

# ADMINISTRATIVE HEARINGS DIVISION

February 17, 2022

## STIPULATED SETTLEMENT AGREEMENTS FOR MARIJUANA VIOLATION CASES

1. Iron Cross Enterprises, LLC  
Fred Tamayo, Managing Member  
dba **SOUTHERN OREGON  
CANNABIS CONNECTION**  
1950 NE 7th Street  
Grants Pass, OR 97527  
(Retailer)

OAR 845-025-8520(5) - On or about February 14, 2020, Licensee and/or Licensee's employee, agent, or representative permitted the use or consumption of marijuana, hemp items, or another intoxicating substance, in or on the licensed premises, or in a surrounding area under the control of the licensee, other than as permitted under OAR 845-025-1230(6)(b), when employee Ayden Espinoza was observed and admitted to smoking marijuana by an open doorway just outside the southwest corner of the building housing the licensed premises.

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

OAR 845-025-1330(6)(d) - Between about February 1, 2020 and February 18, 2020, Licensee or Licensee's employees, agents, or representatives failed to record in the METRC Cannabis Tracking System (CTS) the quantity or weight of trade sample provided, the date and time the trade sample was provided, and the worker permit number and name of the employee to whom the sample was provided, when approximately 17 trade samples received in Licensee's CTS account during this time period could not be located at the premises and did not have this information entered into CTS.

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

Note: Licensee was charged with these violations by Amended Notice dated December 28, 2021. The total proposed sanction was a 22-day license suspension or a civil penalty of \$5,500.00. Licensee requested a hearing and now wishes to enter into this settlement agreement.

### AGGRAVATION

Violation Number Two was aggravated for repeated misconduct.

**SYNOPSIS:** On February 19, 2020, OLCC Inspectors conducted a compliance inspection at this Retailer, resulting in five incidents warned by AHD under the Verification of Compliance program, and one Category III charge for mishandling of trade samples. About a week later, OLCC received a report from Grants Pass Public Safety regarding public consumption of marijuana by an employee of the Retailer, resulting in the other Category III charge. These violations are resolved on standard terms and the Licensee is aware of what is needed to avoid similar violations in the future.

### TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violations as set out in the Notice. These were Licensee's first and second Category III violations within two years, charged at the first level. Any subsequent Category III violation within the same two years will be charged at the second

(continue **SOUTHERN OREGON CANNABIS CONNECTION**)

level. These violations 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 each Category III violation charged at the first level is a 10-day license suspension or a \$2,500.00 civil penalty. Violation Number Two was aggravated for repeated misconduct.
3. Staff recommended a 22-day license suspension or a civil penalty of \$5,500.00. The Commission will reduce the sanction for each violation by three days.
4. Licensee will either pay a \$4,000.00 civil penalty before 5:00 PM on March 15, 2022 **OR** serve a 16-day suspension beginning at 12:00 PM (noon) on March 22, 2022 and ending at 12:00 PM (noon) on April 7, 2022.
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. 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 Commission and will be reviewed by the Commissioners at their February 2022 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. Wicked Flower Farms, LLC  
Jeremy Hayes, Member  
dba **WICKED FLOWER FARMS**  
(Producer)

ORS 475B.256(1)(a)(F) - On or about July 6, 2020, Licensee Jeremy Hayes was convicted of Unlawful Delivery of a Marijuana Item to a Minor, ORS 475B.346(3)(b), a Class C felony involving a controlled substance, in Jackson County Circuit Court, Case No. 18CR61025.

(Category I)

Note: Licensee was charged with this violation by Notice dated March 17, 2021. Commission staff proposed the standard sanction of license cancellation, seizure and destruction of marijuana items, and Refusal to Renew License for this violation. Licensee requested a hearing and now wishes to enter into this settlement agreement.

**SYNOPSIS:** The sole member of the licensed entity was convicted of the delivery of marijuana items to a minor. The police report regarding the underlying crime indicated that the licensee brought the minor into his dispensary at one point, but that he had provided her with a vape pen while they were in a restaurant together.

### **TERMS OF AGREEMENT**

1. Licensee accepts responsibility for the violation as set out in the Notice. This was Licensee's first Category I violation. 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 unless otherwise prohibited by law.
2. Commission staff proposed the standard sanction of license cancellation and seizure and destruction of marijuana items for this violation.
3. Licensee has begun the process of selling the business. Licensee hereby surrenders its license effective on the date the transfer of ownership of the business is completed or at 12:00 PM on May 18, 2022, whichever is earlier. If Licensee's license expires on or before May 18, 2022 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 surrender date.
4. 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 May 18, 2022. Licensee understands and agrees that any new owner 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.
5. Each licensee agrees to accept a letter of reprimand for the violation specified above. This letter of 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 the licensee.
6. Licensee hereby relinquishes any and all interest in any marijuana items in its inventory that have not been properly transferred before the effective date of license surrender, and agrees that the Commission may seize and destroy any such marijuana items.
7. Licensee withdraws its request for hearing.

(continue **WICKED FLOWER FARMS**)

8. This agreement is conditioned upon final approval of the Commission and will be reviewed by the Commissioners at their February 2022 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. Wicked Flower Shop, LLC<sup>1</sup>  
Jeremy Hayes, Member  
dba **THE WICKED FLOWER  
SHOPPE**  
600 E. Jackson Street  
Medford, OR 97504  
(Retailer)

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<sup>1</sup> The Notice erroneously listed the licensed entity as Wicked Flower Shoppe, LLC.

(continue **THE WICKED FLOWER SHOPPE**)

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