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1 2 3 4 5 6 7	Raul Perez (SBN 174687) Raul.Perez@capstonelawyers.com Eduardo Santos (SBN 251659) Eduardo.Santos@capstonelawyers.com CAPSTONE LAW APC 1875 Century Park East, Suite 1000 Los Angeles, California 90067 Telephone: (310) 556-4811 Facsimile: (310) 943-0396 Attorneys for Plaintiff Jaime Molina Mejia	FEB 15 2824 K. BETARER CLERK OF THE CSURT SUPERIOR COURT OF CALIBRANIA COURT OF CALIBRANIA COURT OF CALIBRANIA A TRANSPORT OF CALIBRANIA BY
8	SUPERIOR COURT OF T	HE STATE OF CALIFORNIA
9	FOR THE COUNTY OF CONTRA COSTA	
10	JAIME MOLINA MEJIA, individually, and on behalf of other members of the general public	Case No. MSC21-00571
11	similarly situated,	Assigned to the Hon. Charles S. Treat
12	Plaintiff,	ORDER GRANTING MOTION FOR FINAL APPROVAL OF CLASS ACTION
13	VS.	SETTLEMENT AND MOTION FOR ATTORNEYS' FEES, COSTS AND
14 15	BLACKHAWK COUNTRY CLUB, a California corporation; and DOES 1 through 10, inclusive,	EXPENSES, AND A CLASS REPRESENTATIVE ENHANCEMENT PAYMENT
16	Defendants.	Date: February 8, 2024 Time: 9:00 a.m.
17		Place: Department 12
18		Complaint Filed: March 19, 2021 Trial Date: None Set
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Plaintiff Jaime Mejia moves for final approval of his class action and PAGA settlement with defendant Blackhawk Country Club. He also moves for approval of his attorney's fees, litigation costs, administration costs, and representative payment.

Since preliminary approval was granted, the administrator has mailed notices to 1160 class members. 42 packets were returned by the post office. Follow up resulted in 35 new addresses, leaving 7 non-deliverable. No objections have been received, and only one request for exclusion.

The motions are granted. The tentative ruling is attached as Exhibit A.

A. Background and Settlement Terms

Defendant is a country club. Plaintiff was employed there as a banquet server from July 2019 to March 2020.

The original complaint was filed on March 19, 2021.

The settlement will create a gross settlement fund of \$950,000. The class representative payment to the plaintiff will be \$10,000. Attorncy's fees will be \$316,667 (one-third of the settlement). Litigation costs are \$15,457, somewhat lower than previously estimated. The settlement administrator's costs are \$15,000. PAGA penalties will be \$40,000, resulting in a payment of \$30,000 to the LWDA. The net amount paid directly to the class members will be about \$552,786. The fund is non-reversionary. There are 1,159 participating class members. Based on the class size, the average net payment for each class member is approximately \$477. The individual payments will vary considerably, however, because of the allocation formula prorating payments according to the number of weeks worked during the relevant time. The number of aggrieved employees for PAGA purposes is smaller, because the starting date of the relevant period is later.

The entire settlement amount will be deposited with the settlement administrator within 30 days after the effective date of the settlement.

The proposed settlement will certify a class of all current and former non-exempt employed at Defendants' Cailfornia facilities between March 19, 2017 and February 9, 2023. For PAGA purposes, the period covered by the settlement is March 19, 2020 to February 9, 2023.

The class members will not be required to file a claim. Funds will be apportioned to class members based on the number of workweeks worked during the class period.

Settlement checks not cashed within 180 days will be cancelled, and the funds will be directed to California Rural Legal Assistance, Inc. as a cy pres beneficiary.

The settlement contains release language covering all claims and causes of action, alleged or which could have reasonably been alleged based on the allegations in the operative pleading, including a number of specified claims. Under recent appellate authority, the limitation to those claims with the "same factual predicate" as those alleged in the complaint is critical. (*Amaro v. Anaheim Arena Mgmt.*, *LLC* (2021) 69 Cal.App.5th 521, 537 ("A court cannot release claims that are outside the scope of the allegations of the complaint.") "Put another way, a release of claims that goes beyond the scope of the allegations in the operative complaint' is impermissible." (*Id.*, quoting *Marshall v. Northrop Grumman Corp.* (C.D. Cal.2020) 469 F.Supp.3d 942, 949.)

Formal discovery was undertaken, resulting in the production of substantial documents. The matter settled after arms-length negotiations, which included a session with an experienced mediator.

Counsel also has provided an analysis of the case, and how the settlement compares to the potential value of the case, after allowing for various risks and contingencies. For example, much of plaintiff's allegations centers on possible off-the-clock work, including missed or skipped meal breaks and rest breaks. Defendant, however, pointed out that its formal policies prohibit off-the-clock work, and asserted that it would have had no knowledge of employees beginning work before punching in or continuing after punching out. Further, it argued that it was required to make meal and rest breaks available, but not required to ensure that they be taken, so long as no employer policy prevented or discouraged taking such breaks. As to unreimbursed employee expenses (such as cell phone use, mileage, and masks), plaintiff would have been called on to show that such expenses were in fact incurred, were reasonably necessary to job performance, and were unreimbursed. Furthermore, the fact-intensive character of such claims would have presented a serious obstacle to class certification.

The potential liability needs to be adjusted for various evidence and risk-based contingencies, including problems of proof. PAGA penalties are difficult to evaluate for a number of reasons: they derive from other violations, they include "stacking" of violations, the law may only allow application of the "initial violation" penalty amount, and the total amount may be reduced in the discretion of the court. (See Labor Code § 2699(e)(2) (PAGA penaltics may be reduced where "based on the facts and

circumstances of the particular case, to do otherwise would result in an award that is unjust arbitrary and oppressive, or confiscatory.")) Moreover, recent decisions may make it difficult for PAGA plaintiffs to recover statutory penalties, as opposed to actual missed wages. (See, e.g., *Naranjo v. Spectrum Security Services, Inc.* (2023) 88 Cal.App.5th 937; but see *Gola v. University of San Francisco* (2023) 90 Cal.App.5th 548, 566-67.)

Counsel attest that notice of the proposed settlement was transmitted to the LWDA concurrently with the filing of the motion.

B. Legal Standards

The primary determination to be made is whether the proposed settlement is "fair, reasonable, and adequate," under *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801, including "the strength of plaintiffs' case, the risk, expense, complexity and likely duration of further litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the extent of discovery completed and the state of the proceedings, the experience and views of counsel, the presence of a governmental participant, and the reaction ... to the proposed settlement." (See also *Amaro v. Anaheim Arena Mgmt., LLC*, 69 Cal.App.5th 521.)

Because this matter also proposes to settle PAGA claims, the Court also must consider the criteria that apply under that statute. The Court of Appeal's decision in *Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, provided guidance on this issue. In *Moniz*, the court found that the "fair, reasonable, and adequate" standard applicable to class actions applies to PAGA settlements. (*Id.*, at 64.) The court also held that the trial court must assess "the fairness of the settlement's allocation of civil penalties between the affected aggrieved employces." (*Id.*, at 64-65.)

California law provides some general guidance concerning judicial approval of any settlement. First, public policy generally favors settlement. (*Neary v. Regents of University of California* (1992) 3 Cal.4th 273.) Nonetheless, the court should not approve an agreement contrary to law or public policy. (*Bechtel Corp. v. Superior Court* (1973) 33 Cal.App.3d 405, 412; *Timney v. Lin* (2003) 106 Cal.App.4th 1121, 1127.) Moreover, "the court cannot surrender its duty to see that the judgment to be entered is a just one, nor is the court to act as a mere puppet in the matter." (*California State Auto. Assn. Inter-Ins. Bureau v. Superior Court* (1990) 50 Cal.3d 658, 664.) As a result, courts have specifically noted that

Neary does not always apply, because "where the rights of the public are implicated, the additional safeguard of judicial review, though more cumbersome to the settlement process, serves a salutatory purpose." (Consumer Advocacy Group, Inc. v. Kintetsu Enterprises of America (2006) 141 Cal.App.4th 48, 63.)

C. Attorney Fees and Other Costs

Plaintiffs seek one-third of the total settlement amount as fees, relying on the "common fund" theory, or \$316,667. Even a proper common fund-based fee award, however, should be reviewed through a lodestar cross-check. In *Lafitte v. Robert Half International* (2016) 1 Cal.5th 480, 503, the Supreme Court endorsed the use of a lodestar cross-check as a way to determine whether the percentage allocated is reasonable. It stated: "If the multiplier calculated by means of a lodestar cross-check is extraordinarily high or low, the trial court should consider whether the percentage used should be adjusted so as to bring the imputed multiplier within a justifiable range, but the court is not necessarily required to make such an adjustment." (*Id.*, at 505.)

Accordingly, plaintiffs have provided information concerning the lodestar fee amount. They estimate the lodestar at \$183,455, representing an implied multiplier of 1.73. They based this amount on a total of 272 hours. No adjustment from the one-third fee is necessary. The attorney's fees are reasonable and are approved.

The requested representative payment of \$10,000 for the named plaintiff was deferred until this final approval motion. Criteria for evaluation of such requests are discussed in *Clark v. American*Residential Services LLC (2009) 175 Cal.App.4th 785, 804-07. Plaintiff points out that he executed a broader release than the class as a whole, but does not identify any particular claims of value that he may have. He also risks damage to her reputation and more difficulty in obtaining employment. The representative payment is approved.

Litigation costs of \$15,457 (mostly mediation, consulting, and filing fees) are reasonable and are approved.

The settlement administrator's costs of \$15,000 are reasonable and are approved.

D. Discussion and Conclusion

The moving papers sufficiently establish that the proposed settlement is fair, reasonable, and

1	adequate to justify final approval. The allocation of PAGA penalties among the aggrieved employees	
2	(based on pay periods) is reasonable.	
3	The motions are granted.	
4	Counsel are directed to prepare an order reflecting this entire tentative ruling and the other	
5	findings in the previously submitted proposed order and a separate judgment.	
6	The ultimate judgment must provide for a compliance hearing after the settlement has been	
7	completely implemented, to be determined in consultation with the Department's clerk by phone.	
8	Plaintiffs' counsel are to submit a compliance statement one week before the compliance hearing date.	
9	Five percent of the attorney's fees are to be withheld by the claims administrator pending satisfactory	
10	compliance as found by the Court. Pursuant to Code of Civil Procedure § 384(b), after the settlement is	
11	completely implemented, the judgment must be amended to reflect the amount paid to the cy pres	
12	recipient.	
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14	IT IS SO ORDERED.	
15	FEB 1 3 2024	
16	Dated: Hon. Charles S. Treat	
17	Contra Costa County Superior Court Judge	
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EXHIBIT A

CASE NAME: JAIME M MEJIA VS BLACKHAWK COUNTRY CLUB *HEARING ON MOTION IN RE: FINAL APPROVAL OF CLASS ACTION SETTLEMENT, ATTORNEY FEES, COSTS AND REPRESENTATIVE ENHANCEMENT PAYMENT FILED BY:

TENTATIVE RULING:

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