

ADMINISTRATIVE HEARINGS DIVISION

May 15, 2025

STIPULATED SETTLEMENT AGREEMENTS FOR MARIJUANA VIOLATION CASES

1. Western Oregon Dispensary, Inc.
Sheri Ralston, President/Dir/Stkhldr
Abdullah Naimi, Secretary/Dir/Stkhldr
Joe Consani, Treasurer/Dir/Stkhldr
1013 N Springbrook Rd
Newberg, OR 97132
dba **WESTERN OREGON
DISPENSARY**
760 NW Dale Ave
Portland, OR 97229

(Retailer)

OAR 845-025-8520(1) - On or about March 13, 2024, Licensee's employee, agent or representative Josiah Sails sold, delivered, transferred, or made available a marijuana item to minor decoy Charlie Coupland, a person under 21 years of age who did not hold a valid OMMP patient or caregiver card.

(1st Level Category IIb))

Note: Licensee was charged with this violation by Notice dated February 19, 2025. The total proposed sanction was a 27-day license suspension. Licensee requested a hearing and now wishes to enter into this settlement agreement.

MITIGATION

Commission staff mitigated the violation because the Licensee was not personally involved in or aware of the violation.

TERMS OF AGREEMENT

1. This Settlement Agreement resolves only the violation(s) identified in the Notice.
2. Licensee admits the facts described in the Notice and accepts responsibility for the violation described in the Notice. This was Licensee's second Category II(b) violation within two years. Any subsequent Category II(b) violations within the same two years will be charged starting at the third level. Upon execution and final approval of this Settlement Agreement by the Commission, this violation shall become a permanent part of Licensee's Commission file and may be considered in any future application for any license or permit by the Licensee.
3. The standard sanction for the violation described in the Notice is a 30-day license suspension. Commission staff determined that the Licensee was not personally involved in or aware of the violation occurring. OAR 845-025-8590(5)(d)(F). Accordingly, the Notice proposed mitigating the penalty by three days. The Notice proposed a total penalty of a 27-day license suspension.
4. As an alternative to the proposed penalty in the Notice, Licensee shall either pay a \$1,980.00 civil penalty before 5:00 PM on June 16, 2025, and serve a seven-day suspension beginning at 7:00 AM on June 23, 2025, and ending at 7:00 AM on June 30, 2025, **OR** serve an 19-day suspension beginning at 7:00 AM on June 23, 2025, and ending at 7:00 AM on July 12, 2025. If the full penalty is not paid prior to 5:00 PM on June 16, 2025, then Licensee shall serve the full suspension. If Licensee or its employees, agents, or representatives act in any way that is not allowed by rule or statute while under suspension, OLCC may file a violation against Licensee and Licensee's license may be cancelled, suspended, or Licensee may receive a civil penalty. If OLCC notifies Licensee that Licensee has violated a rule or statute while under suspension, Licensee will be given the opportunity to contest the alleged violation in a contested case proceeding and the appropriateness of OLCC's decision to deny, suspend, or revoke the license or impose civil penalties. Licensee agrees that any action taken in violation of OAR 845-025-8580 while the Licensee is serving a suspension establishes Licensee lacks the judgment and capabilities to

(CONTINUE Western Oregon Dispensary – Ret)

comply with rules and statutes as required to be hold a marijuana license and is conduct that poses a significant risk to public health and safety under ORS 475C.265(3)(a).

5. Licensee withdraws the request for a hearing.
6. If Licensee's interest in the license expires or is transferred before the Commission issues the final order incorporating this Settlement Agreement, the Licensee agrees to accept a Letter of Reprimand for the violation. This reprimand becomes a permanent part of the Licensee's Commission file and may be considered in any future application for any license or permit by the Licensee.
7. Licensee accepts this Settlement Agreement without any conditions or reservations. Licensee is aware of Licensee's right to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183) and to judicial review if this matter was not resolved through this Settlement Agreement. Licensee is aware of Licensee's right to seek judicial review of a final order issued in the matter. Licensee freely and voluntarily waives all such rights to a contested case hearing, judicial review, or to otherwise challenge this Settlement Agreement and the Final Order incorporating this Settlement Agreement. In full satisfaction and settlement of this matter, Licensee agrees to Commission's issuance of a Final Order incorporating this Settlement Agreement as described in paragraph 8.
8. This Settlement Agreement is conditioned upon final approval by the Commission and will be reviewed by the Commissioners at their May 2025 meeting. If the Settlement 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.
9. The parties agree that this Settlement Agreement constitutes the sole, entire, and complete agreement between the parties to resolve the administrative proceeding commenced by the Notice and that no promises, inducements, or agreement not herein expressed have been made and that all terms of this Settlement Agreement are contractual and not a mere recital.
10. Licensee releases and waives any and all claims of any kind, known or unknown, past or future, against the State of Oregon or its agencies, instrumentalities, employees, officers, or agents arising out of the matters set forth in the Notice or this Settlement Agreement, including but not limited to any claim under federal or state law for damages, declaratory or equitable relief, under 42 USC § 1983 et seq, and for attorney's fees or costs.
11. Licensee of record is an Oregon Corporation. Sheri Ralston is the President of Licensee of record. Licensee of record represents and warrants that Sheri Ralston individually has the authority to enter into this Settlement Agreement and bind Licensee of record on its behalf.
12. The parties agree that this Settlement Agreement and Final Order Incorporating Settlement Agreement may be executed in one or more multiple counterparts, including facsimile, scanned, and electronically transmitted counterparts, each of which shall constitute an original and all of which together shall constitute one and the same agreement.
13. The Settlement Agreement must be signed and received by the Commission by April 21, 2025, or this settlement offer is deemed withdrawn

2. BBHC, LLC
Hyangmi Chon, Member
dba **HESPERIDES GARDEN**

OAR 845-025-5700(1) - On or about November 8, 2023, November 17, 2023 and December 13, 2023, Licensee engaged in activity that violates a provision of ORS 475C, OAR 333-007-0300 through OAR 333-007-0500 or OAR 333, Division 64, specifically OAR 333-007-0360(1)(d), when Licensee Hyangmi Chon failed to make an entire batch of marijuana or usable marijuana available for sampling by Chemhistory, LLC, laboratory license #1002015CA5E.

(1st Level Category I)

OAR 845-025-7540(1) - On or about November 8, 2023, Licensee intentionally failed to enter data into METRC Cannabis Tracking System (CTS) that fully and transparently accounted for all inventory tracking activities when Licensee Hyangmi Chon transferred six packages of marijuana to Alex Hoggan, licensee of Chemhistory, LLC, laboratory license #1002015CA5E, without tracking the creation or transfer of these packages in CTS.

(1st Level Category II)

Note: Permittee was charged with this violation by Notice dated January 22, 2025. The total proposed sanction was a 73-day licensee suspension or a \$18,250.00 civil penalty. Permittee requested a hearing and now wishes to enter into this settlement agreement.

AGGRAVATED

Commission staff aggravated the violation for repeated failure to comply with laws.

SYNOPSIS: An OLCC investigation into marijuana sampling practices across the industry revealed that on three dates, Licensee did not present an entire batch of marijuana to the laboratory representative for ten samples collected over three dates. Also, during the November 8, 2023, sampling event, Licensee presented the field representative with six zip-lock bags of marijuana. Licensee claimed that these bags were for research testing, not compliance testing, but the bags were not tracked in CTS. The Commission staff determined that the conduct constituting these violations did not rise to the level of cancellation given the circumstances.

TERMS OF AGREEMENT

1. This Settlement Agreement resolves only the violations identified in the Notice.
2. Licensee admits the facts described in the Notice and accepts responsibility for the violations described in the Notice. These were Licensee's first Category I violation and first Category II violation within two years. Any subsequent Category II violations within the same two years will be charged starting at the second level. Upon execution and final approval of this Settlement Agreement by the Commission, these violations shall become a permanent part of Licensee's Commission file and may be considered in any future application for any license or permit by the Licensee.

(CONTINUED Hesperides Garden)

3. The standard sanction for the violations described in the Notice is license cancellation. Commission staff aggravated the violations for repeated failure to comply with laws. OAR 845-025-8590(4)(e)(B). Commission staff aggravated the violations because the Licensee personally committed the violations. *P-Mart*, OLCC-92-V-098, April 1993. The Commission staff determined that the conduct constituting these violations did not rise to the level of cancellation given the circumstances and that mitigation downward from proposed cancellation was warranted. OAR 845-025-8590(5)(c). The Notice proposed a total penalty of a 73-day license suspension or a \$18,250.00 civil penalty.
4. As an alternative to the proposed penalty in the Notice, Licensee shall either pay a \$13,000.00 civil penalty before 5:00 PM on June 16, 2025, **OR** serve a 52-day suspension beginning at 7:00 AM on June 23, 2025, and ending at 7:00 AM on August 14, 2025. If the full penalty is not paid prior to 5:00 PM on June 16, 2025, then Licensee shall serve the full suspension. If Licensee or its employees, agents, or representatives act in any way that is not allowed by rule or statute while under suspension, OLCC may file a violation against Licensee and Licensee's license may be cancelled, suspended, or Licensee may receive a civil penalty. If OLCC notifies Licensee that Licensee has violated a rule or statute while under suspension, Licensee will be given the opportunity to contest the alleged violation in a contested case proceeding and the appropriateness of OLCC's decision to deny, suspend, or revoke the license or impose civil penalties. Licensee agrees that any action taken in violation of OAR 845-025-8580 while the Licensee is serving a suspension establishes Licensee lacks the judgment and capabilities to comply with rules and statutes as required to be hold a marijuana license and is conduct that poses a significant risk to public health and safety under ORS 475C.265(3)(a).
5. Licensee withdraws the request for a hearing.
6. If Licensee's interest in the license expires or is transferred before the Commission issues the final order incorporating this Settlement Agreement, the Licensee agrees to accept a Letter of Reprimand for the violations. This reprimand becomes a permanent part of the Licensee's Commission file and may be considered in any future application for any license or permit by the Licensee.
7. Licensee accepts this Settlement Agreement without any conditions or reservations. Licensee is aware of Licensee's right to a contested case hearing under the Administrative Procedures Act (ORS Chapter 183) and to judicial review if this matter was not resolved through this Settlement Agreement. Licensee is aware of Licensee's right to seek judicial review of a final order issued in the matter. Licensee freely and voluntarily waives all such rights to a contested case hearing, judicial review, or to otherwise challenge this Settlement Agreement and the Final Order incorporating this Settlement Agreement. In full satisfaction and settlement of this matter, Licensee agrees to Commission's issuance of a Final Order incorporating this Settlement Agreement as described in paragraph 8.
8. This Settlement Agreement is conditioned upon final approval by the Commission and will be reviewed by the Commissioners at their May 2025 meeting. If the Settlement 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.
9. The parties agree that this Settlement Agreement constitutes the sole, entire, and complete agreement between the parties to resolve the administrative proceeding commenced by the Notice and that no promises, inducements, or agreement not herein expressed have been made and that all terms of this Settlement Agreement are contractual and not a mere recital.
10. Licensee releases and waives any and all claims of any kind, known or unknown, past or future, against the State of Oregon or its agencies, instrumentalities, employees, officers, or agents arising out of the matters set forth in the Notice or this Settlement Agreement,

(CONTINUED Hesperides Garden)

including but not limited to any claim under federal or state law for damages, declaratory or equitable relief, under 42 USC § 1983 et seq, and for attorney's fees or costs.

11. Licensee of record is an Oregon Limited Liability Company. Hyangmi Chon is a Member of Licensee of record. Licensee of record represents and warrants that Hyangmi Chon individually has the authority to enter into this Settlement Agreement and bind Licensee of record on its behalf.
12. The parties agree that this Settlement Agreement and Final Order Incorporating Settlement Agreement may be executed in one or more multiple counterparts, including facsimile, scanned, and electronically transmitted counterparts, each of which shall constitute an original and all of which together shall constitute one and the same agreement.
13. The Settlement Agreement must be signed and received by the Commission by 5:00 PM on April 25, 2025, or this settlement offer is deemed withdrawn.