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RESORTS, LLC

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF TUOLUMNE

YVONNE WELCH, on behalf of herself and
on behalf of all similarly situated individuals,,

Plaintiff,

v.

FIRST LIGHT RESORTS, LLC, a California
limited liability company, d/b/a WEST
CREEK LODGE and DOES 1 through 10,
inclusive,

Defendants.

Case No. CV63506

**DECLARATION OF LEE ZIMMERMAN
IN SUPPORT OF MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Action Filed:

December 11, 2020

Trial Date:

TBD

I, LEE ZIMMERMAN, declare as follows.

1. I am a Managing Member of First Light Resorts, LLC and a Managing Member of Rush Creek Lodge, LLC (erroneously named as West Creek Lodge in this lawsuit). I make this declaration in support of the parties' motion for preliminary approval of class action settlement. The facts stated herein are based on my personal knowledge except those stated on information and belief and as to those facts, I am informed and believe them to be true. If called as a witness, I could and would testify competently to the facts set forth in this declaration.

2. First Light Resorts, LLC is a pass-through entity. Rush Creek Lodge, LLC is a separate and distinct entity that owns and operates a lodge near Yosemite National Park. Each

1 payroll is funded directly by Rush Creek Lodge. Plaintiff Yvonne Welch worked at Rush Creek
2 Lodge, as a server in the restaurant.

3 3. Rush Creek Lodge cares about the employees that work at the lodge and surrounding
4 community. This is not a chain operation. The owners built the lodge from the ground-up and have
5 create hundreds of solid jobs and career paths in a mostly low-income, rural county. Rush Creek
6 Lodge is one of 3,500 certified B Corporations, which are companies that use business as a force
7 for good. To achieve B Corporation certification, Rush Creek completed a rigorous audit and
8 certification process evaluating its positive social, environmental, worker and community practices.
9 Rush Creek's governing documents enable decisions that balance profit and purpose, rather than
10 purely focusing on profit maximization like other businesses.

11 4. Rush Creek created and runs an innovative, behind-the-scenes employment program
12 for 18-24 year olds from disadvantaged urban communities. Rush Creek fully self-funds the youth
13 program, including full-time onsite social service staff, in an effort to make a long-term positive
14 impact on the surrounding community and society as a whole.

15 5. Gender equality is a major focus of the company, with 23 women in management
16 roles out of 50 total managers. Rush Creek aims to promote from within, and provides the necessary
17 training, mentoring and opportunities for career advancement. Over 80% of Rush Creek's
18 management team was promoted into their current roles.

19 6. All employees are required to have a working knowledge/use of English in order to
20 work for the company. On information and belief, all settlement class members are able to read and
21 understand English with ease.

22 7. As with many businesses in the hospitality industry, the COVID-19 pandemic has
23 had a devastating effect on Rush Creek. The first shelter-in-place order forced Rush Creek to close
24 between March 20, 2020 and June 11, 2020. Thereafter, the resort opened with highly constrained
25 occupancy between June 12, 2020 and December 6, 2020, due to a government mandated 24-hour
26 room hold between guest stays. Additionally, operations were limited between August 21, 2020 and
27 September 31, 2020, due to wildfires and smoke, which closed the nearby Yosemite National Park
28 (an attraction that brings in the vast majority of the resort's guests). In 2020, Yosemite's admissions

1 were cut in half and the same limitation on visitation will likely continue through 2021, continuing
2 to negatively impact Rush Creek's business. Rush Creek was again forced to completely close down
3 between December 7, 2020 and February 5, 2021. Annual occupancy dropped from 70% to 33.5%.
4 Although Rush Creek reopened, it was still operating in the Purple Tier, with a required 24-hour
5 room hold between guest stays, for months.

6 8. In addition, the increased minimum wage rate effective January 1, 2021, caused an
7 increased fixed cost that Rush Creek has to cover despite a drastic decline in revenues. It was only
8 through receiving short-term Covid-related bank payment deferrals, which have since expired, that
9 the lodge has been able to avoid defaulting on its primary bank loan.

10 9. Rush Creek Lodge desires to remain operational and continue to operate its self-
11 funded youth program, employ individuals and contribute to the community during these uncertain
12 times. In order to ensure that Rush Creek Lodge will be able to satisfy its obligation to fund the
13 settlement, we require installment payments. These installment payments will allow Rush Creek
14 Lodge to set aside necessary funds and plan for payment despite the continued uncertainties
15 associated with the pandemic and anticipated future limitations on capacity as the number of positive
16 cases once again rises (the county is now seeing 50 cases per day in recent weeks vs near zero a
17 month ago), and increased costs of operation.

18 I declare under penalty of perjury under the laws of the State of California that the foregoing
19 is true and correct. Executed this 19 day of August 2021, at Groveland, California.

20
21 
22 _____
23 LEE ZIMMERMAN

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1 **PROOF OF SERVICE**

2 **STATE OF CALIFORNIA, COUNTY OF FRESNO**

3 At the time of service, I was over 18 years of age and **not a party to this action**. I am
4 employed in the County of Fresno, State of California. My business address is 7647 North Fresno
Street, Fresno, CA 93720.

5 On August 23, 2021, I served true copies of the following document(s) described as on the
interested parties in this action as follows:

6 Daniel F. Gaines
7 Alex P. Katofsky
8 Evan Gaines
9 GAINES & GAINES
10 27200 Agoura Road, Suite 101
11 Calabasas, CA 91301
12 Fax: 818-703-8984
E-Mail: daniel@gaineslawfirm.com;
alex@gaineslawfirm.com;
evan@gaineslawfirm.com

ATTORNEYS FOR PLAINTIFF

13 **XX BY ELECTRONIC SERVICE (E-MAIL):** Based on a court order or an agreement
14 of the parties to accept electronic service, my electronic service address is
tristan.matthews@mccormickbarstow.com, and I caused the document(s) to be sent to the persons
15 at the electronic service address(es) listed above.

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

17 Executed on August 23, 2021, at Fresno, California.

18 

19
20 Tristan E. Matthews