

# ADMINISTRATIVE HEARINGS DIVISION

October 17, 2024

## STIPULATED SETTLEMENT AGREEMENTS - LIQUOR VIOLATION CASES

1. Lou Natix, Inc.  
Louis Lorge, Pres/Stockholder  
Michelle Mote, Secretary  
dba **LUCKY LOU'S DELI (L)**  
4215 B & C Main St  
Springfield, OR 97478

OAR 845-006-0335(1)(a)(b)(c) – On or about December 8, 2023, Licensee's employee, agent, or representative Todd Brazell failed to verify the age of a minor before allowing them to buy or be served an alcoholic beverage, when they reasonably appeared to be under 26 years of age.

Note: Licensee was charged with these violations by Notice dated July 30, 2024. The total proposed sanction was a 22-day license suspension or a \$4,480.00 civil penalty. Licensee requested a hearing and now wishes to enter into this settlement agreement.

### AGGRAVATION

Commission staff proposed aggravating Violation Number Two because employee, Todd Brazell, worked without a service permit for more than six months.

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

ORS 471.360(1)(a) and (b) - From about September 1, 2022 to about December 8, 2023, Licensee permitted its employee, agent, or representative Todd Brazell to mix, sell, or serve alcoholic beverages, or supervise those who do, without a valid service permit issued by the Commission.

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

**SYNOPSIS:** During a minor decoy operation at the premises, an employee sold alcohol to a minor. The inspector learned that the employee did not have a valid service permit as the employee's previous permit expired about 15 months prior to the date of the minor decoy operation.

### 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 violations described in the Notice. Violation Number One was Licensee's first Category II(b) violation within two years. Violation Number Two was Licensee's first Category III violation within two years. Any subsequent Category II(b) and Category III 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.
3. The standard sanction for the violations described in the Notice is a 10-day license suspension or a civil penalty of \$2,500.00 for Violation Number One and a 10-day suspension or a civil penalty of \$1,650.00 for Violation Number Two. Commission staff proposed aggravating Violation Number Two because employee, Todd Brazell, worked without a service permit for more than six months. The Notice proposed a total penalty of a 22-day license suspension or a \$4,480.00 civil penalty.

4. As an alternative to the proposed penalty in the Notice, Licensee will have the option to install age verification equipment (AVE) by November 1, 2024. In the event Licensee installs AVE, Licensee will utilize the equipment to verify the age of every patron who reasonably appears to be under 26 years of age. All alcohol sales will be run through registers at which AVE is installed. Installation of AVE that meets all standards set forth in this agreement and in OAR 845-009-0140(2) is done in lieu of 10 days of the suspension or \$2,500.00 of the civil penalty for Violation Number One. If Licensee chooses to install AVE as outlined in this paragraph, Commission staff will certify that the AVE meets all of the standards identified by OAR 845-009-0140(2) by November 10, 2024.
  - a. If AVE is installed by November 1, 2024, and certified by Commission staff to meet all of the standards identified by OAR 845-009-0142(2) by November 10, 2024, Licensee shall either pay a \$1,485.00 civil penalty before 5:00 PM on November 15, 2024, **OR** serve a 9-day suspension beginning at 7:00 AM on November 22, 2024 and ending at 7:00 AM on December 1, 2024.
  - b. If AVE is not installed by November 1, 2024, or AVE that meets all the standards identified by OAR 845-009-0140(2) is not in use by November 10, 2024, Licensee shall either pay a \$3,985.00 civil penalty before 5:00 PM on November 15, 2024, **OR** serve a 19-day suspension beginning at 7:00 AM on November 22, 2024 and ending at 7:00 AM on December 11, 2024.
5. 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.
6. Licensee withdraws the request for a hearing.
7. 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.
8. 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 13.
9. This Settlement Agreement is conditioned upon final approval by the Commission and will be reviewed by the Commissioners at their October 2024 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.
10. 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.

(continued **LUCKY LOU'S DELI (L)**)

11. 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.
12. Licensee of record is an Oregon corporation. Louis Lorge is President/Stockholder of Licensee of record. Licensee of record represents and warrants that Louis Lorge individually has the authority to enter into this Settlement Agreement and bind Licensee of record on its behalf.
13. 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.
14. The Settlement Agreement must be signed and received by the Commission by September 16, 2024, or this settlement offer is deemed withdrawn

2. Evergreen Enterprises, Inc.  
Rahul Marwah, Pres/Dir/Stkhldr  
Ritu Portugal, Vice Pres/Sec/Dir/Stkhldr  
Gurbax Marwah, Vice Pres/Dir  
Rajni Marwah, Vice Pres/Treas/Dir  
dba **DENNY'S #7740 (F-COM)**  
3652 Glenwood Dr.  
Eugene, OR 97403

OAR 845-006-0335(1)(a)(b)(c).– On or about October 11, 2023, Licensee’s employees, agents, or representatives Jared Romero and Lisa St. Clair failed to verify the age of a minor before allowing them to buy or be served an alcoholic beverage, when they reasonably appeared to be under 26 years of age.

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

ORS 471.360(1)(a) and (b) - On the dates indicated below, Licensee permitted the listed employees, agents, or representatives to mix, sell, or serve alcoholic beverages, or supervise those who do, without a valid service permit issued by the Commission: Lisa St. Clair from about July 9, 2023 to October 11, 2023 and Jessie Shader from about July 13, 2023 to October 11, 2023.

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

Note: Licensee was charged with these violations by Notice dated July 30, 2024. The total proposed penalty was a 24-day license suspension or a \$4,980.00 civil penalty. Licensee requested a hearing and now wishes to enter into this settlement agreement.

**AGGRAVATION**

Commission staff proposed to aggravate the penalty by four days because the violations involved multiple patrons or employees.

**SYNOPSIS:** During a minor decoy operation at the premises, a server took the minor decoy’s order for an alcoholic beverage, asked for ID and looked at the ID. A second server delivered the alcoholic beverage. Neither server had a valid service permit; the first server had never held a service permit, the second server’s permit expired about three months earlier.

**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 violations described in the Notice. This was Licensee’s first Category II(b) violation within two years and Licensee’s first Category III violation within two years. Any subsequent Category II(b) violation within the same two years will be charged starting at the second level. Any subsequent Category III violation 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.
3. The standard sanction for Violation Number One is a 10-day suspension or a civil penalty of \$2,500.00. The standard sanction for Violation Number Two is a 10-day suspension or a \$1,650.00 civil penalty. Commission staff proposed to aggravate the penalty because the violations involved multiple patrons or employees. OAR 845-006-0500(8)(e)(F). Accordingly, the Notice proposed aggravating the penalty by four days for these circumstances. The Notice proposed a total penalty of a 24-day license suspension or a \$4,980.00 civil penalty.

(continued **DENNY'S #7740 (F-COM)**)

4. As an alternative to the proposed penalty in the Notice, Licensee shall either pay a \$3,735.00 civil penalty before 5:00 PM on November 15, 2024 **OR** serve an 18-day suspension beginning at 7:00 AM on November 22, 2024 and ending at 7:00 AM on December 10, 2024. If the full penalty is not paid prior to 5:00 PM on November 15, 2024, 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.
5. Licensee withdraws the request for 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 12.
8. This Settlement Agreement is conditioned upon final approval by the Commission and will be reviewed by the Commissioners at their October 2024 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.

3. Two Rivers, LLC  
Kevin Dodson, Member  
dba **TWO RIVERS GENERAL  
STORE (O)**  
11061 Chinquapin  
Crescent, OR 97733

ORS 471.405(1) – On or about May 28, 2023, Licensee and/or Licensee’s employees, agents, or representatives sold or offered for sale alcoholic beverages in a manner other than the license permitted, when Licensee and/or Licensee’s employees, agents, or representatives sold or offered to sell alcoholic beverages to one or more customers for on-premises consumption when Licensee’s Off-Premises sales license did not allow for the sale of alcoholic beverages for on-premises consumption.

(Category I)

Note: Licensee was charged with this violation by Notice dated April 16, 2024. The standard sanction for the violation described in the Notice is cancellation of the license. License requested a hearing and now wishes to enter into this settlement agreement.

**SYNOPSIS:** Licensee hosted an event at their premises. During the event, Licensee sold alcoholic beverages to patrons who consumed the beverages at the premises, despite having a license that does not allow on-premises consumption. OLCC communicated with Licensee prior to the event and informed them of the requirement to obtain a special event license but Licensee did not do so. Licensee has since cooperated with OLCC staff to plan and host compliant special events.

### **TERMS OF AGREEMENT**

1. This Settlement Agreement resolves only the violation 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 first Category I violation within two years. 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 cancellation of the license.
4. As an alternative to the proposed penalty in the Notice, Licensee shall either pay a \$4,950.00 civil penalty before 5:00 PM on November 15, 2024, **OR** serve a 30-day suspension beginning at 7:00 AM on November 22, 2024, and ending at 7:00 AM on December 22, 2024. If the full penalty is not paid prior to 5:00 PM on November 15, 2024, 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.
5. Licensee withdraws the request for a hearing.

(continued **TWO RIVERS GENERAL STORE (O)**)

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 9.
8. This Settlement Agreement is conditioned upon final approval by the Commission and will be reviewed by the Commissioners at their October 2024 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 Limited Liability Company. Kevin Dodson is a Member of Licensee of record. Licensee of record represents and warrants that Kevin Dodson 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 September 19, 2024, or this settlement offer is deemed withdrawn