

ADMINISTRATIVE HEARINGS DIVISION

July 17, 2025

STIPULATED SETTLEMENT AGREEMENTS - LIQUOR VIOLATION CASES

1 Azalea Mountain, LLC
Samuel Carter, Member
Thomas Carter, Member
Patti Vest, Member
PO Box 5
Azalea, OR 97410
dba **AZALEA MOUNTAIN STORE (L)**
462 Azalea Glen Rd
Azalea, OR 97410

OAR 845-006-0335(1)(a)(b)(c) – On or about August 22, 2024, Licensee Thomas Carter 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 June 4, 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 Thomas Carter personally committed the 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 Thomas Carter personally committed the violation. *P-Mart*, OLCC-92-V-098. 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 will have the option to install age verification equipment (AVE) by August 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. 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 August 11, 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.

(Continued: **Azalea Mountain Store**)

- a. If AVE is installed by August 1, 2025, and certified by Commission staff to meet all of the standards identified by OAR 845-009-0142(2) by August 11, 2025, Licensee shall either pay a \$500.00 civil penalty before 5:00 PM on August 15, 2025, **OR** serve a two-day suspension beginning at 7:00 AM on August 22, 2025, and ending at 7:00 AM on August 24, 2025.
 - b. If AVE is not installed by August 1, 2025, or AVE that meets all the standards identified by OAR 845-009-0140(2) is not in use by August 11, 2025, Licensee shall either pay a \$3,000.00 civil penalty before 5:00 PM on August 15, 2025, **OR** serve a 12-day suspension beginning at 7:00 AM on August 22, 2025, and ending at 7:00 AM on September 3, 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 July 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 Limited Liability Company. Patti Vest is a member of Licensee of record. Licensee of record represents and warrants that Patti Vest individually has the authority to enter into this Settlement Agreement and bind Licensee of record on its behalf.

(Continued: **Azalea Mountain Store**)

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 June 27, 2025, or this settlement offer is deemed withdrawn