

ADMINISTRATIVE POLICY & PROCESS DIVISION
March 22, 2018

STIPULATED SETTLEMENT AGREEMENTS FOR MARIJUANA VIOLATION CASES

1. Grateful Meds, LLC
Brent Kenyon, Managing Member
Dbas **GRATEFUL MEDS**
630 Hwy 99
Talent, OR 97540
(Retailer)

OAR 845-025-1450(2)(d)(A) – Licensee or Licensee’s employees, agents, servants, or representatives failed to keep surveillance recordings for a minimum of 90 calendar days. (From June 15, 2017 to August 19, 2017).
(1st level Category I)

OAR 845-025-2820(2) - Licensee or Licensee’s employees, representatives, or agents failed to store marijuana items offered for sale in such a manner that the items were only accessible to authorized representatives until such time as the final sale to the consumer was completed. (September 7, 2017)
(1st Level Category III)

Note: Licensee was charged with these violations by Notice dated December 20, 2017. The proposed sanction was license cancellation. Licensee requested a hearing and now wishes to withdraw that request to enter into this settlement agreement.

TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violations as set out in the Notice. Violation Number One was Licensee’s first Category I violation within two years. Violation Number Two was Licensee’s first Category III violation within two years. Any subsequent Category I or Category III violation within the same two years will be charged at the second level.
2. Commission staff originally proposed the standard sanction of license cancellation.
3. The Commission will reduce the sanction for Violation Number One and impose a \$4,950.00 civil penalty or a 30-day license suspension for that violation.
4. The standard sanction for Violation Number Two is a 10-day license suspension or a \$1,650.00 civil penalty. The Commission will reduce the sanction for Violation Number Two by three days. This is equivalent to a 30% reduction of the standard sanction.
5. Licensee will pay a \$6,105.00 civil penalty before 5:00 PM on April 16, 2018 **OR** serve a 37-day suspension beginning at 7:00 AM on April 21, 2018 and ending at 7:00 AM on May 27, 2018.
6. Licensee withdraws the request for a hearing.
7. If a licensee’s interest in the license expires or is transferred before the Commission issues a final order on the allegation(s), the licensee agrees to accept a Letter of Reprimand for the violation(s). This reprimand will become a permanent part of the licensee’s Commission file and may be considered in any future application for any license by that licensee.

8. This agreement is conditional upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their March 2018 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. Bosmere Farms, Inc.
Daniel James, Stkhldr
Jill James, Sec/Stockholder
Glenmore James, President/Stockholder
dba **BOSMERE FARMS**
Producer

ORAR 845-025-1175(1) – Licensee and/or its employees, agents or representatives made physical changes to the licensed premises that materially or substantially altered the licensed premises or the usage of the licensed premises from the plans originally approved by the Commission when they used newly-constructed greenhouses located on the for the purpose of hanging and drying cut marijuana without prior approval of the Commission. (From about October 4, 2017 to about November 1, 2017).

(1st level Category III)

ORAR 845-025-1410(3)(c) - Licensee and/or its employees, agents or representatives used newly-constructed greenhouses for the purpose of storing cut and drying mature marijuana plants which were not secured with a steel door and steel door frame and commercial lock.

(From about October 4, 2017 to about November 1, 2017)

(1st Level Category III)

ORAR 845-025-1440(1)(b) - Licensee and/or its employees, agents or representatives failed to have video camera coverage of the newly-constructed greenhouses, which were “limited access areas” as that term is defined in ORAR 845-025-1015. (From about October 4, 2017 to about October 9, 2017)

(1st Level Category III)

Note: Licensee was charged with these violations by Notice dated January 31, 2018. The proposed sanction was a 34-day suspension or a \$5,610.00 civil penalty. Licensee now wishes to enter into this settlement agreement.

AGGRAVATION

Staff added four days of aggravation because corporate principals were personally involved (Violation Number One) and because a violation was committed intentionally (Violation Number Three).

TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violations as set out in the Notice. These were Licensee’s first Category III violations within two years. Any subsequent Category III violation within two years will be charged at the second level.
2. Commission staff originally proposed for these violations the standard sanction of a 30-day license suspension or payment of a \$4,950.00 civil penalty. Staff added four days of aggravation because corporate principals were personally involved (Violation Number One) and because a violation was committed intentionally (Violation Number Three). The total proposed sanction was a 34-day suspension or a \$5,610.00 civil penalty.
3. The Commission will reduce the sanction by nine days. This is equivalent to a 30% reduction of the standard sanction.

4. Licensee will pay a \$4,125.00 civil penalty before 5:00 PM on April 16, 2018 or serve a 25-day suspension beginning at 7:00 AM on April 21, 2018 and ending at 7:00 AM on May 16, 2018.
5. If a licensee's interest in the license expires or is transferred before the Commission issues a final order, the licensee agrees to accept a Letter of Reprimand for these violations. 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 by the licensee.
6. This agreement is conditioned upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their March 2018 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.