

ADMINISTRATIVE HEARINGS DIVISION  
March 18, 2021

**STIPULATED SETTLEMENT AGREEMENTS FOR MARIJUANA VIOLATION CASES**

1. Stoney Only Portland, LLC  
Joseph Babb, Member  
Ragna TenEyck, Member  
Michael Mullins, Member  
dba **STONEY ONLY PORTLAND**  
  
(Retailer)

OAR 845-025-8520(3)(c) - On or about May 31, 2019, Licensee or Licensee's employees, agents, or representatives failed to retain control of and/or lost access to the licensed premises when Licensee was evicted from the premises.

(Category I)

OAR 845-025-1160(1)(d) - On or about March 23, 2019, Licensee and/or its employees, agents or representatives failed to notify the Commission in writing within 10 calendar days of the permanent closure of this marijuana retailer business, which ceased operation permanently on or about March 13, 2019.

(1<sup>st</sup> Level Category III)

Note: Licensee was charged with these violations by Notice dated July 29, 2020. Staff proposed the standard sanction of license cancellation and seizure and destruction of marijuana items for these violations. Licensee requested a hearing and now wishes to enter into this settlement agreement.

**SYNOPSIS:** Licensee failed to retain control of the premises in May 2019 when the property owner retired and evicted Licensee. Licensee ceased operations in March 2019 but failed to timely notify the Commission. Prior to ceasing operations the Licensee removed all marijuana items from the premises and recorded the removal in METRC. Licensee has maintained control of its METRC account.

**TERMS OF AGREEMENT**

1. Licensee accepts responsibility for the violations as set out in the Notice. These were Licensee's first Category I and Category III violations. Any subsequent Category III violation will be charged at the second level.
2. Commission staff proposed the standard sanction of license cancellation and seizure and destruction of marijuana items for these violations.
3. Licensee has begun the process of selling the business. Licensee will surrender its license effective on the date the transfer of ownership of the business is completed or at 12:00 PM (noon) on June 16, 2021, whichever is earlier.
4. If Licensee's regular license expiration date is prior to June 16, 2021, and Licensee chooses to keep its license active beyond the expiration date, Licensee understands and agrees that it will have to timely submit a renewal application and any required fees. Renewal will not create any rights beyond the final sale/surrender date.

(continue **STONE ONLY PORTLAND**)

5. Licensee understands and agrees that the Commission is not representing or guaranteeing that a new owner will be licensable or will have an approved license on or before the date of surrender. Licensee understands and agrees that any purchaser will have to fully complete the application process, and the application has to receive final approval by the Commission, prior to a license being issued.
6. Each licensee agrees to accept a letter of reprimand for the violations specified above. This letter of reprimand will become a permanent part of the licensee's Commission file and may be considered in any future or pending application for any license or permit by the licensee.
7. Licensee agrees that any marijuana items on the premises after the date of license surrender that were not properly transferred to another licensee prior to the date of surrender may be seized and destroyed by the Commission.
8. Licensee withdraws its Request for Hearing in this matter.
9. This agreement is conditioned upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their March 2021 Commission Meeting. If the agreement is not accepted and approved in its entirety by the Commission it is deemed null and void and Licensee's hearing rights, if any, will be restored. If the agreement is accepted and approved in its entirety by the Commission, Licensee waives any and all rights to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183) and to judicial review, or to otherwise challenge this agreement and the final order.

2. Prairie Song Organics, LLC  
Yotokko Kilpatrick, Member  
Rick Saga, Member  
dba **HERB N' SPRAWL**

(Producer)

OAR 845-025-1450(2)(j) - On or about June 17, 2019, September 11, 2019, and/or September 24, 2019, Licensee and/or Licensee's employees, agents, or representatives failed to make video surveillance footage immediately available upon request when video requested by an OLCC Regulatory Specialist was not provided.

(1<sup>st</sup> Level Category II)

Note: Licensee was charged with this violation by Notice dated January 6, 2021. The total proposed sanction was a 32-day license suspension. Licensee requested a hearing and now wishes to enter into this settlement agreement.

#### **AGGRAVATION**

Commission staff added two days of aggravation because the violation was repeated.

**SYNOPSIS:** During the course of an investigation, OLCC inspectors requested video surveillance from licensee representatives. Those representatives failed to provide the requested video to the inspectors. Licensee has since replaced the individuals who were working at and managing the farm, and has worked closely with the Commission to bring its operation into compliance

#### **TERMS OF AGREEMENT**

1. Licensee accepts responsibility for the violation as set out in the Notice. This was Licensee's first Category II violation. Any subsequent Category II violation within the same two years will be charged at the second level. This violation will become a permanent part of each licensee's Commission file and may be considered in any future application for any license or permit by that licensee.
2. The standard sanction for a Category II violation is a 30-day license suspension. Commission staff added two days of aggravation because the violation was repeated. The total proposed penalty was a 32-day license suspension.
3. The Commission will impose a 32-day suspension. Licensee may pay a civil penalty of \$4,950.00 in lieu of 30 days, with the remaining two days mandatory.
4. Licensee will either pay a civil penalty of \$4,950.00 by April 15, 2021 and serve a two-day license suspension beginning at 12:00 PM (noon) on April 22, 2021 and ending at 12:00 PM (noon) on April 24, 2021 **OR** serve a 32-day license suspension beginning at 12:00 PM (noon) on April 22, 2021 and ending at 12:00 PM (noon) on May 24, 2021.
5. Licensee withdraws its request for a hearing.
6. If a licensee's interest in the license expires or is transferred before the Commission issues a final order on the allegations, the licensee agrees to accept a Letter of Reprimand for the violations. This reprimand will become a permanent part of the licensee's Commission file and may be considered in any future application for any license or permit by that licensee.
7. This agreement is conditional upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their March 2021 Commission Meeting. If the agreement is not accepted and approved in its entirety by the Commission it is deemed null and void and Licensee's hearing rights, if any, will be restored. If the agreement is accepted and approved in its entirety by the Commission, Licensee waives any and all rights to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183) and to judicial review, or to otherwise challenge this agreement and the final order.

3. Premier Concepts, LLC  
Mary Jane Wilson, Member  
Susie Polen, Member  
Braden Smith, Manager  
dba **DEEP ROOTS CANNABIS**  
2155 Olympic Street  
Springfield, OR 97477

ORS 475B.211 and OAR 845-025-8520(1)(b) – On or about September 27, 2019, Licensee’s employee, agent, or representative Karlie Culp sold, delivered, transferred or made available a marijuana item to Jonathan Fechtel, a person under 21 years of age who did not hold a valid OMMP patient or caregiver card.

Note: Licensee was charged with this violation by Notice dated August 11, 2020. The proposed sanction was a 30-day suspension or a \$4,950.00 civil penalty for this violation. Licensee requested a hearing and now wishes to enter into this settlement agreement.

(1<sup>ST</sup> Level Category II(b))

(Retailer)

**SYNOPSIS:** As part of a Minor Decoy Operation, an inspector observed licensee’s employee selling a marijuana item to a minor decoy who was under 21 years of age and who did not hold a valid OMMP patient or caregiver card. The employee who sold the marijuana item to the decoy is no longer working for licensee. Since the incident, policies and procedures have been put in place and there has not been any additional reports of noncompliance.

**TERMS OF AGREEMENT**

1. Licensee accepts responsibility for the violation as set out in the Notice. This was Licensee’s first Category II(b) violation. Any subsequent Category II(b) within the same two years will be charged at the second level. This violation will become a permanent part of each licensee’s Commission file and may be considered in any future application for any license or permit by that licensee.
2. Commission staff originally proposed the standard sanction of a 30-day suspension or a \$4,950.00 civil penalty for this violation.
3. The Commission will reduce the sanction for this violation to a 21-day license suspension or a \$3,465.00 civil penalty.
4. Licensee will pay a \$3,465.00 civil penalty before 5:00 PM on April 15, 2021 **or** serve a 21-day suspension beginning at 12:00 PM (noon) on April 22, 2021 and ending at 12:00 PM (noon) on May 13, 2021.
5. Licensee withdraws its Request for Hearing in this matter.
6. If a licensee’s interest in the license expires or is transferred before the Commission issues a final order on these allegations, the licensee agrees to accept a Letter of Reprimand for these violations. This reprimand will become a permanent part of the licensee’s Commission file and may be considered in any future application for a license or permit by that licensee.
7. This agreement is conditioned upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their March 2021 Commission Meeting. If the agreement is not accepted and approved in its entirety by the Commission it is deemed null and void and Licensee’s hearing rights, if any, will be restored. If the agreement is accepted and approved in its entirety by the Commission, Licensee waives any and all rights to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183) and to judicial review, or to otherwise challenge this agreement and the final order.