

PLAINTIFF/PETITIONER: Kevin Galvan, et al.
 DEFENDANT/RESPONDENT: McKenna Motor Company, Inc., et al.

CASE NUMBER:
 20STCV11262

**PROOF OF SERVICE BY FIRST-CLASS MAIL
 NOTICE OF ENTRY OF JUDGMENT OR ORDER**

(NOTE: You cannot serve the Notice of Entry of Judgment or Order if you are a party in the action. The person who served the notice must complete this proof of service.)

1. I am at least 18 years old and **not a party to this action**. I am a resident of or employed in the county where the mailing took place, and my residence or business address is (*specify*):
 5811 Pine Avenue, Suite A
 Chino Hills, CA 91709

2. I served a copy of the *Notice of Entry of Judgment or Order* by enclosing it in a sealed envelope with postage fully prepaid and (*check one*):

- a. ☐ deposited the sealed envelope with the United States Postal Service.
 b. ☒ placed the sealed envelope for collection and processing for mailing, following this business's usual practices, with which I am readily familiar. On the same day correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service.

3. The *Notice of Entry of Judgment or Order* was mailed:

- a. on (*date*): March 26, 2025
 b. from (*city and state*): Chino Hills, CA

4. The envelope was addressed and mailed as follows:

a. Name of person served:
 See Attachment
 Street address:
 City:
 State and zip code:

c. Name of person served:
 Street address:
 City:
 State and zip code:

b. Name of person served:
 Street address:
 City:
 State and zip code:

d. Name of person served:
 Street address:
 City:
 State and zip code:

☐ Names and addresses of additional persons served are attached. (*You may use form POS-030(P).*)

5. Number of pages attached: 5

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date: March 26, 2025

Mary Ellen Sambrano

(TYPE OR PRINT NAME OF DECLARANT)



(SIGNATURE OF DECLARANT)

Kevin Galvan, et al. v. McKenna Motors Company, et al.
Case No. 20STCV11262

ATTACHMENT

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SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Civil Division

Central District, Stanley Mosk Courthouse, Department 78

20STCV11262

**KEVIN GALVAN, et al. vs MCKENNA MOTOR COMPANY,
INC.**

March 18, 2025

8:30 AM

Judge: Honorable Tiana J. Murillo
Judicial Assistant: Diana Castro-Martinez
Courtroom Assistant: Angela Comick

CSR: None
ERM: None
Deputy Sheriff: None

APPEARANCES:

For Plaintiff(s): Lynn P. Whitlock via LA Court Connect

For Defendant(s): Dereck Mayor for Jean Fan Kuei via LA Court Connect

NATURE OF PROCEEDINGS: Status Conference Re Binding Arbitration; Hearing on Motion - Other Joint Motion to Seal Confidential Settlement Agreement; Hearing on Motion - Other Motion for Approval of Settlement of PAGA

The Court's tentative ruling is posted online for the parties to review.

The matter is not called for hearing.

The parties submit to the Court's tentative ruling via email.

After reading and considering all moving documents, the Court adopts its tentative ruling as the final order of the Court, as follows:

The Motion re: (Joint Motion to Seal Confidential Settlement Agreement) filed by MCKENNA MOTOR COMPANY, INC. on 10/21/2024 is Granted.

The Motion re: for Approval of Settlement of PAGA filed by MCKENNA MOTOR COMPANY, INC. on 10/21/2024 is Granted.

I. BACKGROUND

Plaintiffs Kevin Galvan, Daniel Barron, Daniel Carrillo, Irving A. Romero, Oscar Sinibaldi, and Sebastian Toyar (collectively "Plaintiffs") filed this action against defendant McKenna Motor Company, Inc. ("Defendant") for penalties under the Private Attorney General Act ("PAGA").

The parties have agreed on the terms of the settlement. On October 21, 2024, Plaintiffs filed a motion for approval of the PAGA settlement. Additionally, the parties filed a joint motion seeking to seal the financial terms of the Confidential Settlement Agreement ("Settlement

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Agreement”).

II. MOTION TO SEAL

California Rules of Court, rule 2.551(b)(1) states, “[a] party requesting that a record be filed under seal must file a motion or an application for an order sealing the record. The motion or application must be accompanied by a memorandum and a declaration containing facts sufficient to justify the sealing.” (CRC 2.550(d) makes clear that records cannot be sealed without appropriate findings.)

The Court finds that a confidentiality provision may support an overriding interest pursuant to *Universal City Studios, Inc. v. Superior Court* (2003) 110 Cal.App.4th 1273. The parties have articulated prejudice absent closure/sealing of the settlement amount, the proposed sealing is narrowly tailored to serve the overriding interest by redacting only the financial amount, and there is no less restrictive means of achieving the overriding interest. (Cal. Rules of Court, rule 2.550, subd. (d).)

Based on the foregoing, the motion to seal the financial terms of the Settlement Agreement is GRANTED.

III. MOTION FOR APPROVAL OF PAGA SETTLEMENT

A court must review and approve any penalties sought as part of a proposed settlement agreement pursuant to Labor Code section 2699. (Lab. Code § 2699, subd. (l).)

“[C]ivil penalties recovered by aggrieved employees shall be distributed as follows: 75 percent to the Labor and Workforce Development Agency for enforcement of labor laws and education of employers and employees about their rights and responsibilities under this code, to be continuously appropriated to supplement and not supplant the funding to the agency for those purposes; and 25 percent to the aggrieved employees.” (Lab. Code, § 2699, subd. (i).)

A. Notice of Settlement to LWDA

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A proposed PAGA settlement must be submitted to LWDA at the same time that it is submitted to the court for review and approval. (Lab. Code § 2699, subd. (1)(2).)

Plaintiffs counsel attaches proof that the proposed settlement was submitted to LWDA on January 17, 2025. (Suppl. Decl. Whitlock ¶¶ 6-7; Ex. 7-8.)

Accordingly, the Court finds that this requirement is satisfied.

B. Settlement Entitled to Presumption of Fairness

A presumption of fairness for a settlement agreement exists where: (1) the settlement is reached through arm's-length bargaining; (2) investigation and discovery are sufficient to allow counsel and the court to act intelligently; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small. (Dunk v. Ford Motor Co. (1996) 48 Cal.App.4th 1794, 1802.) The final factor does not apply to PAGA. (See Arias v. Superior Court (2009) 46 Cal.4th 969, 984 [representative actions under PAGA do not violate the due process rights of "nonparty aggrieved employees who are not given notice of, and an opportunity to be heard"].)

Here, the parties agreed to a settlement after attending mediation with Steve Pearl on May 15, 2024. The settlement was therefore reached through arm's-length bargaining. The parties engaged in cooperative discovery, and Defendant produced a total of 10,505 pages of documents to include time-punch data, and electronic data recorded in defendant's systems, including data documented by the Service Technicians of when they access BMW diagnostic equipment, and the data documented in repair orders, which Plaintiffs maintained could be used to confirm the occasions when the Service Technicians were working OTC. Accordingly, there was sufficient investigation to allow counsel to act intelligently. Lastly, counsel provides that she was principally responsible for this matter and attests to her experience.

The Court finds that the settlement is entitled to a presumption of fairness.

C. Release Is Permissible

If the Court approves the PAGA settlement, the aggrieved employees will release "all actions....of whatever character....based on any act, omission, event, occurrence, or nonoccurrence from the beginning of time to the date of execution hereof, including but not limited to any claims or causes of action arising out of or in any way relating to the Lawsuit, which could have been or could have been made by Employee against Employer up to and

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including the date of execution of this Agreement ("Claims")." (Settlement Agreement ¶ 7.)

This release is limited to claims that arise from or relate to allegations in Plaintiffs Complaint in this action, and it is therefore permissible.

D. Attorney Fees and Costs Are Reasonable

A prevailing employee is entitled to an award of reasonable attorney fees and costs incurred in the action. (Lab. Code, § 2699, subd. (g)(1).) Plaintiffs' counsel will receive \$6,032.00 in fees, \$508.00 for PAGA class's proportionate share of costs, and \$4,951.20 for the expenses of CPT Group, who will administer and distribute the PAGA settlement.

The Court finds that the attorney fees and costs are reasonable.

E. Conclusion

The motion for approval of PAGA settlement is GRANTED.

Order to Show Cause Re: Dismissal (Settlement) is scheduled for 05/21/2025 at 08:30 AM in Department 78 at Stanley Mosk Courthouse.

Plaintiff is ordered to file Request for dismissal or a declaration re: status five (5) court days prior to the above said date.

Moving party is to give notice.