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GOVERNMENT OF THE DISTRICT OF COLUMBIA  
ALCOHOLIC BEVERAGE REGULATION ADMINISTRATION  
ALCOHOLIC BEVERAGE CONTROL BOARD

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IN THE MATTER OF: :  
RCX, LLC, : Show Cause Hearing  
t/a Stadium : Case # 15-251-00155  
2127 Queen Chapel Road NE : 15-CMP-00155(b)  
License # 94244 :  
Retailer Class CN :  
ANC-5C :  
-----X

Wednesday, February 3, 2016

Whereupon, the above-referenced matter came on for  
hearing at the Alcoholic Beverage Control Board, Reeves  
Center, 2000 14th Street, NW, Suite 400S, Washington, D.C.  
20009.

1 CHAIRPERSON:

2 DONOVAN ANDERSON, Presiding

3

4 BOARD MEMBERS:

5 RUTHANNE MILLER

6 NICK ALBERTI

7 MICHAEL SILVERSTEIN

8 JAMES SHORT

9

10 ALSO PRESENT:

11 LOUISE PHILLIPS, Assistant Attorney General

12 On behalf of the District of Columbia

13 ANDREW KLINE, ESQ.,

14 On behalf of the Licensee

15 NATHANIEL JOHNSON,

16 On behalf of the Licensee

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1 P R O C E E D I N G S

2 CHAIRMAN ANDERSON: All right. We're back on the  
3 record, and we will continue our show cause hearings. The  
4 next case on our schedule is case number 15-251-00155, and  
5 15-CMP-00155(b), Stadium Club, license number 94244. Would  
6 the parties please approach and identify yourself for the  
7 record, please?

8 MS. PHILLIPS: Louise Phillips, Assistant  
9 Attorney General for the District of Columbia. Good  
10 morning, all.

11 CHAIRMAN ANDERSON: Good morning.

12 MS. MILLER: Good morning.

13 MR. KLINE: Good morning. Andrew Kline on behalf  
14 of the licensee.

15 MR. JOHNSON: Nathaniel Johnson, RCX, LLC.

16 MR. KLINE: Licensee.

17 CHAIRMAN ANDERSON: All right. And what's  
18 your -- all right. I'm not familiar with all the parties,  
19 sir. So when I kind of like try not -- you know, the rest  
20 of them knows everybody. I don't. So I appreciate it when  
21 folks identify themselves and tell me the roles that you  
22 play.

1 MR. KLINE: Sure.

2 CHAIRMAN ANDERSON: Mr. Kline actually read my  
3 mind. So thank you.

4 Are there any preliminary matters in this case?

5 MS. PHILLIPS: Yes, there are, Mr. Chair. The  
6 parties have an offer in compromise to present. There are  
7 three charges in this matter. They will be 1,500 for each  
8 charge, and to be paid within 30 days, or the license will  
9 be suspended. And my understanding from the last time we  
10 met on this case, even though I wasn't here, that the  
11 certifications for the training have been submitted to the  
12 board, in case the board has questions about that.

13 CHAIRMAN ANDERSON: So you're saying there's a  
14 total of \$4,500?

15 MR. KLINE: Yes, a total of \$4,500, and it would  
16 constitute one primary tier violation.

17 CHAIRMAN ANDERSON: All right. So --

18 MS. PHILLIPS: Because they all happened on the  
19 same day.

20 MR. ALBERTI: For accounting purposes in the  
21 future when we look back, it is counted as one. All right.  
22 Let's just make sure we say this correctly.

1 MS. PHILLIPS: Right. As long as it's on the  
2 record, most recently I have seen this information contained  
3 in the investigative history. Previously, not always was it  
4 contained, and then there ws confusion if it wasn't stated  
5 so during the offer in compromise time on the record. So  
6 there was no way to go back. And so that's why we always  
7 try to state it on the record now, Mr. Alberti.

8 MR. ALBERTI: Okay.

9 MS. PHILLIPS: So as long as everybody's clear --

10 MR. ALBERTI: Yeah. There hasn't been any  
11 confusion here for a very long time.

12 MS. PHILLIPS: Well --

13 MR. ALBERTI: For a very long time.

14 MR. KLINE: I get confused, Mr. Alberti --

15 MR. ALBERTI: Okay.

16 MR. KLINE: -- so maybe it's for my benefit.

17 MR. ALBERTI: All right.

18 MS. PHILLIPS: And I get confused a lot,  
19 Mr. Alberti. You know that.

20 (Laughter.)

21 CHAIRMAN ANDERSON: It's my understanding that  
22 there is an offer in compromise of \$4,500. There is a 1,500

1 charge -- I'm sorry -- \$1,500 fine for each charge for a  
2 total of \$4,500; that if the payment is not made within 30  
3 days, the license will be suspended. Is that your  
4 understanding of the charge, sir? Or the agreement.

5 MR. JOHNSON: Yes, that's my understanding.

6 CHAIRMAN ANDERSON: And you agree with that? And  
7 you're also aware that by accepting an offer in compromise  
8 that you're waiving your right to a hearing?

9 MR. JOHNSON: Yes.

10 CHAIRMAN ANDERSON: And that you're waiving your  
11 right to appeal this matter?

12 MR. JOHNSON: Yes.

13 CHAIRMAN ANDERSON: All right. Thank you.

14 Are there any board members who have any  
15 questions regarding this offer in compromise?

16 Yes, Ms. Miller?

17 MS. MILLER: I often hesitate to ask this  
18 question, but I'm gonna throw it out anyway, because I'm  
19 trying to evaluate this offer in compromise. And so my  
20 question is, not taking into consideration how good  
21 anybody's evidence is, why this is a fair penalty in this  
22 case.

1 MR. KLINE: Sure. A couple points. One is, as  
2 the board knows, this -- these incidences resulted in a  
3 summary suspension, and although that was -- that proceeding  
4 is not punitive, it's the board's obligation and duty to  
5 assure the safety of the public, it did result in a month's  
6 suspension, and the licensee's inability to operate for a  
7 month. That's number one.

8 Number two is there are -- it is a compromise,  
9 which is why it's called an offer in compromise, and we're  
10 certainly not going to get put on the record defenses or  
11 legal arguments, what have you. The whole purpose --

12 MS. PHILLIPS: Right.

13 MR. KLINE: -- of the OIC is to avoid all that.  
14 So given those considerations, we think this represents a  
15 fair compromise.

16 MS. MILLER: Thank you. I think that was  
17 important, actually, to bring up the suspension.

18 CHAIRMAN ANDERSON: Yes, Mr. Short?

19 MR. SHORT: I'm gonna consider this, but I must  
20 say I'm disappointed. I just want that to go on record,  
21 that we've talked with this establishment time and time  
22 again, and I'm just -- I'm disappointed. And that's all I

1 have. Thank you.

2 CHAIRMAN ANDERSON: Any other questions?

3 (No response heard.)

4 CHAIRMAN ANDERSON: Hearing none, I then make a  
5 motion that we accept the offer in compromise of a \$4,500  
6 fine payable in 30 days. Is there a second?

7 MR. SILVERSTEIN: Second.

8 CHAIRMAN ANDERSON: Mr. Silverstein has seconded  
9 the motion. Those in favor say aye.

10 GROUP: Aye.

11 CHAIRMAN ANDERSON: Those opposed?

12 (No response heard.)

13 CHAIRMAN ANDERSON: The matter passes five, zero,  
14 zero. The board has accepted the offer in compromise and  
15 Ms. Walker will provide you the documents. Thank you very  
16 much for working this out, and I thank you very much for  
17 coming to an agreement on this matter.

18 MR. JOHNSON: Thank you.

19 MS. PHILLIPS: Thank you.

20 MR. KLINE: Have a good afternoon.

21 CHAIRMAN ANDERSON: And the board has no -- that  
22 ends the morning session of the board. And so, therefore,

1 we are in recess until 1:30 this afternoon. Thank you very  
2 much.

3 (Whereupon, the above-entitled matter concluded.)

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