ensure operability.
- The alarm system will be checked daily to ensure operability.
- Alarm zones will be used to secure portions of the facilities or buildings not in use.

5.2 INGRESS/EGRESS AND RESTRICTED ACCESS

Vendors, Customers, and Visitors

- Only individuals twenty-one (21) years and older are permitted on the property.
- Licensees security procedures will include ID verification, visitor badges and a visitor log which records both the arrival and departure time of all authorized visitors to either facilities.

Employee Access

- Employees will be provided with badges, keys, and key cards granting access to the premises and specified areas within the premises in accordance with their individual tasks. Employees will enter the premises through the restricted access doors at the at the front of the facility. A video log will always be maintained to verify the activity of each employee.
- Keys, key card, and badges will be required for access to all areas of the main building.
- A log of all employee or manager entrances and exits will always be maintained onsite.

Restricted Access

- Only authorized visitors and staff of the facility are allowed onsite, and manager or designee will review and log IDs to ensure that visitors are 21 years of age and older.
- The restricted areas, as previously covered, will only be accessed by management and authorized employees.
- All authorized visitors will be received at the rear of the transport/processing facilities and verified prior to receiving a visitor badge and escort into the facility. Staff will be equipped with company identification and keycard access to the entrance of their respective area.
- Any petty cash or valuables will be stored in a designated safe in office.

5.3 VEHICLE INGRESS/EGRESS

All vehicles used for transportation will follow company specific delivery policies and procedures to ensure safe and secure operation. This includes making sure that the vehicle is less than 10 years old, is properly

maintained, contains a GPS device as required by local and state regulations, and is equipped with locked storage that is bolted, or otherwise attached to the vehicle. In addition:

- Vehicles delivering products to the buildings will only be received through the product intake areas on the southeast side facility.
- Security procedures will include scanning for pedestrian traffic during vehicle entry in the intake bays.

5.4 RECEIVING, TRANSPORT, DELIVERY PRACTICES

The distribution center will be receiving products from a variety of licensed distributors, cultivators, and manufacturers. Distribution services will be transporting and receiving products throughout the day. Manufacturing operations may receive deliveries of product through the common receiving area at the southeast end of the facility. The following are considerations for security of the dispatch operations to be expanded and refined upon reaching the licensing phase:

- Dispatch deliveries for distribution will be scheduled to include as many transactions as possible along the route.
- Each delivery will be accompanied by transport driver with knowledge of appropriate security measures.
- Receiving facility contacts and instructions for secure delivery, including activation of the chain of custody, will be configured prior to retrieving products from other licensees.
- All deliveries will be accompanied by a chain of custody form and the forms which have been selected and prepared for transport by an authorized employee of the distribution operation.

When transport staff approach the secured gate on the exterior of the facility, they will be verified by security staff for identification purposes. They will then enter the secured parking lot and be guided to the designated receiving bay. Delivered products will be counted out/weighed and uploaded into the dispensary POS system.

Post Delivery

Upon completing a delivery, the distribution transport driver will follow the current company SOPs for post-delivery, which may include updating the chain of custody form. Upon receiving a cannabis product delivery, employees will follow current company SOPs for receiving product, which may include updating the chain of custody form and properly storing the cannabis product in the product storage vault.

5.5 PRODUCT STORAGE PRACTICES

- All cannabis products will be received in the designated delivery bays at the southeast side of the building in the distribution receiving entry.
- Facility Managers will assist the delivery's employees in storing the in completing the required forms, recording the appropriate information in the inventory and tracking system, and transporting cannabis products to the restricted-access storage area.

5.6 BUSINESS PRACTICES

Opening & Closing

Any delivery or receipt of product will be made during normal hours of operation. Business hours for each licensed premises is discussed in the *Hours of Operation* section above.

Selection of Licensed Operators for Distribution

SOPs will require that a manager or other designated staff follow certain protocols when engaging representatives of cannabis distributors and manufacturers. The facilities management will make certain that all licensees are verified and that transactions are conducted safely and securely. Company policies and procedures will require that cannabis products may not be received except from licensed vendors in compliance with all state and local regulations. Track and trace procedures will be followed in addition to a company chain of custody procedure to ensure complete compliance with regulations for all product transferred to its final destination.

5.7 EMPLOYMENT PRACTICES

The facilities will supply all employees with a company badge that contains a unique employee number assigned by the management along with any additional required equipment such as keys and key cards that provide access to restricted areas of the facilities. Access will be determined based upon the employee's role at the facilities. Upon termination, employees will be required to return all badges, keys, key card, GPS equipment installed in their vehicles and any additional information or equipment belonging to the company. Unique employee numbers will be retired permanently and kept within the employee's permanent file for 7 years or a length of time otherwise determined by future regulations. In addition:

- The facilities will only employ individuals over the age of 21.
- Common halls and bathrooms are a part of the facility design and are separated from any storage area or space where cannabis is handled.
- Employees will be granted access through secured keys, key cards, and badges which will be returned upon termination or resignation.
- The facilities managers will only employ eligible and authorized personnel in compliance with all State and Local ordinances.

5.8 BACKGROUND CHECKS

No persons will be accepted for employment who have not passed a background screening that includes all of the following:

- Employing a minor in transporting, carrying, selling, giving away, preparing for sale, or peddling any controlled substance.
- Selling, offering to sell, furnishing, offering to furnish, administering, or giving any controlled substance to a minor.
- Drug trafficking with enhancements.

- Any controlled substance subsequent to issuance of authorization to work with cannabis.
- Any felony conviction.
- Violent misdemeanor offenses.

5.9 RECEIVING COMPLAINTS

We will publish our company contact information visibly outside of our location to serve as a hotline where residents who may have questions or concerns can call and reach our security point of contact within 24 hours, alleviating any potential that these complaints would be directed to city departments or Police Chief. Christopher Cox will be the security point of contact for the property and can be contacted either by phone at (916) 517-6291 or email at coxenterprises2021@gmail.com. Christopher will introduce himself to all neighbors within a 1,000-foot radius that maybe affect by the cannabis operation to give them his contact information as well as create a level of comfort in case any nuisance arises. If a compliant is made, Christopher will take down the name, phone number, and compliant information and enter it into their electronic database. He will then personally investigate the compliant and determine a resolution. Once the nuisance is fixed, Christopher will update the compliant log with the resolution steps and contact the individual who filed the complaint to reassure the issue has been resolved. All complaints will be electronically documented and be included in the annual performance review report.

5.10 INVENTORY CONTROL TRACK & TRACE SYSTEM

CDP Fabricators Inc. intends to utilize a comprehensive and up-to-date track and trace software system that provides seed to sale tracking. Current track and trace options offer a sophisticated process for tracking cannabis from its origins as a seed to its destination. In the case of the facilities operations, this tracking process will be underway prior to receipt of product at any premises. All products will contain specific information, including the UID of the cannabis plant for continuous tracking through the chain of custody process.

Such a system will allow regulatory agencies to view every gram of legal cannabis throughout the production life cycle, satisfying compliance requirements. The system will be compliant with strict standards for cannabis facilities.

Transportation

A detailed manifest is required prior to the transportation of cannabis. Each manifest will display the shipment's origin and a detailed list of contents including quantity, destination, and the driver's credentials. These reports will be available in real-time to assist access for law-enforcement personnel.

All the track and trace activities will be managed through a secure online data hub which will provide detailed analytics for regulatory agencies and law enforcement at any time they are requested. The real-time tracking ability with this system is a benefit for law enforcement and regulatory personnel. Detailed financial reports are also available through the system to satisfy the requirements of other Department requests. These steps ensure compliance and adherence to industry standards and state laws.

5.11 E-COMMERCE AND CASH HANDLING PROCEDURES

Strict policies and procedures for the secure handling of cash and inventory are in place to minimize the risk of diversion and to reconcile reporting methods to account for both the cannabis products and currency flowing through the business. Notwithstanding these standing security measures, the facilities are in the process of reviewing alternative banking solutions that allow the acceptance of electronic funds transfers, making it possible to operate a primarily cashless business.

Any currencies received will be collected offsite and deposited into the company's bank account. When possible, payments may also be managed using an online cashless e-commerce system.

5.12 AUDITS & RECONCILIATION

Data Storage

The facilities operators will ensure that all files generated or used by the facility will be stored in an encrypted cloud storage. Only managers and their designated employees will be given password access to these files on an as-needed basis.

Inventory logs, labeling & Organization

The manager of each premises will ensure meticulous maintenance of product, inventory, security, safety, and other records during daily operations according to standard operating policies and procedures (SOP). More specifically, SOPs will contain task lists to complete documentation required by state and local regulations (i.e. Chain of Custody, Delivery Manifest, Cash Log, Delivery Log, Security Log, Safety Log, Vehicle Log).

5.13 EMPLOYEE TRAINING PROGRAM

Security managers will be appointed for each licensed premises. This job description may overlap employees with other titles, such as facility manager. The Security Managers are responsible for all aspects of the company's security plan, including managing all security technology, overseeing all transportation security, managing access to facilities, training company personnel in risk management, and hiring and supervising security officers. The Security Managers will be responsible for anti-theft oversight, ensuring minors do not enter the premises, and ensuring proper training which includes an orientation of the premises, the standard operating procedures and all safety equipment such as alarms and panic buttons.

Employees will always be provided fire and safety training along with training for armed robbery and other types of emergency safety situations such as power failures to ensure the safety and security of the facilities.

Security Manager Duties:

- Reports to management/ownership team.
- Maintain and implement security training procedures.
- Responsible for minimizing risk of the premises.
- Primary point of contact with any Security Vendor.
- Always ensure compliance with all security procedures.

- Responsible for all security standard operating procedures and training.
- Master security technology such as video surveillance, passwords, and point-of-sale applications.
- Provide training to personnel in risk and anti-diversion matters.
- Oversee security of cannabis products both onsite and in transit.
- Manages security personnel.

Hiring and Training

All employees will be trained to adhere to site security procedures in accordance with this security plan. Candidates who have provided sound references and demonstrated that they have the appropriate experience level will then be hired as provisional employees while they participate in comprehensive security training, which is required for all personnel. Training covers topics including, but not limited to:

- Operation of security equipment.
- Inspecting and monitoring security equipment.
- Emergency Notifications, Response and Reporting procedures.
- Effective patrolling of the facility.
- Identifying opportunities for diversion.
- Securing the premises.
- High intensity situation policies and procedures.
- Proper method for securing cannabis at the end of each day.

Staff must understand their respective security roles and responsibilities including the chain of command (in the event of any security breach). Employees at all levels will be trained by the management/ownership team & Security Director in order to identify threats and vulnerabilities, devise mitigating strategies and contingency; when and why they could be targets of threats and how to respond accordingly. Staff will be tested periodically regarding their knowledge of the cultivating facility's security strategies and systems and how to utilize them. Development of policies and procedures will be on-going during and after the security planning process. The facility will determine critical control points where security knowledge will be required when handling cannabis products, cash, personnel, visitors and more. All employees will be trained by the Security Director on the following subjects:

- Detection and Prevention of Diversion
- Facility Security Systems
- Safety and Emergencies: including emergency notification and response procedures. All employees will be trained on emergency situations and periodic drills will be performed to ensure preparedness.

Training all employees on these procedures will ensure the facilities remains a safe place for all employees and visitors alike. The security director or management will make sure to schedule at least quarterly employee safety and security trainings to help employees retain all safety and security procedures and protocols. To demonstrate that the employee understands and has successfully completed training, all employees will

need to take and pass an assessment. Assessments are comprised of hands-on demonstration and a written component.

Finally, the applicant will conduct a variety of drills on the property to make sure that all employees, specifically members of the security team, understand how to respond to various emergencies or threats on the facility. Fire drills and armed robbery drills are examples of drills that may be conducted on the premises as part of comprehensive security training.

5.14 HAZARDOUS MATERIALS HANDLING

Any Hazardous materials within the premises will not exceed the State of California threshold levels of 55 gallons of liquid, 5000 pounds of solid, or 200 cubic feet of compressed gas. As such, we intend to comply with any requirements of CCR Section 8307 to ensure that our use of any materials will not result in any impact on the environment.

Storage Protocols

We do not intend to use regulated products, such as pesticides or herbicides, on a regular basis. The followings are proposed storage protocols:

1. Products shall be stored according to manufacturer requirements.
2. Additional nonregulated organic products used for manufacturing shall be stored in the warehouse area in designated shelf and floor space according to manufacturer requirements.
3. Clean-up and containment protocols shall be developed and implemented.
4. Clean-up and containment equipment shall be maintained in good operating condition on-site at all times.
5. Employees shall be trained in safe handling practices and protocols for using clean-up and containment equipment.

5.15 WASTE MANAGEMENT PRACTICES

Both cannabis waste and non-cannabis waste will be located in a secure waste receptacle for waste storage that can only be accessed by authorized personnel within the secured loading area of the premises. For the purposes of compliance, “secure waste receptacle” or “secured area” means that the physical access to the receptacle or area is restricted to the licensee and its employees and the local agency, local agency franchiser or permitted private waste hauler. Public access to the designated receptacle or area is prohibited. All cannabis waste will be handled in accordance with county and state regulations.

5.16 MAINTENANCE

The exterior of the facility will be maintained under the supervision of Christopher Cos the CEO of CDP Fabricators Inc., will care for and maintain the interior and all equipment and fixtures that have been added

as a function of the multi-license buildout. Lockout Tagout procedures and routine inspections of both facility and all equipment are incorporated into the company standard operating procedures.

5.17 EMERGENCY NOTIFICATIONS – DESIGNATED REPRESENTATIVE

Designated Security Representative

The Designated Security Representatives for the cannabis operations will be Christopher Cox until otherwise noted. The company Security Representative will notify the California City Police Department designee(s) within twenty-four (24) hours of discovering a significant inventory discrepancy whether through the reconciliation of inventory or the detection of diversion, theft, loss, or any criminal activity by any agent or employee of the operation.

5.18 EMERGENCY ACCESS

In case of an after-hours emergency, a lock box will be installed on the security gate on the property leading to Luther Drive. The premises will contains a two lane driveway in the parking area that is greater than 24 feet wide and allows for an emergency vehicle to turn around. Additionally, the building is less than 75 feet from the street, allowing emergency vehicles access without entering the property.

5.19 ANNUAL REVIEW

The final security plan will be reviewed each year to assess its effectiveness and to make improvements prior to the license renewal. The appointed security company will be contracted to work with the licensed premises and will participate in the annual security plan renewal and provide input and advice to execute changes and updates.

6. SECURITY PREMISES DIAGRAMS

A Security Diagram has been prepared to accompany this plan and will be found in the attached plan set.

7. INTRUSION ALARM & MONITORING SYSTEM

To ensure a secure premise as requested by Title 5 Business Licenses and Regulations, Chapter 5.150 Cannabis Business, Article VI Cannabis Manufacturing Section 5.150.850 Cannabis Manufacturing Site Security and Article VIII Cannabis Distribution Section 5.150.1140 Cannabis Distribution Site Security, a licensed third-party alarm company will install, maintain, monitor, and respond to and alarm system on the licensed premises. The California City Fire District will be consulted prior to installation to ensure all local requirements have been met. A fire alarm will also be installed and inspected by the fire department prior to completion of the facility.

Alert 360 and Alpha Alarm & Audio, Inc. has been chosen by CDP Fabricators Inc. to design an appropriate system that complies with all state and local requirements as well as the company standards and expectations.

The buildings alarm systems will be designed to establish an electronically monitored perimeter that defends and alerts against any type of vandalism, destruction of property, theft, or intrusion. Interior contact points and motion sensors will alert Bay Alarm of unauthorized access. The systems will be calibrated to the following specifications:

- The alarm system will include full coverage of the licensed premises.
- Alarm system monitoring and access will be consistently available to the licensee and designated managers on a 24/7 basis.
- The manufacturing and distribution premises will be monitored by Bay Alarm for motion sensors, door/window contact point triggers, glass break sensors, CO2 sensors, fire/smoke alarms, panic buttons, and keypad duress codes. Additional equipment needs will be determined upon finalization of the security plan.
- Panic buttons will be installed in key areas the licensed premises but will only be used in the case of a threat to life or property.
- Building safety systems and fire, CO2 and smoke alarms will be approved by the California City Fire District in accordance with the California City Land Use & Development Code and the Middletown Fire District regulations.
- The proposed building alarm system achieves the City's standards for UL Certification in accordance with ANSI/UL Standard 681-2014 (Standard for Installation and Classification of Burglar and Holdup Alarm). The holdup alarm system will be employed near nursery and transportation areas, building entrances/exits, and in all restricted access areas where security equipment or safes will be located.
- The burglar alarm will cause dispatch through Bay Alarm, CDP Fabricators Inc. chosen security contractor. A holdup alarm will cause the dispatch of the City of Sacramento Fire Department. The facility will employ the use of a generator or battery pack to ensure that security systems will operate for at least 24 hours of continued operation time in case of a power failure. In case our security system is not able to function, the operator will staff the facility 24 hours per day until the security system is again functional. Each licensed premises will keep a log of the alarm system, maintained with notifications when the alarm system was armed and disarmed, and by whom.
- There will be 24/7 live video monitoring for both interior and exterior areas of the premises.

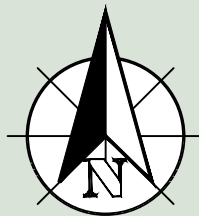
CDP Fabricators Inc. will ensure that either the person listed on the alarm user permit, or an authorized member of their staff, will be responsible for monitoring all alarm system activity. If requested by the City of Sacramento Police Department, or City of Sacramento Fire District, the person designated above as the security contact will be required to be present at the alarm location within 45 minutes after being advised that the Police Department has received any signal or message of an alarm activation or within 30 minutes of being requested to do so.

The same response procedure as described above will be followed in the case of a noise that sounds like a possible emission of any audible alarm. The responsible party as provided above, will disconnect, and become present on the license premises within 30 minutes of the commencement of the suspected alarm noise.

A holdup alarm will cause the dispatch of the City of Sacramento Police Department. The facility will employ the use of a generator or battery pack to ensure that security systems will operate for at least 24 hours of continued operation time in case of a power failure. If the security system is unable to function, the operator will staff the facility 24 hours per day until the security system is again functional and compliant.



Attachment A: Security Diagram



SECURITY DIAGRAM

CDP FABRICATORS, INC.










6925 LUTHER DR. SACRAMENTO CA 95823

1.0

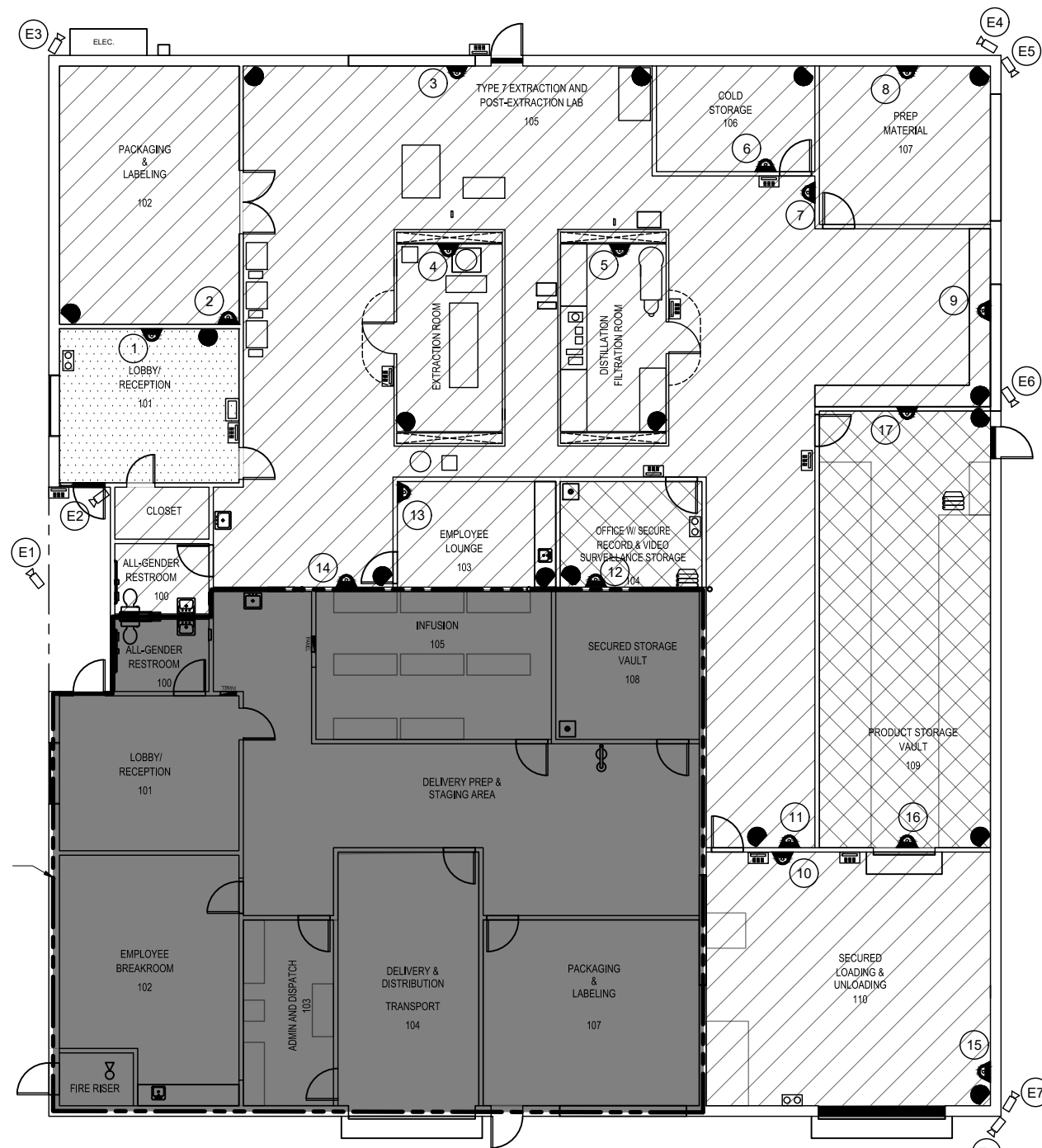
RESTRICTED
ACCESS

LIMITED
ACCESS

PUBLIC
ACCESS

- 
Motion Detector
- 
External Camera
Qty 8
- 
Internal Camera
Qty 17
- 
Touch Screen
Keypad
- 
Card Reader
- 
Door Contact
- 
Data and Records
Storage
- 
Panic
Button
- 
Cash
Safe

6945 LUTHER NOT
IN SCOPE



0 7.5' 15' 30'

SCALE: 1" = 15'



The background is a detailed map of a rural or undeveloped area. It features several roads, some labeled 'Road' and others '100' Property'. Vegetation is represented by cloud-like shapes, with labels for 'Woodland' and 'Grassland'. There are also labels for '(E) Solar A' and '(E) Rock Outcropping'. A large, dark grey rectangular box is overlaid on the map, containing the title text.

Attachment B: Alpha Alarm & Audio, Inc.



Alpha Alarm & Audio, Inc.
PO BOX 911
DIXON, CA 95620

Tel. 707-452-8334
www.alphaaa.com
License # 944754 / AC-06853

ALERT 360
4708 Roseville Rd STE 114
NORTH HIGHLANDS CA 95660

CUSTOMER QUOTATION NO. 4820

Quote No:	4820
Site:	CDP FABRICATORS, INC
Site Contact:	JOHN SALA
Salesperson:	Loren Dougherty
Phone:	916-270-7239
Valid For:	30 Day(s)

Description

SCOPE OF WORK:

CDP FABRICATORS UL BURG

INSTALL NEW ALARM SYSTEM TO UL STANDARDS

INSTALL NEW PANEL AND TOUCH SCREEN KEYPAD WITH DSC NEO PANEL

INSTALL 3 MAN DOOR CONTACTS

WIRE AND INSTALL 2 ROLL UP CONTACTS

WIRE AND INSTALL 18 NEW BOSCH MOTION

INSTALL INTERIOR UL BELL

INSTALL 1 EXTERIOR SIREN/STROBE

PROVIDE 4 NEW WIRELESS PANICS

INSTALL ALARM.COM CELL AND RUN NETWORK CABLE FOR DUAL PATH COMMUNICATION

PROVIDED UL MERCANTILE BURG 681 REGISTRATION AND CERT

INSTALLATION, PROGRAMMING AND CUSTOMER EDUCATION

3 YEAR MONITORING CONTRACT WITH ALARM.COM UL
\$120.00 PER MONTH.

ANNUAL UL INSPECTION
\$25.00 PER MONTH

TOTAL PER MONTH
\$145.00 PER MONTH



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CUSTOMER QUOTATION NO. 4820

EXCLUSION:

CLIENT TO PROVIDED INTERNET CONNECTION FOR DUAL PATH COMMUNICATION TO CENTRAL STATION

Item	Quantity
12V 7AH SEALED LEAD BATTERY	1.00
POWERG 915MHZ HOST	1.00
UL 681 MERCANTILE BURG CERT ANNUAL UL 681 CERTIFICATION OF MERCANTILE BURG ALARM SYSTEM TO BE PROVIDED AND POSTED AT PANEL SITE AND REGISTERED WITH UNDERWRITERS LABORATORY. THIS WILL NEED TO BE RENEWED EACH YEAR CONSECUTIVELY FROM DATE OF ISSUE	1.00
TL880LT ALARM.COM VERIZON	1.00
NEO 8-HARDWIRED ZONE EXPANDER	3.00
DSC PANEL LOCK	1.00
COMMERCIAL SERIES TRITECH DETECTOR 50 BY 50 FT.	18.00
22/4 SPEED BAGS	8.00
UL GRADE A MOTOR BELL IN BOX	1.00
AMSECO HORN/STROBE WHT W/BLUE	1.00
DSC PWRG WIRELESS PANIC KEY	4.00
NEO HS2128 CONTROL PANEL WITH	1.00
WHI 7" HARDWIRED TOUCH SCREEN	1.00
2"GAP MINI OH DOOR W/L-BRACKET	2.00
LABOR - COMMERCIAL	

Thank you.

Sub-Total ex Tax	\$9,396.43
Tax	\$0.00
Total inc Tax	\$9,396.43



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License # 944754 / AC-06853

CUSTOMER QUOTATION NO. 4820

WE REQUIRE 50% DOWN BEFORE JOB START.

How To Pay



Direct Deposit

Bank
Acc. Name
Routing
Number
Acc. No.



Mail

QUOTATION NO. 4820



Attachment A: Alert 360 Proposal



Kristin Steinert <ksteinert@begreenlegal.com>

Luther Drive Security Proposal from Alert 360

Bobby Castagna <rcastagna@begreenlegal.com>

Fri, Jul 16, 2021 at 9:31 AM

To: Kristin Steinert <ksteinert@begreenlegal.com>

Cc: Chris Cox <ccox@begreenlegal.com>

Hi Kristin,

Here's Steve's proposal. It was hard to tell if the exterior cameras are actually 4MP or not. Based on my internet research most of the ones from that brand and model are 4MP. There could be a chance that it's only 2MP, but I would have to get out there and pull it down to find the model number. Do you want me to do that?

Cheers,

Bobby

Security Proposal.

That's great news that most of the cameras are 2MP.

The most expensive component in the CCTV system is the recorders. With the 90 day storage demand, the recorders drive the price up (Added Hard drives to accommodate the added Megapixels). Because of that I would like to suggest that we swap out all the 4 MP cameras to new 2 MP that way we can ensure that you will have the 90 days of required storage. The new pricing below will include reconnecting, testing and programming all the existing cameras at both sites.

Here is the revised Quote (Changes in Blue):

6925 Luther Dr CCTV:

- (9) Internal Cameras. These are IP High Def Dome or Turret Day/Night 2 MP Cameras. With 2.8mm Lens.
- (6) External Cameras. 2.8mm Lens. These are IP High Def Dome or Turret Day/Night 2 MP Cameras in Vandal Proof Housings. With 2.8mm Lens.
- (1) 360 Degree Cameras.
- (2) 16 Channel NVR's with 90 days of storage. The reason why we are quoting 2 16 Ch NVR's versus a 16 Ch and an 8 Ch is that in our experience you will want to add some camera coverage down the road and this will allow you to add up to 9 more cameras at a minimal cost.
- Alert 360 Video App.

Installation Cost: 12,000.00

Monthly Cost: \$240.00 per month for 36 months. This is a ZERO INTEREST lease that can be paid in full at anytime after the 1st monthly payment without penalty. Price includes Alert 360's extended service plan that covers all equipment installed. At the end of the term or if you pay off the lease early you will own all equipment. This option will save you **\$2,500.00** in labor (Manufacturer pays for most of the labor cost).

Total Investment with Zero Interest Lease: \$20,640.00**Total Investment with Out-Right Sale: \$23,140.00 and Does Not include the extended service plan.**

Access:

- (1) Alarm.com Access Control Main Panel
- (5) 2 Door Expansion Modules
- (10) HID Readers.
- (50) Cards
- (1) Power supply
- Alert 360 App.

Installation: \$1,050.00

Monthly Cloud Storage: \$225.00 per month for 36 months and includes Alert 360's extended service plan.

6945 Luther CCTV:

- (3) Internal Cameras. These are IP High Def Dome or Turret Day/Night 2 MP Cameras. With 2.8mm Lens.
- (3) External Cameras. 2.8mm Lens. These are IP High Def Dome or Turret Day/Night 2 MP Cameras in Vandal Proof Housings. With 2.8mm Lens.
- (1) 16 Channel NVR with 90 days of storage.

Installation: \$5,900.00

Monthly Cost: \$135.00 per month for 36 months (Zero Interest Lease). Price includes Alert 360's extended service plan.

Total investment Zero Interest Lease: \$10,760.00

Total Investment out-right sale: \$12, 964.00

Access:

- (1) Alarm.com Access Control Main Panel
- (5) 2 Door Expansion Modules
- (10) HID Readers. I think most of these are already installed, but I don't think we should adjust the pricing if there.
- (50) Cards
- (1) Power Supply

Installation: \$1,050.00

Monthly Cloud Storage: \$225.00 per month for 36 months and includes Alert 360's extended service plan.

Please give me a call at your earliest convenience and I will answer any questions you may have.

Thanks,

Steve

(916) 275-6464.

--

Bobby Castagna

Communications & IT Specialist

begreenlegal

1225 8th Street, #210

Sacramento, CA 95814

Cell: 916 206 8672

rcastagna@begreenlegal.com

www.begreenlegal.com