

# ADMINISTRATIVE POLICY & PROCESS DIVISION

## VIOLATION CASES TO BE RATIFIED BY COMMISSION

May 12, 2006

### LICENSEE/PERMITTEE

### VIOLATION

### SANCTION & COMMENTS

- |  |  |  |
|--|--|--|
| <p>1. Guernsey Development, Inc.<br/>Cory L. Bernard, President/Stockholder<br/>Robert A. Porter, Jr., VP/Stockholder<br/><b>LINDA'S RESTAURANT (L)</b><br/>91558 Biggs-Rufus Highway<br/>Biggs Junction OR 97050<br/>(28-25604-L)</p>   | <p>ORS 471.360 (1)(b) - Licensee permitted three employees to sell, mix or serve alcohol, or manage those who do, without valid service permits (varying dates between September 1, 2005 to about January 23, 2006).</p> <p>(First, Category III)</p>  | <p><b>\$2,310 CIVIL PENALTY - OR - 14-DAY SUSPENSION</b></p> <p>(Licensee paid the \$2,310 civil penalty on 03/28/06.)</p> <p style="text-align: center;"><u>AGGRAVATION</u></p> <p>This violation involved three employees without service permits.</p>   |
| <p>2. Red Sea Restaurant, Inc.<br/>Alemseghed Ghebrecristos, Pres/Dir/Stkhldr<br/>Ariam Alemseghed, VP/Dir/Stkhldr<br/>Yebshareg Berhe, Sec/Treas/Dir/Stkhldr<br/><b>RED SEA ABYSSINIAN RESTAURANT</b><br/>(FCOM)<br/>318 SW 3rd<br/>Portland OR 97204<br/>(26-15954-FCOM)</p> | <p><u>Violation Number One</u><br/>OAR 845-006-0468 (1) - Licensee failed to make available to patrons the minimum variety and type of food required for a Full On-Premises Sales license (October 14, 2005).</p> <p>(Third, Category III)</p> <p><u>Violation Number Two</u><br/>OAR 845-006-0466 (4) - Licensee discouraged or attempted to discourage an OLCC Inspector from ordering food when the Inspector was served unpalatable food (October 21, 2005).</p> <p>(Fourth, Category III)</p> | <p><b>83-DAY SUSPENSION - OR - \$8,415 CIVIL PENALTY - AND - 32-DAY SUSPENSION</b></p> <p style="text-align: center;"><u>AGGRAVATION</u></p> <ol style="list-style-type: none"> <li>1. Licensee has repeatedly failed to comply with laws regarding food service.</li> <li>2. Licensee received prior warning on January 13, 2004 regarding minimum food service (Violation Number One).</li> <li>3. Violations Number Three and Four continued for a lengthy period of time.</li> <li>4. Licensee received prior warning on January 13, 2004 regarding approved operating days and hours of operation (Violation Number Five).</li> </ol> |

**RED SEA ABYSSINIAN RESTAURANT**  
continued

Violation Number Three  
OAR 845-006-0480 (3)(b) - Licensee eliminated a meal period and/or substantially reduced meal service hours without prior written notification to the Commission (September 30, 2004 to about January 5, 2006).

(First, Category V)

Violation Number Four  
OAR 845-006-0480 (3)(c) - Licensee substantially reduced food service which was last approved by the Commission without prior written notification (September 30, 2004 to about January 5, 2006).

(Second, Category V)

Violation Number Five  
OAR 845-006-0481 - Licensee failed to give the Commission written notice that the licensed premises would be closed for more than 14 days (December 23, 2005).

(Third, Category V)

3. **LAREN DANIELSON**  
Service Permittee #153805  
  
Employed at: STARLITE TAVERN (FCOM)  
638 Main St.  
Lebanon OR 97355  
(22-04974-FCOM)

OAR 845-006-0345 (1) - Permittee Danielson drank alcoholic beverages while on duty at Starlite Tavern (January 22, 2006).

(First, Category III)

**\$300 CIVIL PENALTY - OR - 12-DAY SUSPENSION**

AGGRAVATION

Permittee received a prior warning regarding being intoxicated while on duty.

Note: Licensee was also charged with this violation and has requested a hearing.

4. Outdoor-In, Inc.  
Mark S. Daily, President/Stockholder  
Gina M. Daily, Vice President/Stockholder  
**OUTDOOR IN (L)**  
305 S 4th Street  
Coos Bay OR 97420  
(06-36253-L)

OAR 845-006-0335 (1)(a)(b)(c) -  
Corporate Principal Mark Daily failed to  
verify the age of an OLCC minor decoy  
allowing the decoy to buy or be served  
alcohol when he reasonably appeared to  
be under 26 years of age (January 13,  
2006).

**\$1,980 CIVIL PENALTY - OR - 12-DAY SUSPENSION**

AGGRAVATION

Corporate Principal Mark Daily personally committed this  
violation.

(First, Category III)

5. Cedarville Inn Corporation  
Kathie Lee Henry, President/Stockholder  
Terry Henry, Vice President/Stockholder  
**CEDARVILLE INN (FCOM)**  
3659 W Powell Loop  
Gresham OR 97030  
(26-17661-FCOM)

OAR 845-006-0335 (1)(a)(b)(c) -  
Licensee's employee failed to verify the  
ages of two minors before allowing them  
to buy or be served alcohol when they  
reasonably appeared to be under 26  
years of age (January 3, 2006).

**\$330 CIVIL PENALTY - OR 2-DAY SUSPENSION**

(Licensee paid the \$330 civil penalty on 04/27/06.)

AGGRAVATION

1. The violation involved two minors.
2. Each minor received more than one alcoholic  
beverage.
3. This violation resulted in the injury of several persons.

MITIGATION

1. Licensee has a lengthy record of good compliance.
2. Licensee took steps after the violation to prevent  
future violations.
3. Licensee showed exceptional cooperation during the  
investigation of this violation.
4. Licensee purchased and will use age verification  
equipment in accordance with OAR 845-009-0140.

(First, Category III)

6. **STEVE D. HULL**  
Service Permittee #215881  
  
Employed at: CEDARVILLE INN (FCOM)  
3659 W Powell Loop  
Gresham OR 97030  
(26-17661-FCOM)

OAR 845-006-0335 (1)(a)(b)(c) -  
Permittee Hull failed to verify the ages of  
two minors before allowing them to buy or  
be served alcohol when they reasonably  
appeared to be under 26 years of age  
(January 3, 2006).

**\$450 CIVIL PENALTY - OR - 18-DAY SUSPENSION**

AGGRAVATION

1. The violation involved two minors.
2. Each minor received more than one alcoholic  
beverage.
3. This violation resulted in the injury of several persons.

(First, Category III)

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|---|---|--|
| <p>7. Richard Alley<br/>Irma Alley<br/><b>ALLEGANY COUNTRY MARKET (O)</b><br/>10592 Highway 241<br/>Coos Bay OR 97420<br/>(06-17485-O)</p>  | <p>OAR 845-006-0335 (1)(a)(b)(c) -<br/>Licensee Irma Alley failed to verify the<br/>age of an OLCC minor decoy before<br/>allowing the decoy to buy or be served<br/>alcohol when she reasonably appeared to<br/>be under 26 years of age (February 25,<br/>2006).</p> <p>(First, Category III)</p> | <p><b>\$1,980 CIVIL PENALTY - OR - 12-DAY SUSPENSION</b></p> <p><u>AGGRAVATION</u><br/>Licensee Irma Alley participated in the violation.</p>  |
| <p>8. David C. Cardwell<br/>Janee S. Cardwell<br/><b>HAUSER STORE (O)</b><br/>68964 Wildwood Road<br/>North Bend OR 97459<br/>(06-04087-O)</p>  | <p>OAR 845-006-0335 (1)(a)(b)(c) -<br/>Licensee's employee failed to verify the<br/>age of an OLCC minor decoy before<br/>allowing the decoy to purchase alcohol<br/>when she reasonably appeared to be<br/>under 26 years of age (February 24,<br/>2006).</p> <p>(First, Category III)</p>         | <p><b>\$1,320 CIVIL PENALTY - OR - 8-DAY SUSPENSION</b></p> <p><u>MITIGATION</u><br/>Licensee has a lengthy record of good compliance.</p>   |
| <p>9. Pacific NW Beer &amp; Wine Imports, Inc.<br/>Lateef A. Kirsten, Pres/Stkhldr<br/>Edward H. Dadson, VP/Stkhldr<br/><b>PACIFIC NW BEER &amp; WINE IMPORTS,<br/>INC. (WMBW)</b><br/>7930 SW Burns Way<br/>Wilsonville OR 97070<br/>(03-27836-WMBW)</p> | <p>OAR 845-010-0170 (5) - Licensee failed<br/>to send to the Commission monthly<br/>reports summarizing the information in<br/>OAR 845-010-0170 (2)(3)(4) within the<br/>prescribed timeframes (from about<br/>November 20, 2003 to about December<br/>20, 2005).</p> <p>(First, Category IV)</p>   | <p><b>LETTER OF REPRIMAND</b></p> <p>Note: Because Licensee has chosen not to renew the<br/>liquor license, staff propose the Commission<br/>issue the Licensee a Letter of Reprimand. This<br/>reprimand will become a permanent part of the<br/>Licensee's Commission file and may be<br/>considered in any future application for a liquor<br/>license by the Licensee.</p> |

## STIPULATED SETTLEMENT AGREEMENT FOR ENTRY INTO FINAL ORDER

10. Tommy E. Brown  
**BOBBI O'S** (L)  
7581 Highway 62  
White City OR 97503  
(15-20201-L)

ORS 471.360 (1)(b) - Licensee permitted an employee to sell, mix or serve alcohol, or manage those who do, without a valid service permit (December 2, 2005).

~~(First, Category III)~~ (Third, Category III)

### SETTLEMENT AGREEMENT

Note: Licensee was charged with this violation by OLCC Violation Notice No. 7966 delivered on January 24, 2006. The proposed sanction, after the fast track deadline, was a \$4,950 civil penalty **or** a 30-day suspension. Licensee requested a hearing and now withdraws that request to enter into this Settlement Agreement.

### TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violation as set out in the OLCC Violation Notice issued January 24, 2006. This was Licensee's third Category III violation within two years; it was charged at the second level because it was discovered concurrently with Licensee's second Category III violation. Any subsequent violation of this type within the same two-year period will be charged at the third level.
2. Regulatory staff originally proposed the standard sanction of a 30-day suspension or civil penalty of \$4,950.00.
3. The Commission will reduce the sanction by twelve days. This is equivalent to a 40% reduction of the standard sanction.
4. Licensee will pay a civil penalty of \$2,970.00 by 5:00 PM on May 22, 2006 or serve an 18-day suspension beginning at 7:00 AM on May 27, 2006 and ending at 7:00 AM on June 14, 2006.
5. Licensee withdraws the request for a hearing.
6. If Licensee's interest in the license expires before the Commission issues a final order on these allegation, Licensee agrees to accept a Letter of Reprimand for this violation. This reprimand will become a permanent part of the Licensee's Commission file and may be considered in any future application for a liquor license by the Licensee.
7. This agreement is conditional upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their May 2006 Commission Meeting. If the agreement is not accepted and approved in its entirety by the Commission it is deemed null and void.

## STIPULATED SETTLEMENT AGREEMENT FOR ENTRY INTO FINAL ORDER

11. Julie A. Smith  
**ROSE GROCERY (O)**  
201 W. Jackson  
Medford OR 97501  
(15-05668-O)

OAR 845-006-0335 (1)(a)(b)(c) -  
Licensee failed to verify the age of an  
OLCC minor decoy before allowing the  
decoy to purchase alcohol when he  
reasonably appeared to be under 26  
years of age (December 29, 2005).

(Second, Category III)

### SETTLEMENT AGREEMENT

Note: Licensee was charged with this violation by  
Notice dated March 8, 2006. The proposed  
sanction, considering aggravation, was a 32-day  
license suspension or a \$4,950 civil penalty and a  
2-day mandatory suspension. Licensee has  
requested to enter into this Settlement  
Agreement.

### AGGRAVATION

Licensee participated in the violation.

### TERMS OF AGREEMENT

1. Licensee accepts responsibility for the violation as set out in the Notice of Proposed License Suspension or Civil Penalty dated March 8, 2006. This was Licensee's second Category III violation within two years. Any subsequent violation of this type within the same two-year period will be charged at the third level in Category III.
2. Regulatory staff originally proposed the standard sanction of a 30-day suspension or \$4,950.00 civil penalty, and added two days of aggravation for a total of a 32-day suspension or a civil penalty of \$4,950.00 in lieu of 30 days with the remaining two days of the suspension mandatory.
3. The Commission will reduce the sanction for the violation to a 23-day suspension **or** a \$3,795.00 civil penalty. This is equivalent to a 30% reduction of the standard sanction.
4. Licensee will pay a civil penalty of \$3,795.00 by 5:00 PM on May 25, 2006 **or** serve a 23-day suspension beginning at 7:00 AM on May 30, 2006 and ending at 7:00 AM on June 22, 2006.
5. If Licensee's interest in the license expires before the Commission issues a final order on this allegation, Licensee agrees to accept a Letter of Reprimand for this violation. This reprimand will become a permanent part of the Licensee's Commission file and may be considered in any future application for a liquor license by the Licensee.
6. This agreement is conditional upon final approval of the Oregon Liquor Control Commission and will be reviewed by the Commissioners at their May 15, 2006 Commission Meeting. If the agreement is not accepted and approved in its entirety by the Commission it is deemed null and void and the Licensee's hearings rights will be restored.