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4		Superior Court of California County of Los Angeles SHERRIR. CAPTER DEC 13 2021 BY
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	SUPERIOR COURT	
8	SUPERIOR COURT	
9	COUNTY OF L	OS ANGELES
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11	HUGO SOSA, on behalf of himself and all other persons similarly situated,	Case No.: 19STCV05250
12	other persons similarly situated,	
13	Plaintiffs,	The
Í	v.	(Proposed) ORDER GRANTING MOTION FOR FINAL APPROVAL
14	TETETAM CROIDED SERVICES DIS	OF CLASS ACTION SETTLEMENT
15	JETSTREAM GROUND SERVICES, INC., a Florida corporation; and DOES 1 through	
16	100, Inclusive	Date: December 13, 2021 Time: 9:00 a.m.
17	Defendants.	Dept.: SSC-17
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# I. BACKGROUND

On February 19, 2019, Plaintiff filed a Class Action Complaint ("Complaint") alleging claims for: failure to pay overtime wages (Labor Code §§510, 1194); failure to pay minimum wages(Labor Code §1197); failure to provide meal periods (Labor Code §§512, 226.7); failure to provide rest periods (Labor Code §226.7); failure to pay all wages upon termination (Labor Code §§201-203); failure to provide accurate wage

statements (Labor Code §226); and unfair competition (Business & Professions Code 1 §§17200, et seq.). 2

On May 6, 2019, Plaintiff filed a First Amended Class Action Complaint ("FAC") 3 which added causes of action for violation for Labor Code §212 and violation of Labor Code § 2699, the Private Attorney General Act of 2004 ("PAGA"). 5

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Counsel represents that they engaged in formal and informal discovery which 6 yielded information and documentation concerning the claims set forth in the Litigation, 7 such as obtaining sampling of time and payroll records for the class at its two California 8 locations-Los Angeles International Airport ("LAX") and San Diego International 9 Airport ("SAN"), Defendant's employee handbooks at LAX and SAN, the number of 10 payroll checks issued from an out-of-state bank to its California employees and 11 exemplars, relevant policies and procedures at LAX and SAN, total number of class 12 members during the class period, exemplars of arbitration agreements, the number of 13 employees who signed arbitration agreements, and the average hourly rate. 14

Plaintiff and Defendant, through former defense counsel, participated in two 15 sessions of mediation with Lynn S. Frank, Esq. on October 17, 2019, and February 27, 16 2020. However, despite two sessions of mediation and several follow-up settlement 17 discussions with Ms. Frank, the impact of the COVID-19 pandemic on the airline 18 industry ceased further settlement communications between the Parties. Thereafter, 19 Defendant retained new counsel and settlement discussions resumed. COVID-19 caused 20 Defendant to lay-off all of its California employees at LAX, effective December 10, 21 2020, and SAN, effective January 24, 2021. Through these resumed settlement 22 discussions, the Parties reached a class wide settlement. A fully executed copy of the 23 Settlement Agreement is attached to the Declaration of James A. De Sario ("Sario Decl.") 24 25 ISO Preliminary Approval as Exhibit 1.

On June 1, 2021, the Court issued a checklist of items for the parties to address and continued preliminary approval. In response, on June 28, 2021, counsel filed an Amended Settlement Agreement attached to the Supplemental Declaration of James A. De Sario ("Sario Supp. Decl.") ISO Preliminary Approval as Exhibit 4.

Preliminary approval was granted on July 21, 2021, on conditions which were
later met. Notice was given to the Class Members as ordered. (See Declaration of Tim
Cunningham ("Cunningham Decl.").

Now before the Court is Plaintiff's motion for final approval of the Settlement
Agreement, including for payment of fees, costs, and service awards to the named
plaintiffs. For the reasons set forth below, the Court grants final approval of the
settlement.

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#### SETTLEMENT CLASS AND RELATED DEFINITIONS

**II. THE TERMS OF THE SETTLEMENT** 

"Class Member(s)" or "Settlement Class" means Plaintiffs and all current and
former hourly non-exempt employees of Defendant within California at any time during
the Class Period. (Settlement Agreement, ¶7.)

"Class Period" means the period from February 15, 2015, through February 14,
2020. (¶8.)

"PAGA Group Member(s)" means Plaintiff and all current and former hourly nonexempt employees of Defendant within California at any time during the PAGA Period. (¶18)

22 "PAGA Period" means the period from February 15, 2018, to February 14. 2020.
23 (¶19)

Defendant identified that there were approximately 506 Class Members within the Class Period and the Parties agreed to cap the workweeks at 18,000 workweeks during

the Class Period. Should the workweeks increase above the 18,000 workweek cap, then 1 the Class Period will be reduced proportionately from the end date of the Class Period to 2 avoid diluting the workweek value. For example, if the total workweeks exceeds the 3 18,000 workweek cap by 5% (i.e., an increase in 900 workweeks), then the Class Period 4 will be reduced by 5% from the end date (i.e., by subtracting 5% of the Class Period from 5 the end date of the Class Period). (¶48) 6 There are 492 total Class Members. (Cunningham Decl., ¶5.) 7 В. THE MONETARY TERMS OF SETTLEMENT 8 9 The essential monetary terms are as follows: The Gross Settlement Amount ("GSA") is \$475,000 (¶12). This includes payment 10 of a PAGA penalty of \$10,000 to be paid 75% to the LWDA (\$7,500) and 25% to the 11 Aggrieved Employees (\$2,500). (¶12.) 12 The Net Settlement Amount ("Net") (\$267,666.69) is the GSA less: 13 Up to \$158,333.31 (33%) for attorney's fees (¶30); 14 Up to **\$25,000** for attorney's costs (*Ibid.*); 15 • Up to \$5,000 for a service award to the class representative (¶31); 16 **\$10,000** allocated as the PAGA penalty (¶12); 17 Estimated \$9,000 for class administration costs (¶32); and 18 Defendant's payroll taxes. (¶52.) 19 ۲ Assuming the Court approves all maximum requested deductions, approximately 20 \$267,666.69 will be available for automatic distribution to participating class 21 members. Therefore, the average settlement share will be approximately 22 546.26. (267,666.69 Net  $\div 490$  class members = 546.26). In addition, each 23 class member will receive a portion of the PAGA penalty, estimated to be \$5.20 24 25

per class member. (\$2,500 (25% of \$10,000 PAGA penalty) ÷ 481 class members = \$5.20)

• There is no Claim Requirement. (¶17, 28.)

• The settlement is not reversionary. (129.)

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Individual Settlement Payment: Defendant will provide the Claims Administrator with the total number of workweeks for each Class Member (with any decimals rounded to the nearest hundredth) during the Class Period and number of workweeks for each PAGA Group Member during the PAGA Period. The Claims Administrator will divide the Net Settlement Amount less \$2,500 (or the Court approved amount from the PAGA Settlement Amount allocated for PAGA penalties to PAGA Group Members) the total number of workweeks ("Work Week Rate Amount") and then multiply this amount by each Class Member's total number of workweeks to yield that employee's Net Settlement Payment. In the event a Class Member submits a timely Request for Exclusion from the settlement, his/her share of the settlement will be added to the Net Settlement Amount. In additional, each Class Member who is a PAGA Group Member during the PAGA Period will be paid a pro-rata share of the \$2,500 allocated for PAGA penalties to PAGA Group Members, as calculated by the Claims Administrator, with a formula similar to payments to Participating Class Members: 2,500 for PAGA Penalties to PAGA Group Members/ Total number at Workweeks for all PAGA Group Members during PAGA Period x Individual PAGA Group Member's Workweeks during PAGA Period (¶34.)

• Tax Allocation: 20% as wages and 80% as penalties and interest; 100% of each PAGA Groups Member's pro-rate share of the \$2,500 allocated for PAGA penalties shall be allocated as penalties. (¶50.)

Uncashed Checks: Participating Class Members will have 180 calendar days from the date of issuance of the check to cash their check. For any check not cashed after 180 calendar days, the Claims Administrator will send the amount represented by the check to the California State Controller Unclaimed Property, with the identity of the Participating Class Member to whom the funds belong, to be held for the participating Class Member per California Unclaimed Property Law. (¶47.)

• Funding of Settlement: Within 14 calendar days of the Effective Date, Defendant will make the payment of the GSA, which shall be deposited with the Claims Administrator who will deposit the funds into an interest-bearing trust account referred to as the Qualified Settlement Fund account from which the Claims Administrator will have authority to distribute money in accordance with the terms of this Settlement Agreement. (¶29.)

#### C. TERMS OF RELEASES

Upon the date the Court enters an order granting final approval of the Settlement and Defendants fully fund the Gross Settlement Amount, all Class Members who do not timely submit a valid Request for Exclusion do and will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, waives, and discharged any and all of the Released Parties of and from any and all Released Claims accruing during the Class Period. Furthermore, upon the date the Court enters an order granting final approval of the Settlement and Defendant fully fund the Gross Settlement Amount, the State of California and PAGA Group Members (regardless of whether PAGA Group Members opt out of the Class Settlement) release the Released Parties from the Released PAGA Claims. (¶56.)

"Released Claims" means all California wage and hour claims, rights, 0 demands, liabilities, penalties, interest, and causes of action, arising from or related to the claims pled in Plaintiffs' operative complaint ("Complaint") or that could have been pled in the Complaint based on the factual allegations pled in the Complaint, including all claims for: failure to pay overtime wages; failure to pay minimum wages; failure to provide compliant meal periods or premium pay in lieu thereof; failure to provide compliant rest breaks or premium pay in lieu thereof; failure to pay all wages owed upon separation of employment; failure to issue accurate itemized wage statements; failure to issue paychecks that were negotiable and payable on demand, without discount, under the California Labor Code, or applicable wage order(s); unfair competition claims under California Business & Professions Code §17200, et seq. based on the labor code violations alleged in the Complaint; civil penalties pursuant to California Labor Code §2699, et seq. based on the labor code violations alleged in the Complaint; and any penalties, restitution, disgorgement, interest or attorneys' fees and costs. This release will cover all Class Members who do not opt out. (¶24.)

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• "Released PAGA Claims" means any and all claims for civil penalties under PAGA based on the Labor Code violations alleged and that are based upon or arise from the factual allegations in Plaintiffs notices sent to the LWDA and alleged in the operative Complaint, including attorneys' fees and costs related thereto, that arose during the PAGA Period, regardless of whether PAGA Group Members opt out from the Settlement Agreement. (¶23.)

- "Released Parties" means Defendant and any of Defendant's former and 0 present parents, subsidiaries and affiliated companies and entities, franchisors and franchisees, and its current, former, and future owners, shareholders, officers, directors. members, managers, operators, employees, consultants, vendors, partners, affiliates, subsidiaries, shareholders, attorneys, insurers, payroll providers, joint venturers and agents, and any successors, assigns, or legal representatives and any individual or entity who or which could be jointly liable with Defendant and all persons or entities acting by, through, under or in concert with any of them. (¶25.)
- The named Plaintiff will also provide a general release and a waiver of the protections of Cal. Civ. Code §1542. (¶58.)
- The releases are effective upon the date the Court enters an order granting final approval of the Settlement and Defendants fully fund the Gross Settlement Amount. (¶56.)

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### III. ANALYSIS OF SETTLEMENT AGREEMENT

"Before final approval, the court must conduct an inquiry into the fairness of the
proposed settlement." Cal. Rules of Court, rule 3.769(g). "If the court approves the
settlement agreement after the final approval hearing, the court must make and enter
judgment. The judgment must include a provision for the retention of the court's
jurisdiction over the parties to enforce the terms of the judgment. The court may not
enter an order dismissing the action at the same time as, or after, entry of judgment."
Cal. Rules of Court, rule 3.769(h).

As discussed more fully in the Order conditionally approving the settlement, "[i]n a class action lawsuit, the court undertakes the responsibility to assess fairness in order to

prevent fraud, collusion or unfairness to the class, the settlement or dismissal of a class 1 2 action. The purpose of the requirement [of court review] is the protection of those class members, including the named plaintiffs, whose rights may not have been given due 3 4 regard by the negotiating parties." See Consumer Advocacy Group, Inc. v. Kintetsu 5 Enterprises of America (2006) 141 Cal. App.4th 46, 60 [internal quotation marks 6 omitted]; see also Wershba v. Apple Computer, Inc. (2001) 91 Cal.App.4th 224, 245 ("Wershba"), disapproved on another ground in Hernandez v. Restoration Hardware 7 (2018) 4 Cal.5th 260 [Court needs to "scrutinize the proposed settlement agreement to the 8 9 extent necessary to reach a reasoned judgment that the agreement is not the product of 10 fraud or overreaching by, or collusion between, the negotiating parties, and that the settlement, taken as a whole, is fair, reasonable and adequate to all concerned."] [internal 11 12 quotation marks omitted].

13 "The burden is on the proponent of the settlement to show that it is fair and reasonable. However, 'a presumption of fairness exists where: (1) the settlement is 14 reached through arm's-length bargaining; (2) investigation and discovery are sufficient to 15 allow counsel and the court to act intelligently; (3) counsel is experienced in similar 16 17 litigation; and (4) the percentage of objectors is small." See Wershba, supra, 91 Cal.App.4th at pg. 245, citing Dunk v. Ford Motor Co. (1996) 48 Cal.App.4th 1794, 18 1802. Notwithstanding an initial presumption of fairness, "the court should not give 19 20 rubber-stamp approval." See Kullar v. Foot Locker Retail, Inc. (2008) 168 Cal.App.4th 116, 130. "Rather, to protect the interests of absent class members, the court must 21 independently and objectively analyze the evidence and circumstances before it in order 22 to determine whether the settlement is in the best interests of those whose claims will be 23 extinguished." Ibid., citing 4 Newberg on Class Actions (4th ed. 2002) § 11:41, p. 90. In 24 that determination, the court should consider factors such as "the strength of plaintiffs' 25

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 stage of the proceedings, the experience and views of
counsel, the presence of a governmental participant, and the reaction of the class
members to the proposed settlement." *Id.* at 128. This "list of factors is not exclusive,
and the court is free to engage in a balancing and weighing of factors depending on the
circumstances of each case." *Wershba, supra,* 91 Cal.App.4th at pg. 245.)

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#### A. A Presumption of Fairness Exists

The Court preliminarily found in its Order of July 21, 2021, that the presumption of fairness should be applied. No facts have come to the Court's attention that would alter that preliminary conclusion. Accordingly, the settlement is entitled to a presumption of fairness as set forth in the preliminary approval order.

**B**.

#### The Settlement Is Fair, Adequate, and Reasonable

The settlement was preliminarily found to be fair, adequate and reasonable. Notice has now been given to the Class and the LWDA.

16	The notice process resulted in the following:
17	Number of class members: 492
18	Number of notices mailed: 492
19	Number of undeliverable notices: 3
20	Number of opt-outs: 2
21	Number of objections: 0
22	Number of participating class members: 490
23	Number of PAGA Members: 481
24	

(Cunningham Decl. ¶¶5-14.) The persons opting out are Oyan Brown and Barbara Gomez, who are the named plaintiffs in a related case, *Brown v Jet Stream Ground Services*, 20STCV48890.

The Court finds that the notice was given as directed and conforms to due process requirements. Given the reactions of the Class Members and the LWDA to the proposed settlement and for the reasons set for in the Preliminary Approval order, the settlement is found to be fair, adequate, and reasonable.

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### C. CLASS CERTIFICATION IS PROPER

For the reasons set forth in the preliminary approval order certification of the Class for purposes of settlement is appropriate.

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# D. ATTORNEY FEES AND COSTS

Class Counsel requests **\$158,333.31** (33%) for attorney fees and **\$18,505.95** for costs. (Motion ISO Final Approval, 17:8-10.)

Courts have an independent responsibility to review an attorney fee provision and
award only what it determines is reasonable. *Garabedian v. Los Angeles Cellular Telephone Company* (2004) 118 Cal.App.4th 123, 128. A percentage calculation is
permitted in common fund cases. *Laffitte v. Robert Half Int'l, Inc.* (2016) 1 Cal.5th 480,
503.

In the instant case, fees are sought pursuant to the percentage method. (Motion
ISO Final Approval, pgs. 14-17.) The \$158,333.31 fee request is 33% of the Gross
Settlement Amount.

The \$158,333.31 fee request represents a reasonable percentage of the total funds paid by Defendant. Further, the notice expressly advised class members of the fee request, and no one objected. (Cunningham Decl., ¶12 and Exhibit A thereto.) Accordingly, the Court awards fees in the amount of \$158,333.31.

3 Class Counsel requests \$18,505.95 in costs. This is less than the \$25,000 cap provided in the settlement agreement (¶30). The amount was disclosed to Class 4 Members in the Notice, and no objections were received. (Cunningham Decl., ¶12 and 5 Exhibit A thereto.) Class Counsel represent that they have incurred actual costs in the 6 amount of \$18,505.95 in actual costs. (Nourmand Decl. ISO Final Approval, ¶28.) Costs 7 include, but are not limited to mediation (\$13,000), filing fees (\$1,650), e-service costs 8 9 (\$2,049.60), and professional services (\$1,250). (*Ibid.*)

10 The costs appear to be reasonable and necessary to the litigation, are reasonable in amount, and were not objected to by the class.

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#### SERVICE AWARD TO CLASS REPRESENTATIVE

For all of the foregoing reasons, costs of \$18,505.95 are approved.

14 A service (or incentive) fee award to a named class representative must be supported by evidence that quantifies the time and effort expended by the individual and 15 a reasoned explanation of financial or other risks undertaken by the class representative. 16 See Clark v. American Residential Services LLC (2009) 175 Cal.App.4th 785, 806-807; 17 18 see also Cellphone Termination Cases (2010) 186 Cal.App.4th 1380, 1394-1395 ["Criteria courts may consider in determining whether to make an incentive award 19 include: (1) the risk to the class representative in commencing suit, both financial and 20 21 otherwise; (2) the notoriety and personal difficulties encountered by the class representative; (3) the amount of time and effort spent by the class representative; (4) the 22 23 duration of the litigation and; (5) the personal benefit (or lack thereof) enjoyed by the class representative as a result of the litigation. (Citations.)"]. 24

Here, the Settlement Agreement provides for an enhancement award of \$5,000. (Settlement Agreement, ¶31.) Plaintiff Sosa urges this amount is appropriate because his contributions include, but are not limited to, having numerous conversations with counsel, searching for and providing documents, reviewing documents, and participating in two mediation sessions, and subsequent settlement discussions. (Sosa Decl., ¶6.)

In light of the above-described contributions to this action, and in acknowledgment of the benefits obtained on behalf of the class, **\$5,000** for a service award for the named Plaintiff is reasonable and approved.

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#### SETTLEMENT ADMINISTRATION COSTS

The Settlement Administrator, CPT Group, Inc., requests \$9,000 in compensation
for its work in administering this case. (Cunningham Decl., ¶17.) At the time of
preliminary approval, costs of settlement administration were estimated at \$9,000. (¶32)
Class Members were provided with notice of this amount and did not object.
(Cunningham Decl., ¶12 and Exhibit A thereto.)

Accordingly, claims administration costs are approved in the amount of \$9,000.

### **IV. CONCLUSION AND ORDER**

The Court hereby:

(1) Grants class certification for purposes of settlement;

(2) Grants final approval of the settlement as fair, adequate, and reasonable;

- (3) Awards \$158,333.31 in attorney fees to Class Counsel;
- (4) Awards **\$18,505.95** in litigation costs to Class Counsel;
- (5) Awards **\$5,000** as a Class Representative Service Award;
- (6) Awards **\$9,000** in claims administration costs to CPT Group, Inc;
  - (7) Orders class counsel to lodge a proposed Judgment, consistent with this ruling and containing the class definition and full release language, and the names of

1		the cla	ass members wl	ho requeste	d exclusion	by	12/1	1		
2		2021;								
3	(8)	(8) Orders class counsel to provide notice to the class members pursuant to								
4		California Rules of Court, rule 3.771(b) ) and to the LWDA pursuant to Labor								
5		Code §2699 (1)(3); and								
6	(9)	Sets a	Sets a Non-Appearance Case Review re: Final Report re: Distribution of							
7		Settler	Settlement Funds for $\frac{7/18}{2022}$ , at $\frac{8.30}{5.00}$ . Final Report is to be filed by $\frac{7/18}{202.2}$ .							
8		Final I	Report is to be f	filed by	老子/11	202	2			
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