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SUPERIOR COURT OF STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE—CIVIL COMPLEX CENTER

MARIA VELEZ, as an individual and on behalf
of other similarly situated employees,

Plaintiff,

vs.

LEGACY FARMS, LLC., a California
corporation, LEGACY FARMS OF
CALIFORNIA, LLC, a California corporation,
LEGACY FARMS EMPLOYMENT SERVICES
COMPANY, INC., a California corporation, and
PRIORITY WORKFORCE, INC, a California
corporation and DOES 1-50, inclusive,

Defendants.

Case No.: 30-2019-01120177-CU-OE-CXC

Assigned for all Purposes to Honorable: Judge
William Claster
Dept. CX 104

**SUPPELEMNTAL DECLARATION OF
ARMOND M. JACKSON IN SUPPORT
PLAINTIFF'S UNOPPOSED
MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT OF
PLAINTIFFS' MOTION FOR ORDER
APPROVING SETTLEMENT UNDER
CALIFORNIA LABOR CODE SECTION
2699 ET SEQ.**

*[Concurrently filed with Notice of Motion;
PAGA Motion; and Proposed Order]*

Hearing Date: April 1, 2022

Hearing Time: 9:00 a.m.

Department: CX104

Case filed: December 23, 2019
Trial date: TBD

Reservation ID: 73676985

1 **TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:**

2 1. I am the attorney of record for Plaintiff who filed the above-captioned case against
3 and Defendants Legacy Farms, LLC, Legacy Farms of California, LLC, Legacy Farms
4 Employment Services Company, Inc., and Priority Workforce, Inc., (referred to herein as
5 “Defendants”). I am licensed and admitted to practice law in all state courts of California. This
6 supplemental declaration is submitted in support of Plaintiff’s Unopposed memorandum of Points
7 and Authorities in Support of Plaintiff’s Motion for Order Approving Settlement Under California
8 Labor Code section 2699 et seq. (“PAGA Motion”), filed concurrently herewith. The parties
9 entered into a settlement agreement. Attached hereto as **Exhibit A** is a true and correct copy of the
10 amended settlement agreement in redline. Attached hereto as **Exhibit B** is a true and correct copy
11 of the clean version of the amended settlement agreement.

12 **Issue No. 1**

13 1. No. However, Plaintiff Maria Velez maintains a separate individual wrongful termination
14 claim pending in arbitration that will not be affected by approval of this settlement. No fees or costs
15 were incurred in litigating this separate PAGA claim.

16 **Issue No. 2**

17 2. Attached hereto as **Exhibit C** is a bid from ILYM.

18 **Issue No. 3**

19 3. The settlement agreements ¶ 27(b) was revised consistent with the Court’s tentative.

20 **Issue No. 4**

21 4. It would depend. If the alleged off-the-clock time would qualify for minimum wages, a
22 minimum wage PAGA violation would trigger. Alternatively, if the alleged off-the-clock time
23 would qualify for an overtime violation, an overtime violation would trigger. Since the alleged
24 violations occurred off-the-clock, and most of the shifts worked were above 8 hours, most of the
25 alleged violations would support an overtime violation.

26 **Issue No. 5**

27 5. The Labor Code section 203 penalties are solely based upon civil penalties under PAA and
28

1 there is no intention to extinguish any Labor Code 203 claims precluding any employees' right to
2 sue for waiting time penalties directly under Labor Code section 203.

3 **Issue No. 6**

4 6. Updated evaluation: Priority Workforce, Inc. advised the parties that the number of
5 aggrieved employees increased from 185 aggrieved employees to 238 aggrieved employees. As a
6 result, the settlement figures have increased from \$250,000 to \$262,000. The amended settlement
7 agreement has been revised to reflect this modification and reflected in the redline exhibit.

8 **Meal Break Violations**

9 a. The payroll records determined an approximate evaluation of \$152,000 based upon
10 a presumption that the time keeping data indicated a short, late or missed meal break. Defendant
11 disputed this theory claiming that the aggrieved employees had an opportunity to take all full and
12 complete meal breaks. The alternative theory related to handwashing procedures causing late and
13 short meal breaks was also disputed. If Plaintiff prevailed at trial, the expected value without
14 discount would be approximately \$200,000. However, Defendant claimed that handwashing was
15 done on the clock and there was no pressure for the aggrieved employees to perform handwashing
16 activities off-the-clock or pressured to return early from a meal break or leave late for a meal break
17 due to handwashing procedures. Given the dispute about whether or not the aggrieved employees
18 had an opportunity to take a meal break remains in dispute that impacts the likelihood of success of
19 the claim providing for a justification of a 50% discount of this claim to \$88,000 ($\$152,000 +$
20 $\$200,000 / 2 * .5$). Given the increased amount of aggrieved employees, this amount was increased by
21 28.6% from the discounted amount resulting in a modified amount of \$113,168.

22 **Rest Break Violations**

23 b. There were no records evincing rest break violations. Assuming the same violation
24 rate for meal breaks applied to rest breaks, the exposure amount would also be \$152,000. The
25 alternative theory related to handwashing activities causing short rest breaks created a penalty
26 exposure amount of \$200,000. Again, Defendant disputed this claim claiming that there is no
27 documentary evidence suggesting rest break violations and the handwashing activities or other
28 work-related activities were not supposed be done during any rest breaks. Given this claim was in

1 dispute, no documentary evidence showing rest break violations, and the Court's discretion when
2 accessing penalties, provided for a discount of 75% rendering the value of this claim to claim to
3 \$44,000 ($\$152,000 + \$200,000/2 \times .25$). Given the increased amount of aggrieved employees, this
4 amount was increased by 28.6% from the discounted amount resulting in a modified amount of
5 \$56,684.

6 **Overtime Wage and Minimum Wage Violations**

7 c. It was alleged that aggrieved employees had to perform pre-shift and post-shift work
8 activities. Defendant disputes that any aggrieved employees had to perform pre-shift or post-shift
9 work. There is no documentary evidence that was discovered to confirm whether off-the-clock
10 work was performed. Given this disputed fact, this claim was realistically valued at \$40,000
11 applying a 90% discount. ($\$400,000 \times .10$). Given the increased amount of aggrieved employees,
12 this amount was increased by 28.6% from the discounted amount resulting in a modified amount of
13 \$51,440.

14 **Wage Statements**

15 d. Wage statement evaluation rendered an exposure amount of \$50,000 stated in the
16 initial papers was accepted by the Court. Given the increased amount of aggrieved employees, this
17 amount was increased by 28.6% from the discounted amount resulting in a modified amount of
18 \$64,300.

19 **203 Penalty Violations**

20 e. This penalty claim is based upon purported minimum wage or overtime violations.
21 Since the maximum exposure for the minimum wage and overtime violations amounted applied an
22 90% discount given the lack of documentary evidence and disputed facts, the same discount rate
23 would apply to these claims as the overtime and minimum wage claims supported the 203
24 violations. The realistic evaluation after applying discounts amounts to \$7,411.2 (maximum
25 exposure $\$74,112 \times .1$) in penalties. Given the increased amount of aggrieved employees, this
26 amount was increased by 28.6% from the discounted amount resulting in a modified amount of
27 \$9530.80.
28

1 f. Given the 28.6% increase in the number of aggrieved employees, the total realistic
2 exposure taking into consideration the increase in the number of aggrieved employees and
3 discounted evaluations would amount to \$295,122.8. The result of \$262,000 achieved amounts to
4 an 88.7% recovery rate based upon the realistic exposure amount for the claims pending when
5 taking into consideration likelihood of success on the merits given the defenses and the Court
6 discretion to discount penalties.

7 **Issue No. 7**

8 7. The billing records have been updated. A true and correct copy of the updated evaluation is
9 attached hereto as **Exhibit D**. The total billing records equate to \$96,009.90. The costs bills have
10 been updated. A true and correct copy of the updated costs bill is attached hereto as **Exhibit E**.

11 As to the Notice:

12 8. The revision to this notice was made. A true and correct copy of the revised notice in
13 redline is attached hereto as **Exhibit F**. A true and correct copy of the clean revised version of this
14 notice is attached hereto as **Exhibit G**.

15 9. The notice will also be in Spanish.

16 10. The changes to the settlement agreement were also made to the notice regarding ¶ 27(b)

17 11. Plaintiff's counsel will inform the administrator that the font size of the notice cannot be
18 larger than the font size in the proposed notice provided to the Court.

19 13. Attached hereto as **Exhibit H** is a true and correct copy of the confirmation of filing of the
20 amended settlement agreement and this supplemental declaration to the California Labor and
21 Workforce Development Agency except for this Exhibit E that will be generated after the filing
22 was submitted to the LWDA.

23
24 I declare under penalty of perjury and under the laws of the State of California that the
25 foregoing statements are true and correct and stated of my own personal knowledge. I have signed
26 this declaration on March 23, 2022, in Irvine, California.

27 /s/ Armond M. Jackson
28 Armond M. Jackson