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and BELINDA LECHUGA individually and on behalf of similarly situated employees

8 **SUPERIOR COURT OF CALIFORNIA**
9 **FOR THE COUNTY OF SACRAMENTO**

11 SHIELA KEE and SILBIA GUTIERREZ and
12 BELINDA LECHUGA, individually and on
behalf of all other similarly situated
13 employees,

14 Plaintiffs,

15 vs.

16 DR. JEFFREY A. SALADIN, DENTAL
17 CORPORATION (D/B/A CHILDREN'S
CHOICE PEDIATRIC DENTAL CARE), a
18 California Corporation; CC AMULET
MANAGEMENT, LLC, a Delaware Limited
19 Liability Company; and DOES 1 to 100,
20 inclusive,

21 Defendants.

Case No. 34-2020-00290072

CLASS ACTION

*Assigned for All Purposes to Hon. Lauri A. Damrell,
Department 28*

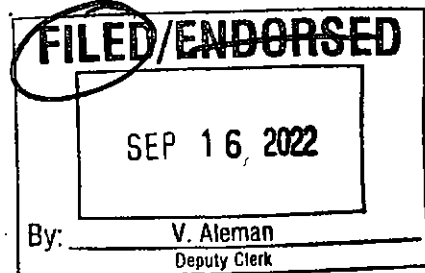
**[PROPOSED] ORDER GRANTING
PLAINTIFFS' MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION AND PAGA
SETTLEMENT**

Reservation No. 2662199

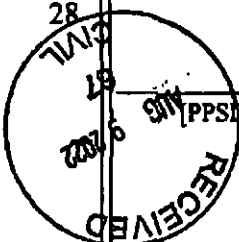
Date: September 16, 2022
Time: 9:00 a.m.

BY FAX

Filed: December 8, 2020
FAC Filed: March 2, 2021
Trial Date: None Set



28 [PPSD] ORDER GRANTING PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT



1 TO ALL PARTIES AND THEIR RESPECTIVE COUNSEL OF RECORD:

2 The Motion for Preliminary Approval of Class Action and PAGA Settlement ("Motion") in the
3 above referenced case came before this Court, on September 16, 2022, at 9:00 a.m., in Department 28
4 before the Honorable Lauri A. Damrell, presiding. Named Plaintiffs Shiela Kee and Silbia Gutierrez
5 and Belinda Lechuga ("Plaintiffs") filed this putative class action on December 8, 2020. The operative
6 Complaint alleges that Defendants Dr. Jeffrey A. Saladin, Dental Corporation (D/B/A Children's
7 Choice Pediatric Dental Care) and CC Amulet Management, LLC ("Defendants") violated California
8 law by 1) failing to pay overtime wages, 2) failing to pay minimum wages, 3) failing to provide meal
9 periods or pay meal period premiums in lieu thereof, 4) failing to provide rest periods or pay rest
10 period premiums in lieu thereof, 5) failing to provide accurate wage statements, 6) failing to timely
11 pay final wages, 7) failing to reimburse expenses, 8) and engaging in unfair competition. Plaintiffs
12 have also alleged Defendants are liable for civil penalties under the Private Attorneys General Act
13 ("PAGA") based on these violations. Plaintiffs sought attorneys' fees and costs as part of this Action.
14 Defendants denied all of Plaintiffs' claims and denied that this case was appropriate for class
15 treatment. No class has been certified.

16 The parties have agreed to settle the class and PAGA claims. Defendants will provide
17 monetary consideration in exchange for a release of claims consistent with the terms of the proposed
18 settlement as set forth in the Joint Stipulation Regarding Class Action and PAGA Settlement and
19 Release ("Agreement"). Any capitalized terms herein shall have the same meaning as set forth in the
20 Agreement. The Court, having received and considered Plaintiffs' Motion for Preliminary Approval of
21 Class Action and PAGA Settlement, the declarations in support, the Agreement, the proposed Notice
22 of Settlement, and other evidence, HEREBY ORDERS AND MAKES DETERMINATIONS AS
23 FOLLOWS:

24 **I. PRELIMINARILY CERTIFYING A SETTLEMENT CLASS; APPOINTMENT OF**
25 **CLASS REPRESENTATIVES; APPOINTMENT OF CLASS COUNSEL**

26 The Court finds that certification of the following class for settlement purposes only is
27 appropriate under the California Code of Civil Procedure and related case law:

28 All non-exempt employees who have worked, or continue to work, for

1 Defendants in California from December 8, 2016, through either (i) the
2 Preliminary Approval Date; or (ii) August 30, 2022, whichever is earlier.

3 The Court recognizes that the foregoing definition is for Class Member identification purposes
4 only and is not intended to capture the claims at issue or limit or alter the released claims under the
5 Agreement.

6 The Court finds that Class Members meet the ascertainability and numerosity requirements since
7 the parties can identify with a matter of certainty, based on payroll records, individuals who fall within
8 the definition and the number of Class Members would make joinder impractical. The commonality and
9 predominance requirements are met for settlement purposes since there are questions of law and fact
10 common to Class Members. The common questions of law or fact in this case all stem from Plaintiffs'
11 contentions that Defendants caused the violations outlined above by 1) failing to properly pay overtime
12 and premium pay due to Defendants' failure to incorporate non-discretionary renumeration (bonuses)
13 into the Regular Rate of Pay ("RROP"); 2) failing to provide rest periods in compliance with California
14 law; 3) failing to provide all meal periods and pay adequate premiums in lieu thereof; 4) failing to pay
15 employees for all hours worked due their failure to pay for time employees spent waiting to clock into
16 work; 5) failing to pay reimbursements for business-related cell phone use and/or mileage; and 6) failing
17 to accurately itemize the hours and wages earned on paystubs issued to class members. The PAGA,
18 waiting time penalty, wage statement violation, and unfair competition claims also derive from these
19 violations. Additionally, Class Members seek the same remedies under state law. The typicality
20 requirement for settlement purposes is also satisfied since the claims of the Class Representatives are
21 based on the same facts and legal theories as those applicable to the class members.

22 The Court also finds that preliminarily and conditionally certifying the settlement class is
23 required to avoid each Class Member from litigating similar claims individually. This settlement will
24 achieve economies of scale for Class Members with relatively small individual claims and conserve the
25 resources of the judicial system.

26 The Court finds that Plaintiffs Shiela Kee and Silbia Gutierrez and Belinda Lechuga and
27 Plaintiffs' counsel, Galen T. Shimoda and Justin P. Rodriguez of Shimoda & Rodriguez Law, PC, to be
28 adequate representatives of the settlement class. The Court appoints them as Class Representatives and
Class Counsel, respectively.

1 **II. PRELIMINARILY APPROVING CLASS ACTION AND PAGA SETTLEMENT**

2 The Court has reviewed the Agreement, which was submitted with Plaintiffs' Motion as Exhibit

3 A. The Court finds on a preliminary basis that the Agreement falls within the range of reasonableness of
4 a settlement, which could ultimately be given final approval by this Court. The Court also
5 acknowledges that Class Members may object to the settlement at a fairness hearing approved by this
6 Court or opt-out of being bound by the preliminarily approved Agreement.

7 Because the Court finds the Parties' settlement to have been agreed upon only after an extensive
8 investigation and arms-length negotiations, and in an attempt to avoid further delays and costs, the Court
9 preliminarily approves the Agreement and all terms therein as if stated here in full, including the
10 \$675,000.00 Gross Settlement Amount.

11 The Court ~~orders~~ ^{preliminarily approves} that Plaintiffs Shiela Kee and Silbia Gutierrez and Belinda Lechuga will each
12 receive \$15,000 as a Class Representative Enhancement Payment in addition to any amount Plaintiffs
13 may be entitled to under the Agreement's pro rata distribution formula for Plaintiffs' time and effort on
14 behalf of Class Members.

15 The Court orders and approves ILYM Group, LLC to act as the Claims Administrator in this
16 case. The Claims Administrator will take its fees out of the Gross Settlement Amount, which are not to
17 exceed \$30,000. Any difference between the actual cost of the Claims Administrator and the approved
18 payment will be redistributed to Qualified Claimants on a pro-rata basis.

19 The Court finds that an award of fees under the common fund doctrine is appropriate in this case
20 because there is a sufficiently identifiable class of beneficiaries (*i.e.* Class Members), the benefits can be
21 accurately traced as set forth in the Agreement, Plaintiffs and Class Counsel were able to negotiate on
22 behalf of Class Members, and the fee can be shifted with exactitude to those benefiting as the fee request
23 is a specific, lump-sum percentage of the Gross Settlement Amount. *See Paul, Johnson, Alston & Hunt*
24 *v. Gaulty*, 886 F.2d 268, 271 (9th Cir. 1989); *Serrano v. Priest*, 20 Cal.3d 25, 34-35 (1977); *Laffitte v.*
25 *Robert Half Internat., Inc.*, 1 Cal.5th 480, 506 (2016). The Court ^{preliminarily} finds the attorneys' fees request of
26 thirty-five percent (35%) of the Gross Settlement Amount, *i.e.* \$236,250, to be appropriate compensation
27 for Class Counsel. The attorneys' fees request is within the range that has been approved by other
28 Courts in similar cases and is reasonable in light of the circumstances of this case, the substantial and

1 beneficial results obtained on behalf of Class Members, and the contingent nature of the recovery over
2 the course of this case, which included potential loss at summary judgment, certification, and/or trial
3 proceedings. Additionally, the Court orders that up to \$15,000.00 of the settlement proceeds will be
4 paid to Class Counsel for reasonable costs incurred in this case. Any difference between the actual costs
5 incurred and the \$15,000.00 shall be paid to the Qualified Claimants on a pro-rata basis.

6 The Court ^{preliminarily} approves of the Ten ^{LAURI A. DAMRELL} Thousand Dollars (\$10,000) PAGA Payment, which shall be paid
7 from the Gross Settlement Amount, not in addition to the Gross Settlement Amount, to resolve the
8 alleged PAGA claims. Seventy-Five percent (75%) of the PAGA Payment will be paid to the Labor and
9 Workforce Development Agency ("LWDA") and Twenty-Five percent (25%) will be paid to Aggrieved
10 Employees on a pro rata basis as described in the Agreement. The Court also finds that the Agreement
11 provides a recovery that creates an effective substantial deterrent to any potential future non-compliance,
12 furthering the purpose of the Labor Code and LWDA.

13 The Court approves of the identified *cy pres* distribution plan wherein any checks issued to
14 Qualified Claimants and/or Aggrieved Employees that are not cashed by the deadline to do so shall be
15 donated equally, *i.e.* 50/50, to Capital Pro Bono, Inc., and the Center for Workers' Rights. No portion of
16 the Gross Settlement Amount will revert to Defendant for any reason.

17 The releases and waivers for Class Members who do not opt out of being bound by the
18 Agreement (*i.e.* Qualified Claimants), Aggrieved Employees, and the Class Representatives are also
19 approved by the Court as set forth in the Agreement.

20 **III. APPROVAL OF DISTRIBUTION TO THE CLASS, THE NOTICE OF SETTLEMENT,**
21 **OPPORTUNITY TO OPT OUT OF, AND OBJECT TO, THE SETTLEMENT**

22 The Court finds that the proposed Notice of Settlement, which was submitted with Plaintiffs'
23 Motion as Exhibit F, fairly and adequately advises Class Members of the terms of the Agreement, the
24 rights being waived, their right to opt out, the ability to dispute the number of workweeks worked during
25 the Class Period, their pro rata share of the Net Settlement Amount, how to participate in the settlement,
26 how to file documentation in opposition to the proposed settlement, and when to appear at the fairness
27 hearing to be conducted on the date set forth below. The Court further finds that the Notice of
28 Settlement and proposed distribution of such notice by first class mail to each identified Class Member

1 at his or her most recent address based on a National Change of Address database search from the Class
2 Members' last known address and a skip trace on any Class Members who have the Notice of Settlement
3 returned as "undeliverable" or "not at this address" comports with all constitutional requirements,
4 including those of due process.

5 The Court also finds that because there is a strong interest in providing Class Members the
6 opportunity to participate in the settlement, along with the Parties' efforts to minimize any intrusion to
7 privacy rights, the sharing of employment information, including social security numbers, is not a
8 serious intrusion on their privacy rights. Hence, the Court orders Defendants to provide first and last
9 name, last known mailing address, social security number, and hire and termination dates, total number
10 of workweeks during which the Class Member performed any actual work to the Claims Administrator
11 only, and not to Plaintiffs or Class Counsel, in order to process this settlement as contemplated within
12 the Agreement and approved by this Order. The Claims Administrator shall only use this information
13 for settlement purposes identified herein, and this information shall be kept confidential, not be shared
14 with any third-party, and used only to administer the settlement.

15 IV. IMPLEMENTATION SCHEDULE

16 Accordingly, with good cause shown, the Court hereby approves and orders that the following
17 implementation schedule be adhered to:

18 Last day for Defendants to provide Claims 19 Administrator with Class Member and Aggrieved 20 Employee information	Within 14 calendar days after the Preliminary Approval Date
21 Last day for Claims Administrator to complete 22 NCOA search, update Class Member and 23 Aggrieved Employee mailing information, and mail Notice of Settlement	Within 14 calendar days after the Claims Administrators' receipt of Class Members' information from Defendants
24 Last day for Class Members to opt-out, submit 25 disputes, submit objections, and submit data 26 requests	45 calendar days after mailing of Notice of Settlement or within 10 days after Notice of Settlement is re-mailed, whichever is later

1	Last day for Claims Administrator to provide Parties with signed declaration reporting on settlement administration statistics	Within 14 calendar days after end of the Notice Period
2		
3		
4	Last day for Claims Administrator to calculate the final Net Settlement Amount, the final Claim Amounts for Qualified Claimants and/or Aggrieved Employees, any applicable taxes thereon, and report the results of these calculations to Class Counsel and Defendants' Counsel	Within 7 calendar days after the Effective Date
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6		
7		
8	Last day for Defendants to fund settlement	Within 21 calendar days after the Effective Date
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10		
11	Last day for Claims Administrator to deliver payment of Class Counsel's attorney's fees and costs, Enhancement Payments, PAGA Payment, Claims Administrator Costs, payment to Qualified Claimants, and payment to Aggrieved Employees	Within 7 calendar days after Defendants fund the settlement
12		
13		
14		
15	Last day for Qualified Members and Aggrieved Employees to cash settlement checks	120 calendar days after issuance of checks to Qualified Members and Aggrieved Employees
16		
17		
18	Last day for Claims Administrator to deliver value of uncashed settlement checks to <i>cy pres</i> beneficiaries	Within 14 calendar days after settlement check cashing deadline
19		
20	Last day for Claims Administrator to provide Parties with compliance declaration	Within 21 calendar days after settlement check cashing deadline
21		

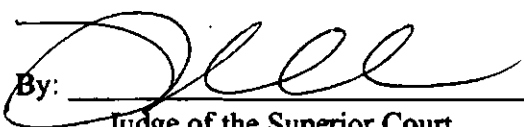
FINAL APPROVAL AND HEARING

The Court hereby grants Plaintiffs' Motion and sets final approval hearing on the proposed date of January 13, 2023, at 9:00 a.m., with briefs and supporting documentation to be submitted according to the California Code of Civil Procedure, in this Department. Class Members who object in a timely manner, and in the manner set forth in the Agreement, may appear and present such objections at the fairness hearing in person or by counsel.

1 If for any reason the Court does not grant final approval of the Agreement, all evidence and
2 proceedings held in connection therewith shall be without prejudice to the status quo and rights of the
3 parties to the litigation, including all challenges to personal jurisdiction and to class certification for any
4 purpose other than approving a settlement class. The parties will revert to their respective positions as if
5 no settlement had been reached at all.

6 **IT IS SO ORDERED.**

7
8 Date: 4/16/22

By: 

Judge of the Superior Court

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10 LAURI A. DAMRELL
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