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**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF ORANGE**

Melinda James, individually and on behalf of all  
similarly situated,

Plaintiff,

v.

Coolsys Commercial & Industrial Solutions,  
Inc.; Source Refrigeration & HVAC, Inc.; and  
Does 1-10, inclusive,

Defendants.

Case No. 30-2020-01163014-CU-OE-CXC

**ORDER GRANTING PRELIMINARY  
APPROVAL OF CLASS ACTION  
SETTLEMENT AND SETTING A FINAL  
APPROVAL HEARING**

*Assigned to the Honorable Peter Wilson*  
Dept.: CX-102

Complaint Filed: October 1, 2020

**RECITALS**

On October 1, 2020, Plaintiff Melinda James (Plaintiff), a former employee of Defendant Coolsys Commercial & Industrial Solutions, Inc., formerly known as Source Refrigeration & HVAC, Inc. (“Coolsys”), filed a representative Private Attorneys General Act (“PAGA”) complaint against Coolsys and Coolsys, Inc. (“Defendants”).

On November 5, 2020, Defendant Coolsys filed an answer, asserting various affirmative defenses.

Through mediation the parties were able to reach a settlement, as further described below. In advance of the mediation, the Parties engaged in informal discovery, whereby Defendants provided the following information related to Defendant Coolsys’ employees: (1) the number of aggrieved

1 employees; (2) the number of former employees (3) workweeks worked; (4) the number of pay  
2 periods; (5) company handbook and policies pertaining to wage and hour issues; and (6) a sample of  
3 time and payroll records. Plaintiff originally brought this action as a PAGA representative due to a  
4 purported arbitration agreement but agreed to amend her complaint to assert class action claims for  
5 settlement purposes. Plaintiff filed a joint stipulation for filing of an amended complaint to assert  
6 wage and hour violations on behalf of the proposed class to expand the case from a PAGA only case  
7 to a hybrid class and PAGA action. The amended complaint alleged the following causes of action  
8 for the class: (1) Violations of Labor Code §§ 1194, 1197.1 and the Applicable Wage Order for  
9 Failure to Pay All Minimum Wages; (2) Violations of Labor Code §§ 510, 1194, 1198 and the  
10 Applicable Wage Order for Failure to Pay All Overtime Wages; (3) Violations of Labor Code §§ 204,  
11 210 and the Applicable Wage Order for Failure to Pay All Wages; (4) Violations of the Applicable  
12 Wage Order for Failure to Pay Reporting Time Pay; (5) Violations of Labor Code §§ 226.7, 512 and  
13 the Applicable Wage Order for Failure to Provide Timely and Compliant Meal Periods; (6)  
14 Violations of Labor Code §§ 226.7 and the Applicable Wage Order for Failure to Provide Timely and  
15 Compliant Rest Periods; (7) Violations of Labor Code §§ 226(a), 226.3 and the Applicable Wage  
16 Order for Failure to Provide Accurate and Itemized Wage Statements; (8) Violations of Labor Code  
17 §§ 201-203 for Failure to Timely Pay All Wages Due to Terminated/Separated Employees; (9)  
18 violation of Business and Professions Code §§ 17200, *et seq.*; and (10) Violation Of Private Attorney  
19 General Act (Cal. Lab. Code § 2698, *Et. Seq.*)

20 Plaintiff having filed her motion for preliminary approval of the parties' settlement, the Court  
21 having considered the moving and supporting papers, Stipulation, and all other papers filed in this  
22 Litigation.

### 23 **FINDINGS AND ORDERS**

#### 24 **NOW THEREFORE, IT IS HEREBY FOUND AND ORDERED:**

- 25 1. All defined terms contained herein shall have the same meanings as set forth in the Joint  
26 Stipulation and Agreement ("Stipulation"), which is attached as **Exhibit 1**.
- 27 2. The Class Representative and Defendants, through their counsel of record in the  
28 Litigation, have reached an agreement to settle the Litigation on behalf of the Class as a whole;

1           3. The Court hereby conditionally certifies the following Class for settlement purposes only:

2           The Class: All individuals employed as non-exempt hourly workers by  
3           Defendant Coolsys within the State of California from October 1, 2016  
4           through April 1, 2021.

5           Should for whatever reason the Stipulation and Judgment not become a final Judgment, the  
6           fact that the Parties were willing to stipulate to certification of a class as part of the Stipulation shall  
7           have no bearing on, or be admissible in connection with, the Litigation or the issue of whether a class  
8           should be certified in the Litigation in a non-settlement context.

9           4. The Court hereby approves the following Eligible Aggrieved Employees for settlement  
10          purposes only:

11          Eligible Aggrieved Employees: All individuals employed as non-exempt hourly workers  
12          by Defendant Coolsys within the State of California from April 6, 2019 through April 1,  
13          2021 (“PAGA Period”).

14          5. The Court preliminarily appoints and designates: (a) Plaintiff Melinda James as the Class  
15          Representative and (b) Jonathan Lebe and Annaliz Loera of Lebe Law, APLC as Class Counsel for  
16          the Class. Class Counsel is authorized to act on behalf of the Class with respect to all acts or  
17          consents required by, or which may be given, pursuant to the Stipulation, and such other acts  
18          reasonably necessary to finalize the Stipulation and its terms. Any Class Member may enter an  
19          appearance in person or through his or her own counsel at such Class Member’s own expense.

20          6. The Court hereby preliminary approves the terms and conditions provided for in the  
21          Stipulation.

22          7. The Court hereby preliminarily approves the Stipulation, the total Gross Settlement  
23          Amount of \$527,500, and the allocations of the following amounts from the total Gross Settlement  
24          Amount, (a) \$5,000 for the Class Representative for her services to the Class; (b) a total of  
25          \$175,833.33 to Class Counsel for attorneys’ fees and a total of up to \$15,000 for reimbursement of  
26          Class Counsel’s actual litigation costs and expenses incurred; (c) \$25,000 for penalties pursuant to  
27          the Private Attorney General Act, California Labor Code sections 2698, *et seq.*, of which \$18,750  
28          shall be paid to the Labor and Workforce Development Agency and \$6,250 shall remain a part of the  
29          Net Settlement Amount; and (d) payment to the Settlement Administrator for the Settlement  
30          Administration Costs, which are expected not to exceed \$15,000. The Court further hereby

1 preliminarily approves the Net Settlement Amount and the Individual Settlement Amount provided  
2 in the Stipulation.

3 8. The Court finds on a preliminary basis that the Stipulation appears to be within the range  
4 of reasonableness of a settlement, including the amount of the PAGA penalties, Class Representative  
5 Service Award, Class Counsel's attorneys' fees and costs, the Settlement Administration Costs, and  
6 the allocation of payments to the Settlement Class Members, that could ultimately be given final  
7 approval by this Court. It appears to the Court on a preliminary basis that the Stipulation is fair,  
8 adequate, and reasonable as to all potential Class Members when balanced against the probable  
9 outcome of further litigation relating to liability and damages issues. It also appears that extensive  
10 and costly investigation, research, and mediation proceedings have been conducted so that counsel  
11 for the Settling Parties are able to reasonably evaluate their respective positions. It appears to the  
12 Court that settlement at this time will avoid substantial additional costs by all Settling Parties, as well  
13 as avoid the delay and risks that would be presented by the further prosecution of the Litigation. It  
14 also appears that the Stipulation has been reached as a result of intensive, serious, and non-collusive  
15 arms-length negotiations.

16 9. The "Final Approval Hearing" shall be held before this Court on March 24, 2022 at 2:00  
17 pm in Department CX-102 of the Superior Court of the State of California, County of Orange to  
18 determine all necessary matters concerning the Stipulation, including whether the proposed  
19 settlement of the Litigation on the terms and conditions provided for in the Stipulation is fair,  
20 adequate and reasonable and should be finally approved by the Court and whether a Judgment, as  
21 provided in the Stipulation, should be entered herein. At this same time, a hearing on Class  
22 Counsel's motion for an award of attorneys' fees, reimbursement of litigation costs, and the Class  
23 Representative Enhancement Award shall also be held.

24 10. The Court hereby approves, as to form and content, the Notice of Proposed Class Action  
25 Settlement ("Class Notice"), which is attached to the Stipulation as **Exhibit A**, to be sent to the Class  
26 Members. The Court finds that distribution of the Class Notice to Class Members substantially in  
27 the manner and form set forth in the Stipulation and this Class Notice meets the requirements of due  
28 process and shall constitute due and sufficient notice to all parties entitled thereto.

1           11. The Court appoints and designates CPT Group, Inc. as the Settlement Administrator. The  
2 Court hereby directs the Settlement Administrator to provide the approved Class Notice to the Class  
3 Members within thirty-five (35) calendar days of this Preliminary Approval Order, in conformity  
4 with the Stipulation.

5           12. Any Class Member may choose to opt out of, and be excluded from, the settlement as  
6 provided in the Stipulation, by following the instructions set forth in the Class Notice, for  
7 requesting exclusion. Any person who timely and properly opts out of the Stipulation will not be  
8 bound by the Stipulation or have any right to object, appeal, or comment thereon. Any Opt-Out  
9 request must be in writing, clearly state that the Class Member wishes to be excluded from the  
10 settlement of the Litigation and be signed by each such Class Member opting out, and must  
11 otherwise comply with the requirements delineated in the Stipulation and Class Notice. Class  
12 Members who have not requested exclusion by submitting a proper and timely Opt-Out request that  
13 is postmarked no later than the Opt-Out Deadline, shall be bound by all determinations of the Court,  
14 the Settlement, and Judgment. Plaintiff is required to provide all disputes, objections, and  
15 exclusions to the Court at the Final Approval Hearing.

16           13. The Motion for Final Approval shall be filed no later than sixteen (16) court days before  
17 the Final Approval Hearing.

18           14. In the event that the Effective Date occurs, all Settlement Class Members and the Class  
19 Representative will be deemed to have forever released and discharged the Released Claims  
20 applicable to them as against Defendants. The Class Representative additionally will be deemed to  
21 have waived her rights under California Civil Code section 1542 as against Defendants.

22           15. Eligible Aggrieved Employees will be unable to opt out of the PAGA portion of the  
23 Settlement. Even Eligible Aggrieved Employees who opt out of the class action portion will still be  
24 a part of the PAGA settlement.

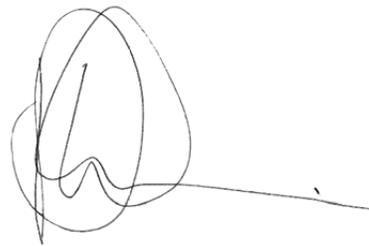
25           16. In the event that the Effective Date occurs, all Eligible Aggrieved Employees and the  
26 Class Representative will be deemed to have forever released and discharged the Released Claims  
27 applicable to them against Defendants under PAGA based on or arising out of the alleged violations  
28 of the Labor Code sections as alleged in this case.

1           17. In the event that the Effective Date occurs, the action captioned as, *Melinda James v.*  
2 *Coolsys Commercial & Industrial Solutions, Inc., et al.*, Orange County Superior Court Case No. 30-  
3 2020-01163014-CU-OE-CVC, shall be resolved pursuant to the terms of the Stipulation by entry of  
4 Judgment.

5           18. The Court reserves the right to adjourn or continue the date of the Final Approval  
6 Hearing and all dates provided for in the Stipulation without further notice to the Class and retains  
7 jurisdiction to consider all further applications arising out of or connected with the Stipulation.

8           IT IS SO ORDERED.

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Dated: 12/21/21

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Honorable Peter Wilson  
Judge of the Superior Court