ADMINISTRATIVE HEARINGS DIVISION

April 17, 2025

STIPULATED SETTLEMENT AGREEMENTS - LIQUOR VIOLATION CASES

1 Harvest Foods, Inc.
Susan Sanford, President/Stockholder
Kristin Schofield, VP/Stockholder
dba **HARVEST FRESH PRODUCE & GROCERY (O)**
251 NE 3rd St.
McMinnville, OR 97128

OAR 845-006-0335(1)(a)(b)(c) – On or about May 25, 2024, Licensee's employee, agent, or representative Letha Alvarez 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.

(1st Level Category II(b))

Note: Licensee was charged with this violation by Notice dated January 15, 2025. The total proposed sanction was a 12-day license suspension or a $3,000.00 civil penalty. Licensee wishes to enter into this settlement agreement.

AGGRAVATION

Commission staff proposed aggravation because Licensee was allowed to purchase age verification equipment as an offset to a penalty for a previous failure to verify the age of a minor and the age verification equipment was not used to prevent the current violation.

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 II(b) violation within two years. Any subsequent Category II(b) 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, 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 10-day license suspension or a civil penalty of $2,500.00. Commission staff determined that Licensee was allowed to purchase age verification equipment as an offset to a penalty for a previous failure to verify the age of a minor and the age verification equipment was not used to prevent the current violation. OAR 845-006-0500(8)(e)(C). Accordingly, the Notice proposed aggravating the penalty by two days or $500.00. The Notice proposed a total penalty of a 12-day license suspension or a $3,000.00 civil penalty.

4. As an alternative to the proposed penalty in the Notice, Licensee shall either pay a $2,250.00 civil penalty before 5:00 PM on May 15, 2025, **OR** serve a nine-day suspension beginning at 7:00 AM on May 22, 2025 and ending at 7:00 AM on May 31, 2025. If the full penalty is not paid prior to 5:00 PM on May 15, 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.

5. 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.

6. 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 7.

7. This Settlement Agreement is conditioned upon final approval by the Commission and will be reviewed by the Commissioners at their April 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.

8. 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.

9. 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.

10. Licensee of record is an Oregon corporation. Kristin Schofield is a Vice President/Stockholder of Licensee of record. Licensee of record represents and warrants that Kristin Schofield individually has the authority to enter into this Settlement Agreement and bind Licensee of record on its behalf.

11. 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.

12. The Settlement Agreement must be signed and received by the Commission by 5:00 PM on February 14, 2025, or this settlement offer is deemed withdrawn.

2 Jose & Pelayo, Inc. Oscar Guitron Lopez, Pres/Dir/Stkhldr dba **MAZATLAN MEXICAN RESTAURANT (F-COM)** 47720 School Street Oakridge, OR 97463	OAR 845-006-0335(1)(a)(b)(c) - On or about June 7, 2024, Licensee's employee, agent, or representative Rosa Delgadillo de Guitron 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. (1st Level Category II(b)) OAR 845-006-0335(1)(a)(b)(c) - On or about December 19, 2024, Licensee Oscar Guitron Lopez failed to verify the age of before allowing them to buy or be served an alcoholic beverage, when they reasonably appeared to be under 26 years of age. (2nd Level Category II(b))	Note: Licensee was charged with these violations by Notice dated January 29, 2025. The total proposed penalty was a 42-day license suspension. Licensee had the option to pay a civil penalty of $7,450.00 in lieu of 40 days, with the remaining two-day suspension mandatory. Licensee wishes to enter into this settlement agreement. **AGGRAVATION** Commission staff proposed to aggravate the penalty by two days because Licensee Oscar Guitron Lopez personally committed Violation Number Two.

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 violation(s) described in the Notice. Violation Number One was Licensee's first Category II(b) violation within two years. Violation Number Two 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, 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 license suspension or a civil penalty of $2,500.00. The standard sanction for Violation Number Two is a 30-day suspension or a civil penalty of $4,950.00. Commission staff determined that aggravation was appropriate because Licensee Oscar Guitron Lopez personally committed Violation Number Two. *P-Mart*, OLCC-92-V-098, April 1993. Accordingly, the Notice proposed aggravating the penalty by two days. The Notice proposed a total penalty of a 42-day license suspension. Licensee had the option to pay a civil penalty of $7,450.00 in lieu of 40 days, with the remaining two-day suspension mandatory.

4. As an alternative to the proposed penalty for Violation Number One in the Notice, Licensee will have the option to install age verification equipment (AVE) by May 1, 2025. 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 May 12, 2025. Licensee understands that it is eligible for a credit for installation of AVE only one time, that the equipment is expected to remain in good order, and that the equipment must be used according to the terms of this agreement for as long as Licensee has a liquor license at this premises. Licensee understands that failure to use the equipment, whether by human error or malfunction in future violations, may result in increased penalties and, if applicable, removal from the Responsible Vendor Program.

a. If AVE <u>is</u> installed by May 1, 2025, and certified by Commission staff to meet all of the standards identified by OAR 845-009-0142(2) by May 12, 2025, Licensee shall either pay a $3,795.00 civil penalty before 5:00 PM on May 15, 2025, **OR** serve a 23-day suspension beginning at 7:00 AM on May 22, 2025 and ending at 7:00 AM on June 14, 2025.

b. If AVE <u>is not</u> installed by May 1, 2025, or AVE that meets all the standards identified by OAR 845-009-0140(2) is not in use by May 12, 2025, Licensee shall either pay a $6,295.00 civil penalty before 5:00 PM on May 15, 2025, **OR** serve a 33-day suspension beginning at 7:00 AM on May 22, 2025 and ending at 7:00 AM on June 21, 2025.

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. 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 April 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. Oscar Guitron Lopez is the President of Licensee of record. Licensee of record represents and warrants that Oscar Guitron Lopez 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 February 28, 2025, or this settlement offer is deemed withdrawn.

3. M. G. R., Inc.
Tracy Story, President/Stockholder
dba **FREELOADER TAVERN (F-COM)**
501 Lancaster Dr SE
Salem, OR 97317

OAR 845-006-0335(1)(a)(b)(c) – On or about September 26, 2024, Licensee's employee, agent, or representative Ashley Story 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.

(1st Category II(b))

OAR 845-006-0335(1)(a)(b)(c) - On or about November 21, 2024, Licensee's employee, agent, or representative Marissa Story 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.

(2nd Category II(b))

Note: Licensee was charged with these violations by Notice dated February 4, 2025. total proposed sanction was a 44-day suspension or a $7,950.00 civil penalty with a mandatory two-day suspension, and removal from the Responsible Vendor Program. License wishes to enter into this settlement agreement.

AGGRAVATION

Commission staff proposed aggravation because Licensee was allowed to purchase age verification equipment as an offset to a penalty for a previous failure to verify the age of a minor and the age verification equipment was not used to prevent the current 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 violations described in the Notice. These were Licensee's first and second Category II(b) violations 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, 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 40-day license suspension or a civil penalty of $7,450.00. Commission staff proposed adding two days of aggravation because Licensee was allowed to purchase age verification equipment (AVE) as an offset to a previous penalty and that AVE was not used to prevent the charged violations. The total proposed sanction was a 44-day suspension or a $7,950.00 civil penalty with a mandatory two-day suspension, and removal from the Responsible Vendor Program.

4. As an alternative to the proposed penalty in the Notice, Licensee shall be removed from the Responsible Vendor Program and either pay a $5,300.00 civil penalty before 5:00 PM on May 15, 2025 **OR** serve a 32-day suspension beginning at 7:00 AM on May 22, 2025 and ending at 7:00 AM on June 23, 2025. If the full penalty is not paid prior to 5:00 PM on May 15, 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.

5. 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.

6. 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 7.

7. This Settlement Agreement is conditioned upon final approval by the Commission and will be reviewed by the Commissioners at their April 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.

8. 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.

9. 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.

10. Licensee of record is an Oregon corporation. Tracy Story is President and Stockholder of Licensee of record. Licensee of record represents and warrants that Tracy Story individually has the authority to enter into this Settlement Agreement and bind Licensee of record on its behalf.

11. 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.

12. The Settlement Agreement must be signed and received by the Commission by March 6, 2025, or this settlement offer is deemed withdrawn.

4. Thomas Stone **BURGER SPOT (L)** 317 E Main St Medford, OR 97501	OAR 845-006-0345(1) - On or about November 23, 2022, Licensee's employee, agent, or representative Kirk Smith drank an alcoholic beverage, specifically tequila, while on duty. (1st Level Category III) OAR 845-006-0347(3)(a) - On or about November 23, 2022, Licensee's employee, agent, or representative Kirk Smith permitted unlawful activities on the licensed premises or in areas the Licensee controls that are adjacent to or outside the premises, when Licensee's employee Kirk Smith physically assaulted M. Giger inside the premises, for which actions he was convicted of Strangulation and Assault in the Fourth Degree on June 1, 2023, in Jackson County Circuit Court. (1st Level Category III)	Note: Licensee was charged with these violations by Notice dated November 7, 2023. The total proposed penalty was a 22-day suspension, or a civil penalty of $3,630.00. Licensee requested a hearing and now wishes to enter into this settlement agreement. **AGGRAVATION** Commission staff added two days of aggravation because Violation Number Two resulted in injury..

SYNOPSIS: An OLCC Inspector discovered an incident that had occurred on the licensed premises on November 23, 2022. On that date, Kirk Smith, Assistant Manager for the premises, drank alcohol while on duty. After the premises was closed, K. Smith and his girlfriend, M. Giger continued drinking alcohol on the premises and . K. Smith assaulted M. Giger. M. Giger called police and K. Smith was ultimately convicted of Strangulation and Assault in the Fourth Degree for what occurred on the premises.

TERMS OF AGREEMENT

1. This Settlement Agreement resolves only the violations identified in the Notice.

2. Licensee admits the facts described in Alternate Violation Number One and Violation Number Two and accepts responsibility for Alternate Violation Number One and Violation Number Two, as described in the Notice. These were Licensee's first and second Category III violations within two years. Any subsequent 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 a Category III violation is a 10-day license suspension or a $1,650.00 civil penalty for the first violation of this type within two years, and a 30-day license suspension or a $4,950.00 civil penalty for the second violation of this type within two years. Commission staff added two days of aggravation to Violation Number Two because Violation Number Two resulted in injury. The total standard sanction plus aggravation for these violations would be a 22-day suspension or a civil penalty of $3,630.00.

(continue **BURGER SPOT**)

4. As an alternative to the proposed penalty in the Notice, Licensee shall either pay a $2,640.00 civil penalty before 5:00 PM on May 15, 2025 **OR** serve a 16-day suspension beginning at 7:00 AM on May 22, 2025 and ending at 7:00 AM on June 7, 2025. If the full penalty is not paid prior to 5:00 PM on May 15, 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.

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 April 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. Thomas Stone is the Licensee of record. Licensee of record represents and warrants that Thomas Stone 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.

(continue **BURGER SPOT**)

13. The Settlement Agreement must be signed and received by the Commission by February 28, 2025, or this settlement offer is deemed withdrawn.