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SUPERIOR COURT OF CALIFORNIA
IN AND FOR THE COUNTY OF CONTRA COSTA COUNTY
UNLIMITED JURISDICTION

OSCAR CORONA, FAVIAN G GOMEZ,
JOSE B GONZALEZ, and ALBERTO LOYA

Plaintiffs,

vs.

ROBERT ROSS HAZARD dba HAZARD
CONCRETE CONSTRUCTION; HAZARD
CONCRETE, INC.; SAUSAL
CORPORATION; JAMES E. WARD; LESLIE
L. WARD; JOSHUA L. WARD; KEVIN
HALLAS AND DOES 1 THROUGH 50

Defendants.

CASE NO: MSC21-00637

**DECLARATION OF TOMAS E. MARGAIN
IN SUPPORT OF PLAINTIFFS' MOTION
FOR APPROVAL OF PAGA SETTLEMENT
AND MOTION FOR ATTORNEYS' FEES
AND COSTS**

Date: 6/5/2025
Time: 9:00 am
Dept. 39

Complaint Filed: April 2, 2021
SAC Filed: November 4, 2021

1 I, Tomas E. Margain, declare as follows:

2 1. I am an attorney licensed to practice law in California and one of the attorneys for
3 Plaintiffs in this matter. I have personal knowledge of the facts set forth in this declaration, and,
4 if called as a witness, I could and would testify thereto.

5 2. This declaration is organized into three sections.

6 3. First, I address the allegations, investigation, and accounting in this case.

7 4. Second, I address the PAGA settlement of One Hundred Thirty-Nine Thousand
8 Two Hundred Thirteen Dollars and Ninety-One Cents (\$139,213.91). This would pay a one third
9 contingency in attorneys' fees- or Forty-Six Thousand Two Hundred Thirteen Dollars and
10 Ninety-Two Cents (\$46,213.92); costs of up to \$5,000, and the balance of \$88,000 as payment to
11 the LWDA and PAGA pool members after third party administrative costs. The administrative
12 costs are projected to be \$3,000, leaving \$85,000 to be distributed. A true and correct copy of the
13 Joint Stipulation of PAGA Settlement is attached as Exhibit A.

14 5. The total fees incurred to date based on the loadstar method are \$328,492.50.

15 6. The costs that are attributed to the SETTLING DEFENDANTS are \$6,198.25 and
16 of which only \$5,000 in costs are sought.

17 7. In the second section, I address the arms-length negotiations, including a
18 mediation sessions with Mark LeHocky, Esq, of ADR services, follow up with the mediator, and
19 ultimately a mediator's proposal that was used as a settlement tool for the settlement reached with
20 Defendants SAUSAL CORPORATION; JAMES E. WARD; LESLIE L. WARD; JOSHUA L.
21 WARD; and KEVIN HALLAS (hereinafter "SETTLING DEFENDANTS").

22 8. Third, I address the *lodestar* hourly rates sought by providing my background and
23 experience. I also provide my opinion of both the market rate for our hourly rates and the unique
24 aspect of fee shifting contingency litigation and why I believe that should affect the rates. In
25 forming this opinion, I am including two declarations from Class and PAGA who practice in
26 Northern California. With respect to the *lodestar*, I have incurred 225.5 hours at the hourly rate
27 of \$819.00 per hour in this this matter for a total of \$184,684.50. My co-counsel Alexander S
28

1 Rusnak has incurred 268.8 hours at his hourly rate of \$535 per hour for a total of \$143,808.00.
2 However, we are seeking a substantial negative multiplier to reach the total sought of \$46,213.92.

3 9. With respect to my work, I also want to emphasize that because of this case, I
4 turned down other work so Mr. Rusnak and I could properly give this case the attention it
5 deserved.

6
7 **Notice of Settlement and Motion Served on State of California's
Labor And Workforce Development Agency**

8 10. On March 7, 2025, the State of California was served with the moving papers and
9 the settlement agreement using their electronic submissions webpage. Once I get a hearing date
10 from the Court, I will also lodge that amended notice.

11
12 **Procedural History and Investigation**

13 11. I began working on this matter in January of 2021 from a referral from an
14 organization called the Foundation for Fair Contracting ("FFC"), a joint Labor Management
15 Cooperation Committee which among its work investigates public works compliance issues as
16 well as holding conferences to educate awarding bodies, contractors and the public regarding
17 public works construction issues. The FFC had recently helped five workers submit what are
18 called "Stop Notices" on a public works construction project at Kennedy Park in Hayward
19 California. Four of these workers would later retain my co-counsel and I and become the named
20 Plaintiffs.

21 12. Plaintiffs worked as cement masons originally for a subcontractor of the
22 SETTLING DEFENDANTS named Hazard Concrete, a sole proprietorship of Defendant
23 ROBERT HAZARD and a corporation known as HAZARD CONCRETE INC¹ (collectively
24 HAZARD"). SETTLING DEFENDANTS had hired HAZARD on approximately five public
25 works construction projects to perform cement work. My understanding from speaking with my

26
27 ¹ I went on the California Secretary of State Website and HAZARD CONCRETE, NC. is shown
28 to be a corporation suspended by the Franchise Tax Board in 2021. The Contractor's license
website shows that in 2013, HAZARD CONCRETE Inc.'s license expired. The CLSB license
used by HAZARD was under ROBERT HAZARD's sole proprietorship.

1 clients is that the scope of their work was primarily flat concrete work, curb gutters and
2 sidewalks, but that based on various issues with how the project was run, they also tied rebar and
3 performed more complicated “structural concrete” work including setting forms and tying rebar
4 for this work. Plaintiff CORONA also alleged that at some point the ironwork subcontractor did
5 not come to finish a job and he and his crew had to tie the rebar that had originally been assigned
6 to a different subcontractor on a foundation project in a Fire Station. I also walked the Kennedy
7 Park job with CORONA on two occasions and he showed me areas in the parking lot, along the
8 train tracks, and in the barbeque area where he indicated that deep concrete structures were built
9 such that the form and rebar work is typically performed by carpenters and ironworkers and not
10 cement masons or laborers.

11 13. From speaking with OSCAR CORONA, one of the Plaintiffs, the foreman, and
12 someone with over 20 years of construction experience, Defendant SAUSAL the general
13 contractor was primarily a carpentry and project management contractor. I went on the California
14 Contractor’s State website and note that SAUSAL holds a B Contractor’s license which under
15 Business and Professions Code § 7057(b) can perform some trade work outside of the scope of
16 framing and carpentry so long as it hires two subcontractors unrelated to this work. However,
17 certain specialized work, primarily electrical and mechanical, requires a specialized contractor’s
18 license. In my opinion and investigation of the case, SAUSAL primarily performed the carpentry
19 and project management and then managed subcontractors such as Defendant HAZARD.

20 14. Based on the documents produced, at some point Defendant HAZARD hired 15
21 workers formerly employed by HAZARD, including the four named Plaintiffs, and brought them
22 into their payroll. This coincided with the time Plaintiffs alleged that Defendant HALLAS was
23 the direct supervisor of Plaintiffs on the Kennedy Park in Hayward.

24 15. HAZARD had been using a company that runs payroll for workers, called Barrett
25 Business Servies, prior to this change. An email produced in the litigation by Defendant WARD,
26 the president of SAUSAL, stated that Hazard’s employees were paid directly by Sausal because
27 “Hazard was unable to make payroll.” While we did not fully investigate why exactly these
28

1 workers were hired by SAUSAL, at some point they were formally hired and paid wages by
2 SAUSAL.

3 16. The lawsuit, DFEH Right to Sue and LWDA submissions focuses on broad issues
4 and not just the claims on the Kennedy Park construction referenced above. The individual
5 claims centered around Plaintiffs and their work at multiple public works projects, some of them
6 then involving Defendant SAUSAL for their work subcontracting with Defendant ROBERT
7 HAZARD and others just Defendant HAZARD. This individual claims included significant off
8 the clock work primarily by Plaintiff Oscar Corona- who as the foreman- who performed work
9 prior to and after the job coordinating the work to be done, coming records for work, and even
10 taking debris to be thrown away. As to all workers, it also involved work prior to the start of the
11 day and the more skilled carpentry, iron work and operating engineer work they performed while
12 being paid as Cement Masons. The claims also involved racial harassment and hostile work
13 environment claims as against both individual Defendants HAZARD and KEVIN HALLAS. As
14 to Defendant HALLAS, they centered around statements made about a black apprentice to the
15 Plaintiffs as well as statements directed to Plaintiffs based on their ethnicity and comments about
16 their self-worth, tied to their race, and the propriety of a multimillion-dollar park being built in
17 Hayward which is has a large working class community.

18 17. Based on my 25 years of experience litigating both wage and hour and specifically
19 public works claims, Plaintiffs had and have strong individual claims. The work performed
20 included structural concrete needing carpenters and ironworkers to set forms and tie rebar as
21 documented by blueprints and inspection reports. Additional, Plaintiff CORONA was able to
22 produce phone records showing the evening and early morning calls. CORONA also had
23 documentation of the expenses he incurred.

24 18. In investigating the matter, Defendant SAUSAL produced 9,022 documents.
25 These were primarily time and pay records of all of their workers during the one-year PAGA
26 lookback period. The documents also included an Employee Handbook in English with a Meal
27 and Rest Break Policy.
28

1 19. The documents were used by my two law clerks, Alan Jimenez and Sarahi Ortiz,
2 to populate both individual and a PAGA audit.

3 20. The individual audits used the interviews my co-counsel and I conducted on
4 Plaintiffs specifically as to their off the clock and misclassification wages owed.

5 21. Plaintiffs alleged that they worked prior to and after their start time and had to fill
6 out timecards rounded to the nearest half hour no matter the hours they worked. Their allegations
7 involved having to get ready to work prior to the start time and to pick up the tools and materials
8 from the job site after the paid workday. However, Plaintiff CORONA also maintained that he
9 had to do extra work in the morning and after work and on weekends communication with Sausal
10 employees and Defendant HAZARD on work related issues. This also included filling out or
11 organizing work related paperwork primarily for payroll to be done. The off the clock work was
12 primarily performed by Plaintiffs CORONA and GONZALEZ but on the Kennedy park project
13 all Plaintiffs worked off the clock as they lived in Hayward and as such did not mind getting to the
14 job early and leaving late to maintain a job close to home. Plaintiff CORONA, who was deposed
15 over two days, was questioned on these issues.

16 22. The PAGA audit assumed that all of the SETTLING DEFENDANT's workers
17 suffered off the clock and meal and rest break claims. That is, we imputed these claims to not
18 only the eleven other HAZARD workers but a total of 87 employees over 3,830 pay periods. The
19 final PAGA numbers included a PAGA period though May 14, 2024 and totaled 89 workers and
20 5,711 pay periods.

21 23. While SETTLING DEFENDANTS had various legal and factual defenses, the
22 clearest evidence we uncovered to tie all workers to the off the clock claims was due to how
23 Defendant SAUSAL's employee handbook defines the compensable labor for workers in the
24 "FIELD." We contend that this is not in compliance with California law. Specifically, the
25 handbook states that unpaid work had to be performed before and after the paid workday:
26

27 START TIME MEANS YOU ARE READY TO START WORK, WITH ALL TOOLS
28 AND EQUIPMENT UNLOADED BEFORE START TIME.

1 QUITTING TIME IS THE TIME YOU STOP WORKING, THEN YOU PICK UP
2 YOUR TOOLS AND EQUIPMENT AND PREPARE TO LEAVE.

3 24. The handbook also includes a draconian loss of up to 30 minutes of pay if a
4 worker shows up late as follows:

5
6 EMPLOYEES ARRIVING AFTER START TIME WILL BE DOCKED IN
7 INCREMENTS OF 30 MINUTES, AND NOTATIONS OF TARDINESS WILL BE
8 MADE A PART OF YOUR PERMANENT PERSONNEL FILE.

9 25. Finally, the handbook has a prohibition of overtime work which in my opinion,
10 and based on my years of wage and hour experience, makes it likely for workers to not report
11 overtime and to round down to an 8-hour day. The handbook states:

12 NO OVERTIME WORK IS ALLOWED WITHOUT PRIOR AUTHORIZATION FROM
13 MANAGEMENT. THE SUPERVISOR MUST CONTACT MANAGEMENT IF
14 OVERTIME MAY BE REQUIRED FOR A PARTICULAR PROJECT THAT HAS A
15 CRITICAL DEADLINE. ALL EMPLOYEES MUST BE FLEXIBLE ENOUGH TO
16 ACCEPT OVERTIME WORK WHEN REQUIRED.

17 26. I am attaching as Exhibit B a true and correct copy of the cover page and relevant
18 sections of the SAUSAL Employee Handbook.

19 27. Again, as this affects the assumptions we made in the PAGA audit, such a
20 prohibition on overtime, including management approval, can in my opinion lead to workers not
21 wanting to “rock the boat” and claim overtime wages if for example they worked ten or 15
22 minutes past their end time. While this does not prove liability, this is the strongest evidence of
23 why we took the position that the PAGA exposure covers all workers and all pay periods.

24 28. The PAGA settlement is a substantial reduction of the potential exposure,
25 however, because we still had issues of proof in being able to show that all workers actually
26 worked off the clock for all of the pay periods.

27 29. In this case, again, Plaintiffs had and have strong individual claims including
28 FAHA claims. However, we made the decision to also prosecute the matter under PAGA. We
made a conscious choice not to bring this matter as a class action.

Counsel Assessment of Settlement Terms

30. The proposed settlement agreement creates a non- reversionary fund of \$139,213.91 to be distributed as follows:

- (a) Eighty-Five Thousand Dollars and Zero Cents (\$85,000.00) as payment to the LWDA that will be split among the LWDA (75%) and PAGA aggrieved employees (25%);
- (b) Administration Costs of \$3,000.00; and
- (c) Attorneys' fees not to exceed Forty-Six Thousand Two Hundred Thirteen Dollars and Ninety One Cents (\$46, 213.91) and costs not to exceed \$5,000.00.

31. In my opinion, the settlement reached is an excellent result reached during non-collusive arms-length negotiations between counsel experienced in wage and hour litigation.

32. In this case, my co-counsel and I were able to interview our clients, conduct discovery, and analyze all documents to both come up with an individual audit as well as the PAGA audit Defendants workforce.

33. Once we had this information, we held a mediation session with Mark LeHocky, Esq, of ADR services. At the end of the mediation session, Mr. LeHocky made a mediator's proposal that included all Defendants. After the session, we worked with counsel for SETTLING DEFENDANTS using this proposal as the basis of the settlement by carving out Defendant HAZARD.

34. The settlement reached was the result of adversarial non collusive arm's length negotiation.

35. In my opinion, the settlement of One Hundred Thirty-Nine Thousand Two Hundred Thirteen Dollars and Ninety-One Cents (\$139,213.91) for the PAGA claim is a fair result. Hurdles included: (1) the fact that we extrapolated the violations of Plaintiffs to the entire workforce even though it is possible that only Defendant HAZARD's crew suffered all the violations claimed; (2) the fact that penalties were stacked a trial court has discretion to reduce PAGA penalties; and (3) issues of proof as it was likely that testimony from affected workers would need to be elicited to prove up the claims. We also made the decision to have the PAGA

1 period extend to May 14, 2024 and 5,711 pay periods because no other PAGA filing had been
2 made.

3 36. While we had favorable language in an English only handbook, this does not
4 necessarily prove that the handbook was every given to workers, or lead to the violations.

5 **COUNSEL’S BACKGROUND, WAGE AND HOUR EXPERIENCE**

6 37. I have been licensed to practice law in California since 1997. I have focused my
7 practice, aside from a one-year position as a research attorney for the Sonoma County Superior
8 Court, to Employment and Labor law primarily representing low wage workers in the service and
9 construction industries.

10 38. I attended law school at the University of California Hastings College of Law and
11 graduated in 1997. I was then admitted to the California Bar in December of 1997. Prior to
12 attending law school, I received a Bachelor of Arts Degree from UC Berkeley in English Literature
13 and a Master of Arts Degree from UCLA in Latin American Studies.

14 39. While in Law School, I clerked at the following Non-Profits or Governmental
15 Agencies: (1) Tenderloin Housing Clinic (Full Time Summer after First year and Part Time First
16 Semester Second year); (2) Employment Law Center-ACLU Language Rights Program (Part
17 Time Second Semester Second year); (3) Fair Employment and Housing Commission (Full Time
18 Summer of Second year); (4) Lawyers Committee For Civil Rights/Asylum Screenings (Part
19 Time First Semester Third year); and (5) San Mateo District Attorneys’ Office as part of
20 Hasting’s Clinical Program instruction (Full Time Second Semester Third year). I was also
21 enrolled in the Hasting’s workers’ Rights Clinic the second semester of my second year in Law
22 School.

23 40. After being admitted to the California Bar, I held a year-long research attorney
24 position with the Sonoma County Superior Court. While at the Sonoma County Superior Court, I
25 worked for three and then four weekly law and motion calendars. I worked under the supervision
26 of then Presiding Judge Lloyd Von der Mehden (Ret.) and Judge Lawrence K. Sawyer (Ret.) who
27

1 took over as presiding judge upon Judge Von der Mehden's retirement about halfway through my
2 clerkship.

3 41. After completing my clerkship, I became an associate attorney at the firm of Van
4 Bourg, Weinberg, Roger and Rosenfeld (VBWRR). VBWRR is the largest firm outside of
5 Washington D.C. representing Labor Unions. In the three years I worked at VBWRR, I primarily
6 worked on wage and hour class action and mass action cases. At VBWRR, I was involved in 15
7 class action lawsuits alleging the systematic underpayment of wages to workers. Five of those
8 lawsuits reached a class certification stage and three settled on behalf of a class. I was the
9 primary associate in the first Class Action case I settled, *Range v. E.L. Wills*, Alameda County
10 Superior Court Case No. C-794347, before the honorable Ronald M. Sabraw (Ret.). The *Wills*
11 case involved a class wide settlement of approximately \$1,000,000.00 payable to over 300
12 ironworkers from California's Central Valley. At VBWRR, I was also practiced traditional
13 Labor law including NLRB work and representing Unions in Discharge/Discipline and
14 Contractual Interpretation Arbitrations.

15 42. In 2001, I left VBWRR and opened up my own firm in San Francisco's Mission
16 District.

17 43. In mid-2008, I relocated my practice to San Jose because my client base had
18 increasingly become service workers living in San Mateo and Santa Clara Counties and
19 construction workers living in Santa Clara, San Benito, Monterey and Santa Cruz counties.

20 44. For the last twenty-three years, I have worked as a sole practitioner and then a part
21 owner or partner in two law firms focusing on wage and hour litigation primarily representing
22 recent immigrants to this country. I have represented or represent clients in over 400 lawsuits
23 filed in State or Federal Court and have represented over 120 claimants before the State of
24 California's Labor Commissioner's Office. Approximately 95% of my practice involves wage
25 and hour litigation.

26 45. I have litigated more than ten (10) Class Action lawsuits as lead counsel that
27 settled on behalf of a class.
28

1 46. In Federal Court, I represented through settlement and a Final Fairness hearing as
2 lead counsel the following matters:

- 3 a. *Moreno v. Capital Building Maintenance & Cleaning Services Inc.*,
4 USDC NDCA 9-cv-07087-DMR;
5 b. *Gerardo v. Quong Hop and Co* USDC NDCA Case No. 08-CV-
6 03953 JF;
7 c. *Cruz v. JSC-SC Project Inc.* USDC NDCA Case No. 09-cv-04296-
8 JW;
9 d. *Lopez v. San Jose Market Center HB, Inc.* USDC NDCA Case No.
10 08-cv-04865-RS;
11 e. *Palana v. Mission Bay*, USDC NDCA Case No. 15-cv-5235 SI; and
12 f. *Sandoval, et al v. Ali, et al* USDC Case No. NDCA 13-cv-03230-
13 EDL.

14 47. In State Court, I was lead counsel in the following matters:

- 15 a. *Rosales v. Heavenly Greens*, Santa Clara Superior Court Case No.
16 08-CV-119684
17 b. *Rodriguez v. United Site Services of California, Inc.*, Santa Clara
18 Superior Court Case No. 13-CV-257373
19 c. *Cormier v. Comcast of California, et al*, Alameda County Superior
20 Court Case No. RG04146868
21 d. *Covarrubias, et al v. Petersendean Builder Group., Inc. et al*, Kern
22 County Superior Court Case No. BCV-16-101122.

23 48. With respect to non-class action representative work, I was the lead attorney on
24 what I believe was one of the first settlements to reach a Fairness Hearing under the Private
25 Attorney General Act of 2004. In Burns v. Bustichi Construction, Inc. Santa Cruz Superior Court
26 Case CV152157 the late Judge Robert B. Yonts approved a \$630,000.00 claims made settlement
27
28

1 to carpenters who worked on prevailing wage jobs with the payment of \$60,000.00 to the State of
2 California as a penalty under PAGA.

3 49. I have litigated over 30 PAGA cases which settled and in which I have secured
4 penalties to the State of California after a Fairness Hearing.

5 50. Finally, as part of my law practice, I have worked with non-profits, faith-based
6 organizations, Unions and Labor Management Trust Funds on employment law matters and
7 specifically wage and hour litigation. I am a volunteer attorney with the Employment Law
8 Center's Worker's Rights Clinic which is affiliated with Santa Clara University (Katherine and
9 George Alexander Law Center), Hastings College of the Law and UC Berkeley's law school. I
10 have also worked with community-based non-profits such as the Instituto Laboral de la Raza, the
11 Legal Aid Society and Voluntarios de la Comunidad. I am also actively involved with SIREN, an
12 immigrant rights non-profit, and am the President of the Board of Directors. I am also an active
13 participant in the Santa Clara County Wage Theft Coalition. As part of the Wage Theft Coalition,
14 I participate with community advocates to provide testimony and encourage municipalities to
15 adopt anti wage theft ordinances. We also hold direct actions and community education events.

16 **LODESTAR RATES SOUGHT AND AWARDED**

17 51. I am familiar with the rates charged by Plaintiff contingency attorneys. This is
18 based on conversations with three contingency attorneys I have worked with as co-counsel,
19 Marco Palau, Carry Kletter and Kevin Allen. It is also based on my review of case law, including
20 review to prepare this motion, as well as the *Laffey*-Matrix discussed below.

21 52. In the last four years, I have been awarded fees in the range of \$650 in individual
22 cases to \$894 in class or representative cases. Here, given that this is a PAGA case, I am seeking
23 to be paid at \$819 an hour though I am not recovering the full value of my loadstar fees given the
24 apportionment. Obviously, I am also taking fees from the confidential settlement. However, the
25 fees that are included in the individual settlement and the PAGA settlement, are significantly less
26 than the fees incurred to date.

1 53. I am also familiar with what is termed the *Laffey*-Matrix which is an objective
2 chart of litigation rates primarily for the Washington DC Baltimore area.

3 <http://www.laffeymatrix.com/>. This matrix was adopted by a Federal District Court in the
4 Washington DC area in 1983 in the case of *Laffey v. Northwest Airlines, Inc.*, 572 F.Supp. 354,
5 371 (D.D.C. 1983). The *Laffey*-Matrix looked at the years of experience of an attorney and
6 would adjust the rates by yearly inflation.

7 54. Based on the *Laffey*-Matrix, the following are the rates for the 6/1/2023 to
8 5/31/2024 time period is \$1,057.00. I note that the rates are substantially higher than the rates of
9 \$819.00 that I am seeking.

10 55. The retainer agreements I used in 2020 and 2021 lists my hourly rate as \$819.00
11 an hour.

12 56. With respect to the hourly rates, I have three comments or opinions.

13 57. First, I think it is important for contingency attorneys who represent Plaintiffs in
14 fee shifting litigation to be paid at or near the highest market rate. For one, there is always an
15 uncertainty in contingency litigation, one's client may not prevail, or one may be forced to
16 significantly compromise fees to secure a settlement.

17 58. Second, because the payment is not secured until after a resolution, a contingency
18 attorney typically goes a year or more without being paid for their work. In this case, I began to
19 represent Plaintiffs in 2021 and if the motion is granted the case will not be approved until the
20 end of 2025 or more than 4 years after the representation began.

21 59. Third, I believe that recognizing a high billable rate on par with management side
22 law firms incentivizes attorneys to engage in fee shifting litigation. This is especially true when
23 representing low wage earners. Frankly, recognizing these rates levels the playing field in
24 securing representation which is in the public interest.

25 **Billing Methodology and Accounting of Fees and Costs**

26 60. Since July of 2013, my firm has used a cloud-based application called Toggl to
27 track time. Toggl allows me to turn on a project and has my time recorded both from my
28

1 computer and smartphone as an app. Time is kept to the minute. I open up a toggle file by
2 naming a case a "project" which the allows me to activate that project to begin keeping time track
3 of my time.

4 61. In total, I am billing 225.5 hours. Exhibit C is a true and correct copy of my
5 Toggl billing records with a monthly view and not a detailed printout. I excluded from my billing
6 a review of emails which I usually due. I counted over 400 emails sent and received in the
7 litigation. I also engaged in many client phone calls in the last year which I did not bill for. I also
8 excluded calls to and from my clients while I was outside the office and could not record.

9 62. Exhibit C does not provide a breakdown description of the work billed as the
10 matter is still proceeding against Defendant HAZARD. However, the hours are for client
11 communications, communications with co-counsel, communications with opposing counsel, work
12 on pleading and discovery issues, work on the audit and mediation, and work for the PAGA
13 approval process.

14 63. Costs in this case which we seek to recover as to the SETTLING DEFENDANTS
15 include service costs of \$721.25 on the five SETTLING DEFENDANTS, the mediation fee of
16 \$4,550.00 and \$492.00 for one deposition transcript of CORONA. This totals \$5,763.25 but only
17 \$5,000.00 are sought. I have not included the first appearance fee of \$435 or the Court's complex
18 fee of \$1,000.00.

19 **Apportionment of Fees and Costs**

20 64. My co-counsel and I are also seeking fees and costs based on the confidential
21 settlement. While we cannot disclose that amount, the fees incurred as stated above, are greater
22 than the fees we will receive based on both the PAGA and individual settlement. We will get a
23 negative multiplier on the aggregate fees from the settlements.

24 I declare under penalty of perjury pursuant to the laws of the United States that the
25 foregoing is true and correct, executed on March 7, 2025 in Santa Clara County, California.

26 *Tomas Margain*

27 _____
Tomas E. Margain

EXHIBIT A

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JAMES E. WARD, LESLIE L. WARD,
JOSHUA L. WARD and KEVIN HALLAS

SUPERIOR COURT OF THE STATE OF CALIFORNIA IN AND FOR THE COUNTY OF CONTRA COSTA

OSCAR CORONA, FAVIAN G GOMEZ, JOSE
B GONZALEZ, and ALBERTO LOYA,

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ROBERT ROSS HAZARD dba HAZARD
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WARD; JOSHUA L. WARD; KEVIN HALLAS
AND DOES 1 THROUGH 50,

Defendants.

Case No.: CIV MSC 21-00637

[ASSIGNED FOR ALL PURPOSES TO HON.
EDWARD WEIL IN DEPT. 39]

JOINT STIPULATION OF PAGA SETTLEMENT

SAC Filed: November 5, 2021
Trial Date: Not yet assigned

JOINT STIPULATION OF PAGA SETTLEMENT

This Joint Stipulation of PAGA Settlement ("Agreement") is made by and between plaintiffs Oscar Corona, Favian G. Gomez, Jose B. Gonzalez, and Alberto Loya (collectively, "Plaintiffs"), on the one hand, and defendants Sausal Corporation, James E. Ward, Leslie L. Ward, Joshua L. Ward, and Kevin Hallas (collectively "Sausal Defendants") on the other hand. The Agreement refers to Plaintiffs and Sausal Defendants collectively as "Parties," or individually as "Party."

A. DEFINITIONS.

1. "Action" means Plaintiffs' lawsuit alleging individual claims as well as representative wage and hour violations captioned *Oscar Corona, Favian G Gomez, Jose B Gonzalez, and Alberto Loya v. Robert Ross Hazard dba Hazard Concrete Construction; Hazard Concrete, Inc.; Sausal Corporation; James E. Ward; Leslie L. Ward; Joshua L. Ward; Kevin Hallas and Does 1 through 50* initiated on April 2, 2021 and pending in Superior Court of the State of California, County of Contra Costa Case No. MSC21-00637.
2. "Administrator" means Simpluris, the neutral entity the Parties have agreed to appoint to administer the Settlement.
3. "Administration Expenses" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses.
4. "Aggrieved Employee" means all current and former non-exempt employees of the Sausal Defendants who worked in the State of California during the PAGA Period.
5. "Aggrieved Employee Data" means Aggrieved Employee identifying information in Sausal Defendants' possession including the Aggrieved Employees' name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
6. "Defense Counsel" means Freeman Mathis & Gary, LLP on behalf of Sausal Defendants.
7. "Effective Date" means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Approving the PAGA Settlement and (b) the Judgment is final. The Judgment is final as of the day the Court enters Judgment.
8. "Gross Settlement Amount" means \$139,213.92 which is the total amount Sausal Defendants agree to pay under the Settlement, based on the allocation detailed below. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees, PAGA Counsel Expenses, and Administration Expenses.
9. "Individual PAGA Payment" means an Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of pay periods worked during the PAGA Period.
10. "Judgment" means the judgment entered by the Court based upon final approval by the Court.
11. "LWDA" means the California Labor and Workforce Development Agency.
12. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
13. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: the LWDA PAGA Payment, PAGA

Counsel Fees, PAGA Counsel Expenses, and Administration Expenses. The remainder is to be paid to Aggrieved Employees as Individual PAGA Payments.

14. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
15. "PAGA Counsel" means Rusnak Law Office and Justice at Work Law Group, LLP.
16. "PAGA Counsel Fees" and "PAGA Counsel Expenses" mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.
17. "PAGA Pay Period" means any pay period(s) during the PAGA Period in which an Aggrieved Employee worked for Sausal Defendants for at least one day.
18. "PAGA Period" means the period from March 2, 2020, through May 15, 2024.
19. "PAGA Notice" means Plaintiffs March 2, 2021 letter to the Sausal Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
20. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees and 75% to LWDA in settlement of PAGA claims.
21. "PAGA Payment Notice" means the notice attached as Exhibit A to this stipulation to be sent to allegedly Aggrieved Employees with their Individual PAGA Payment.
22. "Released Parties" means (i) Sausal Defendants; (ii) each of Sausal Defendants' past and present direct and indirect parents; (iii) the respective past and present direct and indirect subsidiaries and affiliates of any of the foregoing; (iv) the past, present, and future shareholders, directors, officers, agents, employees, attorneys, insurers, reinsurers, members, partners, managers, contractors, agents, consultants, representatives, administrators, fiduciaries, benefit plans, transferees, predecessors, successors and assigns of any of the foregoing; and (v) any individual or entity which could be jointly liable with any of the foregoing. The Released Parties expressly exclude named Defendants Robert Ross Hazard dba Hazard Concrete Construction and Hazard Concrete, Inc., who are not parties to, and derive no benefit from, this Agreement.
23. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

B. RECITALS.

1. On March 2, 2021, pursuant to Labor Code section 2699.3, subd.(a), Plaintiffs sent the PAGA Notice to the Sausal Defendants and the LWDA.
2. On April 2, 2021, Plaintiffs commenced this Action by filing a complaint against the Sausal Defendants and Robert Ross Hazard dba Hazard Concrete Construction and Hazard Concrete, Inc. Thereafter, Plaintiffs amended the complaint. The Second Amended Complaint is the operative complaint in the Action (the "Operative Complaint."). Pursuant to the Operative Complaint, Plaintiffs seek PAGA penalties for alleged wage and hour violations including, off-the-clock work, unpaid minimum and overtime wages, unpaid regular and prevailing wages, meal periods and meal period premiums, rest breaks and rest break premiums, wage statements, timely payment of wages during and after employment, business expense reimbursements, and violation of Unfair Competition Law. Sausal Defendants deny the allegations in the Operative Complaint, deny any failure to comply with the laws identified in the Operative Complaint and deny any and all liability for the causes of action alleged.

3. Pursuant to the Operative Complaint, Plaintiffs also include causes of action predicated on individual wage and hour and FEHA based claims, for which individual damages are sought.
4. On September 19, 2023, the Parties participated in an all-day mediation presided over by Mark LeHocky which led to this Agreement to settle the Action.
5. Prior to mediation, Plaintiffs obtained, through informal discovery, time and pay records for the allegedly aggrieved employees, and key data points, from Sausal Defendants. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").
6. The Parties, PAGA Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

C. MONETARY TERMS.

1. Gross Settlement Amount. Sausal Defendants agree to pay One Hundred Thirty-Nine Thousand Two Hundred Thirteen and Ninety-Two Cents (\$139,213.92) as the Gross Settlement Amount. Sausal Defendants have no obligation to pay the Gross Settlement Amount prior to the deadline stated in Section D of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Sausal Defendants.
2. Payments from Gross Settlement Amount. The Administrator will make, and deduct, the following payments from the Gross Settlement Amount, subject to final Court approval:
 - a. To PAGA Counsel: PAGA Counsel Fees of not more than 33 1/3%, (\$46,213.92) of the Gross Settlement Amount and PAGA Counsel Expenses of not more than \$5,000. Sausal Defendants will not oppose requests for these payments provided they do not exceed these amounts. If the Court approves PAGA Counsel Fees and/or PAGA Counsel Expenses less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Sausal Defendants shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion of any award for PAGA Counsel Fees and/or PAGA Counsel Expenses. The Administrator will report the PAGA Counsel Fees and PAGA Counsel Expenses using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees and PAGA Counsel Expenses and holds Sausal Defendants harmless, and indemnifies Sausal Defendants, from any dispute or controversy regarding any division or sharing of any of these payments.
 - b. To the Administrator: Administration Expenses not to exceed \$3,000, except for a showing of good cause and as approved by the Court. To the extent the

Administration Expenses are less or the Court approves payment of less than \$3,000, the Administrator will retain the remainder in the Net Settlement Amount.

c. To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$85,000 to be paid from the Gross Settlement Amount, with 75% (\$63,750) allocated to the LWDA PAGA Payment and 25% (\$21,250) allocated to the Individual PAGA Payments.

i. Subject to Court approval of the PAGA Penalties, and per California Labor Code section 2699(i), the Administrator will mail the LWDA PAGA Payment to the LWDA. Counsel for Plaintiffs will upload a copy of the Final Approval Order and Judgment to the LWDA's submission portal: <https://dir.tfaforms.net/315>.

ii. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. The Administrator will issue IRS Forms 1099-MISC and a copy of the PAGA Payment Notice to Aggrieved Employees for their Individual PAGA Payment. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

iii. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

D. SETTLEMENT FUNDING AND PAYMENTS.

1. Aggrieved Employee Pay Periods. Based on a review of its records, Sausal Defendants estimate that, as of the date of the Parties' mediation, there were approximately 89 Aggrieved Employees who worked a total of 5,711 PAGA Pay Periods.

2. Aggrieved Employee Data. No later than 30 days after the Court grants Preliminary Approval of the Settlement, Sausal Defendants will deliver the Aggrieved Employee Data to the Administrator. To protect Aggrieved Employee' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement.

3. Funding of Gross Settlement Amount. Sausal Defendants shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 30 days after the Effective Date.

4. Payments from the Gross Settlement Amount. Within 45 days after the Effective Date, the Administrator will distribute checks for all Individual PAGA Payments, the LWDA

1 PAGA Payment, Administration Expenses, PAGA Counsel Fees, and PAGA Counsel
2 Expenses.

- 3 a. The Administrator will issue checks for the Individual PAGA Payments and send
4 them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The
5 face of each check shall prominently state the expiration date or a statement that
6 the checks will expire in 180 calendar days, or alternatively, such a statement may
7 be made in a letter accompanying the check. The Administrator will cancel all
8 checks not cashed by the expiration date. Before mailing any checks, the
9 Settlement Administrator must update the recipients' mailing addresses using the
10 National Change of Address Database.
- 11 b. The Administrator must conduct an Aggrieved Employee address search for all
12 other Aggrieved Employees whose checks are returned undelivered without USPS
13 forwarding address. Within 7 days of receiving a returned check the
14 Administrator must re-mail checks to the USPS forwarding address provided or to
15 an address ascertained through the Aggrieved Employee address search. The
16 Administrator need not take further steps to deliver checks to Aggrieved
17 Employees whose re-mailed checks are returned as undelivered. The
18 Administrator shall promptly send a replacement check to any Aggrieved
19 Employee whose original check was lost or misplaced, requested by the
20 Aggrieved Employee prior to the expiration date.
- 21 c. For any Aggrieved Employee whose Individual PAGA Payment check is uncashed
22 and cancelled after the void date, the Administrator shall transmit the funds
23 represented by such checks to the California Controller's Unclaimed Property Fund
24 in the name of the Aggrieved Employee.
- 25 d. The payment of Individual PAGA Payments shall not obligate Sausal Defendants
26 to confer any additional benefits or make any additional payments to Aggrieved
27 Employees (such as 401(k) contributions or bonuses) beyond those specified in
28 this Agreement.
- 29 e. No person or entity shall have any claim against Sausal Defendants, Released
30 Parties, Defense Counsel, any Aggrieved Employee, PAGA Counsel, or the
31 Administrator based on distributions and payments made in accordance with this
32 Agreement.

33 **E. RELEASES OF CLAIMS.**

- 34 1. Plaintiffs' General Release. As of the Effective Date, each of the Plaintiffs fully, finally,
35 and forever release, compromise, and discharge the Released Parties from all causes of
36 action, claims, judgments, obligations, damages or liabilities of whatever kind and
37 character. Each Plaintiff understands and expressly agrees that this general release
38 extends to all claims of every nature and kind whatsoever, known or unknown,
39 suspected or unsuspected, past or present, which each Plaintiff has or may have against
40 the Released Parties, and all rights under Section 1542 of the California Civil Code are
41 hereby expressly waived. That Section reads as follows:

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2 **A general release does not extend to claims that the creditor or**
3 **releasing party does not know or suspect to exist in his or her favor at**
4 **the time of executing the release and that, if known by him or her,**
5 **would have materially affected his or her settlement with the debtor**
6 **or released party.**

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2. Each Plaintiff acknowledges that he has read this general release, including the waiver of California Civil Code section 1542, and that he has consulted counsel about the general release and specifically about the waiver of section 1542, and that he understands the general release and the section 1542 waiver, and freely and knowingly enters into this Agreement. Each Plaintiff acknowledges that he may later discover facts different from or in addition to those he knows or now believes to be true with respect to the matters released or described in this Agreement, and each Plaintiff agrees that the general release will remain effective in all respects notwithstanding any later discovery of any such different or additional facts.

Plaintiffs' General Release does not extend to Plaintiffs' individual claims asserted in this Action which are resolved and released via separate individual settlements. Additionally, Plaintiffs' General Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time.

3. Release by Aggrieved Employees: All Aggrieved Employees and the State of California are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims they may have for civil penalties under the California Labor Code § 2698 *et seq.* California Labor Code Private Attorneys General Act of 2004 ("PAGA") alleged in the Action and that reasonably could have been alleged in the Action based on the allegations contained in the LWDA Letter and the Operative Complaint and any amendments thereto, including, without limitation, all claims for civil penalties under PAGA related to off-the-clock work, unpaid minimum and overtime wages, unpaid regular and prevailing wages, meal periods and meal period premiums, rest breaks and rest break premiums, wage statements, timely payment of wages during and after employment, business expense reimbursements, and any other Labor Code violations that were alleged in the Action, or that could have been alleged in the Action based on the facts alleged in the Action, which includes, but is not limited to, alleged violations of Labor Code sections 200- 204, 210, 211, 223, 226, 247.5, 226.3, 226.7, 256, 510, 511, 512, 558, 558.1, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 1452, 1772, 1774, 1174.5, 1176, 2802, 2810.5, during the PAGA Period.

F. MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT. Plaintiffs agree to timely prepare and file an application or motion for approval of this Settlement.

1. Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code Section 2699, subd. (f)(2)) including (i) a draft proposed Order Granting Approval of

PAGA Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; and (iii) a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (1)(1)), this Agreement (Labor Code section 2699, subd. (1)(2)). In their Declarations, Plaintiffs and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

2. Responsibilities of PAGA Counsel. PAGA Counsel is responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than 30 days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

3. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting and conferring, in good faith, to resolve the disagreement. If the Court does not grant preliminary approval or conditions preliminary approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting and conferring, in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

a. Parties acknowledge that Plaintiffs and Sausal Defendants have entered into separate agreements to resolve Plaintiffs' individual claims against the Sausal Defendants. Sausal Defendants require as a non-negotiable term that the monetary terms of these individual settlements are confidential. These monetary terms include provisions for attorneys fees that are to be paid separately from the attorneys' fees paid to Plaintiffs' counsel under the PAGA settlement¹. Should the Court wish to review these individual settlements, Sausal Defendants and Defense Counsel hereby agree to work with Plaintiffs and PAGA Counsel to provide all necessary information to the Court; Sausal Defendants and Defense Counsel shall be responsible for drafting and filing any necessary motions related to maintaining confidentiality in producing any such documents to the Court.

G. SETTLEMENT ADMINISTRATION.

1. Selection of Administrator. The Parties have jointly selected Simpluris to serve as the Administrator and verified that, as a condition of appointment, the Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified

¹ Plaintiffs and PAGA Counsel desire to be fully transparent with the Court regarding the settlement of this matter, including individual settlement payments and attorneys fees.

1 in this Agreement in exchange for payment of Administration Expenses. The Parties and
2 their Counsel represent that they have no interest or relationship, financial or otherwise,
3 with the Administrator other than a professional relationship arising out of prior
experiences administering settlements.

4 2. Employer Identification Number. The Administrator shall have and use its own
5 Employer Identification Number for purposes of calculating payroll tax withholdings
and providing reports to state and federal tax authorities.

6 3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that
7 meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury
8 Regulation section 468B-1.

9 4. Administrator Duties. The Administrator has a duty to perform all tasks to be
performed by the Administrator contained in this Agreement or otherwise.

10 **H. CONTINUING JURISDICTION OF THE COURT.** The Parties agree that, after
11 entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the
12 Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii)
13 addressing settlement administration matters, and (iii) addressing such post-Judgment
matters as are permitted by law.

14 **I. AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil
15 Procedure section 384, the Parties will work together in good faith to jointly submit a
proposed amended judgment.

16 **J. ADDITIONAL PROVISIONS.**

17 1. No Admission of Liability or Representative Manageability for Other Purposes. This
18 Agreement represents a compromise and settlement of highly disputed claims. Nothing
19 in this Agreement is intended or should be construed as an admission by Sausal
20 Defendants that any of the allegations in the Action have merit or that Sausal
21 Defendants have any liability for any claims asserted; nor should it be intended or
22 construed as an admission by Plaintiffs that Sausal Defendants' defenses in the Action
23 have merit. The Parties agree that representative treatment is for purposes of this
24 Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final
25 Approval or enter Judgment, Sausal Defendants reserve the right to contest
manageability of the claims for any reasons, and Sausal Defendants reserve all available
26 defenses to the claims in the Action, and Plaintiffs reserve the right to contest Sausal
27 Defendants' defenses. The Settlement, this Agreement and Parties' willingness to settle
28 the Action will have no bearing on, and will not be admissible in connection with, any
litigation (except for proceedings to enforce or effectuate the Settlement and this
Agreement).

2. Limited Public Comment. With the exception of court filings and notice to the LWDA,
Plaintiffs will not make: (1) any comments to the public or the media; (2) engage in
any mass communications or other publicity, including, but not limited to, website,
blog, or social media postings, and (3) public disclosure of the terms of this Settlement

(including, but not limited to, the Maximum Settlement Amount), the negotiations leading to this Settlement, and all documents related to the Settlement. The Parties will use their best efforts to reach agreement on all Court filings. This provision does not prevent PAGA Counsel from communicating with any Aggrieved Employee who may contact PAGA Counsel. Also, nothing in this Agreement restricts PAGA Counsel from disclosing and including all publicly available information regarding this case and the settlement in any documents filed with any court and/or judicial submissions.

3. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
4. Parties' Authority. PAGA Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Sausal Defendants, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
5. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
6. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
7. No Tax Advice. Plaintiffs, PAGA Counsel, and the Aggrieved Employees are each solely responsible for correctly characterizing any payments made pursuant to this Agreement for tax purposes and for paying any taxes on the amounts received. Neither Plaintiffs, PAGA Counsel, Sausal Defendants nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
8. Modification of Agreement. This Agreement may not be changed, altered or modified, except in writing specifically referencing this Agreement, signed by the Parties, and approved by the Court. No rights under this Agreement may be waived except in writing specifically referencing this Agreement, signed by the waiving Party or Parties.

- 1 9. Agreement Binding on Successors. This Agreement will be binding upon, and inure to
2 the benefit of the Parties, and the Released Parties and their respective heirs, trustees,
3 executors, administrators, successors and assigns.
- 4 10. Applicable Law. All terms and conditions of this Agreement and its exhibits will be
5 governed by, and interpreted in accordance with, the laws of the state of California,
6 without regard to conflict of law principles.
- 7 11. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of
8 this Agreement. This Agreement will not be construed against any Party on the basis
9 that the Party was the drafter or participated in the drafting.
- 10 12. Confidentiality. To the extent permitted by law, all agreements made, and orders
11 entered during this Action and in this Agreement relating to the confidentiality of
12 information shall survive the execution of this Agreement.
- 13 13. Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel
14 pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Aggrieved
15 Employee Data provided to PAGA Counsel by Sausal Defendants in connection with
16 the mediation, other settlement negotiations, or in connection with the Settlement,
17 may be used only with respect to this Settlement, and no other purpose, and may not
18 be used in any way that violates any existing contractual agreement, statute, or rule of
19 court. Not later than 90 days after the date when the Court discharges the
20 Administrator's obligation to pay out of all Settlement funds, Plaintiffs shall destroy,
21 all paper and electronic versions of Aggrieved Employee Data received from Sausal
22 Defendants unless, prior to the Court's discharge of the Administrator's obligation,
23 Sausal Defendants make a written request to PAGA Counsel for the return, rather than
24 the destruction, of Aggrieved Employee Data.
- 25 14. Headings. The descriptive heading of any section or paragraph of this Agreement is
26 inserted for convenience of reference only and does not constitute a part of this
27 Agreement.
- 28 15. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall
be to calendar days. In the event any date or deadline set forth in this Agreement falls
on a weekend or federal legal holiday, such date or deadline shall be on the first
business day thereafter.
16. Notice. All notices, demands or other communications between the Parties in
connection with this Agreement will be in writing and deemed to have been duly given
as of the third business day after mailing by United States mail, or the day sent by
email or messenger, addressed as follows:

To Plaintiffs:

Alexander Rusnak
RUSNAK LAW OFFICE
arusnak@rusnaklawoffice.com
1001 Molalla Avenue, Suite 221

Oregon City, OR 97045
Telephone: (408) 351-0114

Tomas Margain
tomas@jawlawgroup.com
JUSTICE AT WORK LAW GROUP, LLP
1550 The Alameda, Suite 160
San Jose, California 95126
Telephone: (408) 317-1100
Facsimile: (408) 351-0105

To Sausal Defendants:

Julie A. Marquis, Esq.
jmarquis@fmglaw.com
Nicole M. Cloudsley, Esq.
ncloudsley@fmglaw.com
FREEMAN MATHIS & GARY, LLP
1010 B Street, Suite 400
San Rafael, CA 94901
(415) 352-6434

17. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed as to the Sausal Defendants, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP §583.330 to extend the date to bring a case to trial under CCP §583.310 for the entire period of this settlement process.

18. Execution in Counterparts. This Agreement may be executed in counterparts and by original or electronic signatures consistent with the Uniform Electronic Transactions Act (Civil Code § 1633.1-1633.17) sent via PDF through email, and when each party has signed and delivered at least one such counterpart, each counterpart, including e-mail and PDF versions, will be deemed an original and, when taken together with other signed counterparts, will constitute one Agreement binding upon and effective as to all Parties.

19. Voluntary Agreement. The Parties expressly declare and represent that they have read this Agreement and have consulted with counsel, or had the opportunity to consult with counsel, regarding the meaning of the provisions, terms, and conditions contained in this Agreement. The Parties further expressly declare and represent that they fully understand the content and effect of this Agreement, that they approve and accept its terms and conditions, and that the Agreement is executed freely and voluntarily.

1 IT IS SO AGREED:

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3 Dated:

PLAINTIFF OSCAR CORONA

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6 Dated:

PLAINTIFF FAVIAN G. GOMEZ

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9 Dated:

PLAINTIFF JOSE B. GONZALEZ

10
11 Dated:

PLAINTIFF ALBERTO LOYA

12
13
14 Dated:

11/12/24


DEFENDANT JAMES E. WARD

15
16
17 Dated:

11/12/24


DEFENDANT LESLIE L. WARD

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19 Dated:

10/30/24


DEFENDANT JOSHUA L. WARD

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22 Dated:

10/30/24

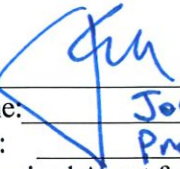

DEFENDANT KEVIN HALLAS

23
24
25 Dated:

DEFENDANT SAUSAL CORPORATION

26 By:

27 Name:


JOSH WARD

Title:

President

Authorized Agent for Sausal Corporation

1 **IT IS SO AGREED:**

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3 Dated: 10/29/24

Oscar Corona
Oscar Corona (Oct 29, 2024 15:56 PDT)

PLAINTIFF OSCAR CORONA

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5 Dated:

PLAINTIFF FAVIAN G. GOMEZ

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PLAINTIFF JOSE B. GONZALEZ

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PLAINTIFF ALBERTO LOYA

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DEFENDANT JAMES E. WARD

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DEFENDANT LESLIE L. WARD

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DEFENDANT JOSHUA L. WARD

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DEFENDANT KEVIN HALLAS

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25 Dated:

DEFENDANT SAUSAL CORPORATION

26 By: _____
27 Name: _____
28 Title: _____
Authorized Agent for Sausal Corporation

1 **IT IS SO AGREED:**

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3 Dated:

PLAINTIFF OSCAR CORONA

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5 Dated: 10/27/2024

*Fabian
Garcia*

6 PLAINTIFF FAVIAN G. GOMEZ

7
8 Dated: 10/28/2024

Jose Baldeemar Gonzalez Fuentes

9 PLAINTIFF JOSE B. GONZALEZ

10
11 Dated: 10/30/2024

Alberto Loya

12 PLAINTIFF ALBERTO LOYA

13
14 Dated:

15 DEFENDANT JAMES E. WARD

16
17 Dated:

18 DEFENDANT LESLIE L. WARD

19
20 Dated:

21 DEFENDANT JOSHUA L. WARD

22
23 Dated:

24 DEFENDANT KEVIN HALLAS

25 Dated:

DEFENDANT SAUSAL CORPORATION

26 By: _____

27 Name: _____

28 Title: _____

Authorized Agent for Sausal Corporation

1 **AGREED AS TO FORM:**

2 Dated: 10/30/2024

RUSNAK LAW OFFICE

3
4 By: Tomas Margain
5 Alexander Rusnak
6 Tomas Margain
7 *Attorney for Plaintiffs*
8 Oscar Corona, Favian G. Gomez, Jose B.
Gonzalez, and Alberto Loya

9 Dated:

FREEMAN MATHIS & GARY, LLP

10
11 By: _____
12 Julie A. Marquis
13 Nicole Cloudsley
14 Scott J. Hroza
15 *Attorneys for Defendants*
16 SAUSAL CORPORATION, JAMES E.
17 WARD, LESLIE L. WARD, JOSHUA L.
18 WARD AND KEVIN HALLAS

1 **AGREED AS TO FORM:**

2 Dated:

RUSNAK LAW OFFICE

3
4 By:

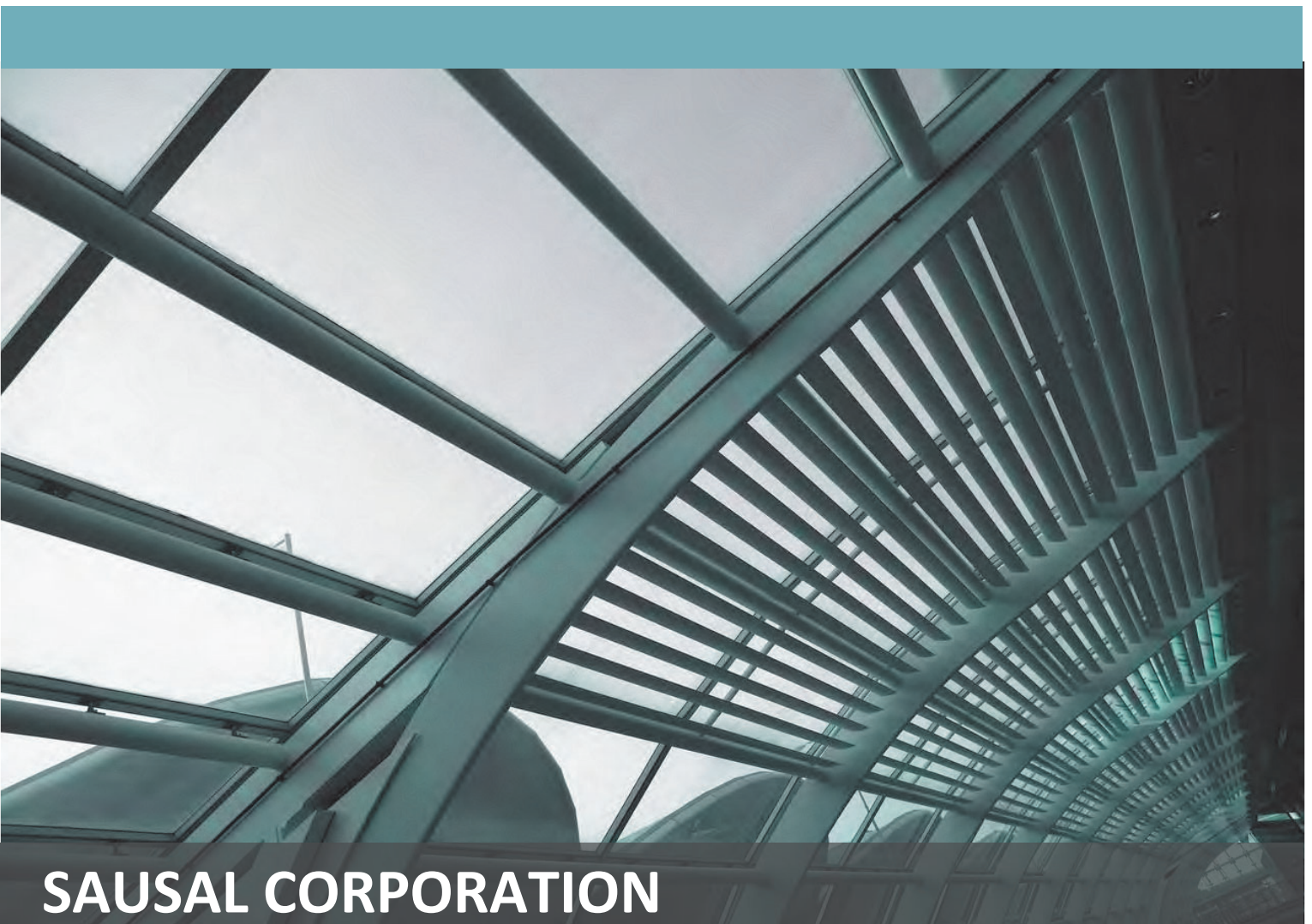
Alexander Rusnak
Tomas Margain
Attorney for Plaintiffs
Oscar Corona, Favian G. Gomez, Jose B.
Gonzalez, and Alberto Loya

5
6
7
8
9 Dated: November 13, 2024

FREEMAN MATHIS & GARY, LLP

10
11 By:


Julie A. Marquis
Nicole Cloudsley
Scott J. Hroza
Attorneys for Defendants
SAUSAL CORPORATION, JAMES E.
WARD, LESLIE L. WARD, JOSHUA L.
WARD AND KEVIN HALLAS



SAUSAL CORPORATION

EMPLOYEE HANDBOOK

EXHIBIT B

THERE IS AN ANSWERING MACHINE THAT CAN ANSWER LINE 6600 ONLY. IF EVERYONE IS OUT OF THE OFFICE AT THE SAME TIME. ALSO THE ANSWERING MACHINE SHOULD BE TURNED ON AT NIGHT BY THE LAST PERSON LEAVING THE OFFICE TO PICK UP ANY LATE OR EARLY AM CALLS. ALL OFFICE EMPLOYEES MUST BE AT THEIR DESKS READY TO START WORK AT 8:00 AM. QUITTING TIME (5:00 PM) FOR ALL EMPLOYEES IS THE TIME YOU STOP WORKING, THEN YOU CLEAN UP YOUR DESK AREA. TURN OFF EQUIPMENT AND PREPARE TO LEAVE.

OVERTIME

AS NECESSARY, EMPLOYEES MAY BE REQUIRED TO WORK OVERTIME. FOR PURPOSES OF DETERMINING WHICH HOURS CONSTITUTE OVERTIME, ONLY ACTUAL HOURS WORKED IN A GIVEN WORKDAY OR WORKWEEK WILL BE COUNTED. THE COMPANY WILL ATTEMPT TO DISTRIBUTE OVERTIME EVENLY AND ACCOMMODATE INDIVIDUAL SCHEDULES. ALL OVERTIME WORK MUST BE PREVIOUSLY AUTHORIZED BY A SUPERVISOR. THE COMPANY PROVIDES COMPENSATION FOR ALL OVERTIME HOURS WORKED BY NON-EXEMPT EMPLOYEES IN ACCORDANCE WITH STATE AND FEDERAL LAW AS FOLLOWS: ALL HOURS WORKED IN EXCESS OF 8 HOURS A DAY WILL BE TREATED AS OVERTIME. THE WORKDAY BEGINS AT 8:01 AM AND ENDS 24 HOURS LATER. A WORK WEEK BEGINS EACH TUESDAY AT 8:01 AM.

COMPENSATION FOR HOURS WORKED IN EXCESS OF 40 IN A WORKWEEK SHALL BE PAID AT A RATE ONE – AND – ONE-HALF TIMES THE EMPLOYEES REGULAR RATE OF PAY.

EXEMPT EMPLOYEES MAY HAVE TO WORK HOURS BEYOND THEIR NORMAL SCHEDULES AS WORK DEMANDS REQUIRE. NO OVERTIME COMPENSATION WILL BE PAID TO EXEMPT EMPLOYEES.

FIELD

CONSTRUCTION CREWS NORMAL WORKING HOURS ARE ESTABLISHED ON A PER PROJECT BASIS DEPENDING ON THE BUSINESS HOURS OF THE CLIENT OR CONTRACT REQUIREMENTS. IT WILL BE UP TO THE SUPERINTENDENT OR FOREMAN TO REGULATE THE WORK HOURS AFTER APPROVAL BY COMPANY MANAGEMENT.

START TIME MEANS YOU ARE READY TO START WORK, WITH ALL TOOLS AND EQUIPMENT UNLOADED BEFORE START TIME.

QUITTING TIME IS THE TIME YOU STOP WORKING, THEN YOU PICK UP YOUR TOOLS AND EQUIPMENT AND PREPARE TO LEAVE.

TIMECARDS WILL BE USED TO RECORD ALL FIELD LABOR. TIMECARDS ARE DUE IN THE OFFICE ON TUESDAYS OF EACH WEEK.

SAUSAL CORPORATION EMPLOYEE HANDBOOK

EMPLOYEES ARRIVING AFTER START TIME WILL BE DOCKED IN INCREMENTS OF 30 MINUTES, AND NOTATIONS OF TARDINESS WILL BE MADE A PART OF YOUR PERMANENT PERSONNEL FILE.

STATE LAW REQUIRES A 30 MINUTE MEAL BREAK AFTER EVERY FOUR (4) HOURS OF WORK TIME AND 10 MINUTE BREAKS MORNING AND AFTERNOONS. NO EMPLOYEE IS TO TAKE IT UPON THEMSELVES TO SKIP LUNCH IN ORDER TO SHORTEN THEIR DAY.

NO OVERTIME WORK IS ALLOWED WITHOUT PRIOR AUTHORIZATION FROM MANAGEMENT. THE SUPERVISOR MUST CONTACT MANAGEMENT IF OVERTIME MAY BE REQUIRED FOR A PARTICULAR PROJECT THAT HAS A CRITICAL DEADLINE. ALL EMPLOYEES MUST BE FLEXIBLE ENOUGH TO ACCEPT OVERTIME WORK WHEN REQUIRED.

PERSONAL BUSINESS DONE ON COMPANY TIME

EXCESSIVE PERSONAL PHONE CALLS DURING WORK HOURS ARE PROHIBITED. YOU ARE PERMITTED TO RECEIVE SPOUSE CALLS OR EMERGENCY CALLS ONLY IF YOU WORK IN THE FIELD, THE OFFICE WILL TAKE AN EMERGENCY CALL AND CONTACT YOU IMMEDIATELY THROUGH YOUR SUPERINTENDENT. YOU MAY MAKE PERSONAL CALLS DURING YOUR BREAKS OR LUNCH, BUT PLEASE NOTIFY YOUR FRIENDS/FAMILY/CREDIT COMPANIES THAT YOU ARE LIMITED TO RECEIVING CALLS DURING WORK HOURS. YOU MAY MAKE CALLS TO ARRANGE DOCTOR OR SCHOOL APPOINTMENTS, BUT PLEASE BE MINDFUL OF THE IMPACT OF YOUR ABSENCE WHILE ON APPOINTMENT ON THE DAILY SCHEDULE.

LONG DISTANCE PHONE CALLS ON THE JOBSITE TELEPHONES THAT ARE FOUND TO BE OF A PERSONAL NATURE ARE PROHIBITED. NO WORK IS EVER DONE OUTSIDE OF CALIFORNIA BY THIS COMPANY AND THE PHONE BILLS WILL SHOW THESE CALLS. VIOLATORS WILL BE RESPONSIBLE TO REIMBURSE THE COMPANY. ALSO EACH EMPLOYEE, AS WELL AS THE SUPERINTENDENT, SHOULD MONITOR THE SUBCONTRACTORS USE OF THE JOBSITE PHONE. IF YOU FIND THAT ANY SUB IS USING THE PHONE EXCESSIVELY, PLEASE REPORT IT TO YOUR SUPERVISOR.

ABSENCES

NO EMPLOYEE MAY LEAVE HIS/HER JOB WITHOUT INFORMING HIS SUPERVISOR. IF YOUR SUPERVISOR IS NOT AT THE JOBSITE AT THE TIME AND YOU MUST LEAVE AND HE/SHE DOES NOT KNOW YOU ARE LEAVING FROM PRIOR ARRANGEMENTS, YOU MUST CALL THE OFFICE AND INFORM MANAGEMENT.

EXCESSIVE ABSENCE FROM WORK WILL BE TAKEN INTO CONSIDERATION AT THE TIME OF YOUR REVIEW, AND MAY BE GROUNDS FOR DISMISSAL.

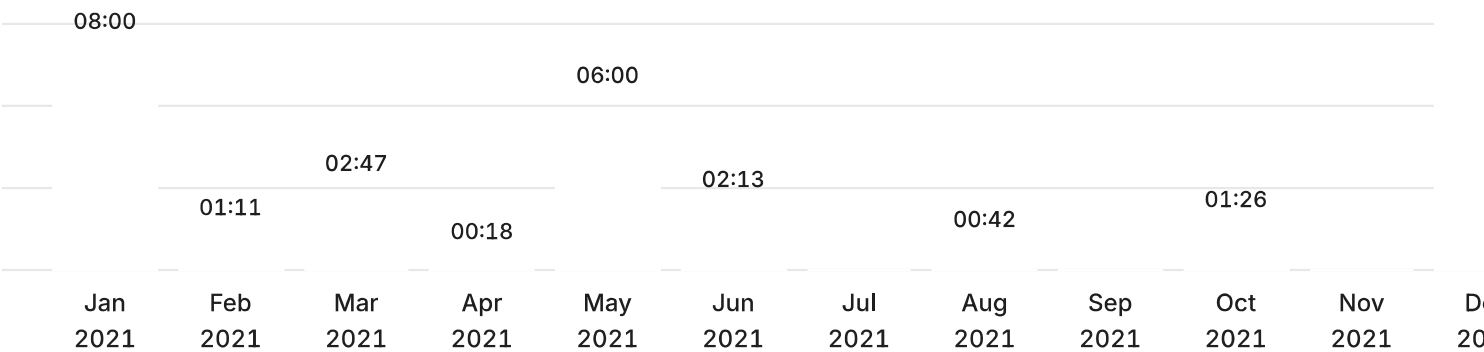
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FILTERS: Member Client Project 1 Tag Description ✕

◀ 01 Jan 2021 - 31 Dec 2021 ✕ ▶

13



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Group by Project

and Time Entry

☐ Rounding

TITLE

DURATION

PERCENTAGE

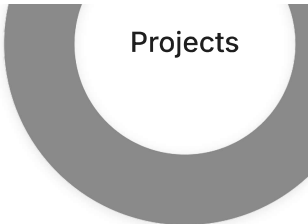
34

● Sausal

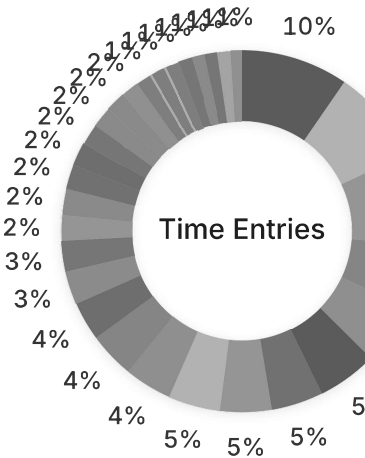
36:35:40

100.00%

TOTAL HOURS
36:35:40



100%



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Reports Summary Detailed Weekly Saved 📁 Save & share 💰 Create invoice

FILTERS: 👤 Member 👤 Client 📁 Project 1 🏷 Tag Aa Description ✕

◀ 📅 01 Jan 2022 - 31 Dec 2022 ✕ ▶

27:54

09:32

05

00:18

00:26

00:18

00:29

01:15

01:17

Jan
2022

Feb
2022

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May
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Jun
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Oct
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Nov
2022

Dec
2022

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Group by
Project



and Time
Entry



Rounding



TOTAL HOURS

46:33:36



TITLE

DURATION

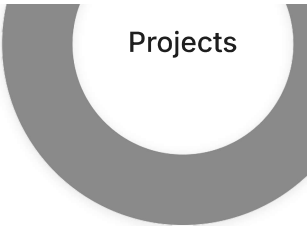
PERCENTAGE

44

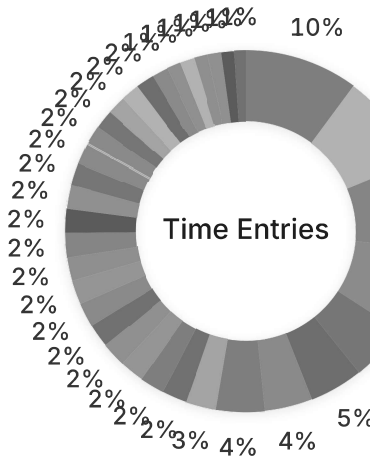
● Sausal

46:33:36

100.00%



100%



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FILTERS:  Member  Client  Project 1  Tag  Description ✕

✕  01 Jan 2023 - 31 Dec 2023 ✕ ➤

39:58

18:38

07:26

09:04

05:39

01:04

00:59

03:14

01:00

01:44

Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023
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Group by
Project

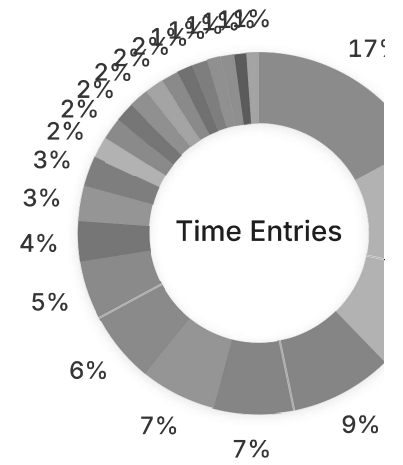
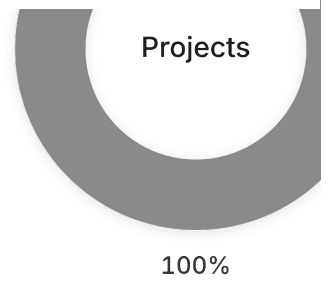
and Time
Entry

 Rounding 

TOTAL HOURS
88:47:45

	TITLE 	DURATION 	PERCENTAGE
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53	● Sausal	88:47:45	100.00%
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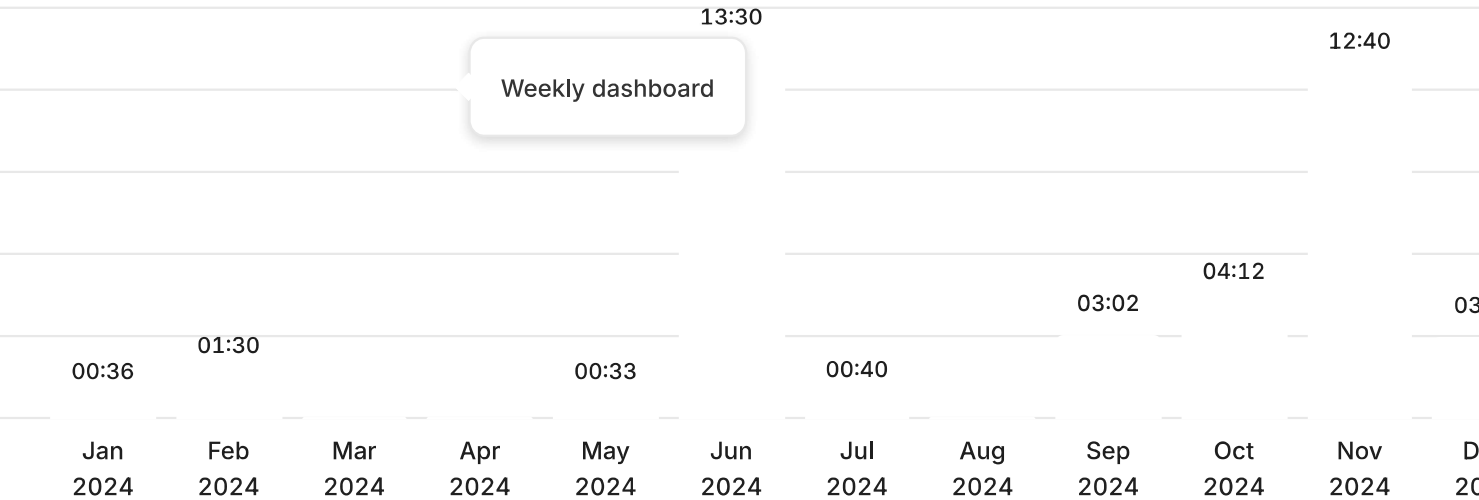


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Reports Summary Detailed Weekly Saved Save & share Create invoice

FILTERS: Member Client Project 1 Tag Description ✕

◀ 01 Jan 2024 - 31 Dec 2024 ✕ ▶



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Group by Project

and Time Entry

☐ Rounding

▼

TITLE

DURATION

PERCENTAGE

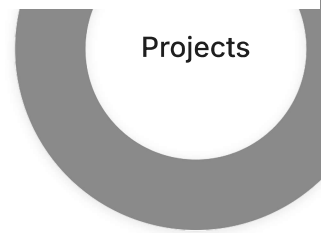
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● Sausal

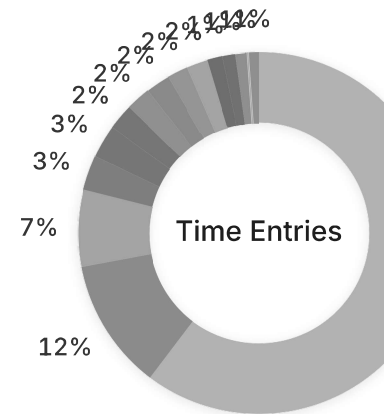
39:46:40

100.00%

TOTAL HOURS
39:46:40



100%



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×

Reports

Summary

Detailed

Weekly

Saved

 Save & share

 Create invoice

FILTERS:

 Member

 Client

 Project 1

 Tag

 Description

×

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 This year

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14:03

Jan 2025

Feb 2025

Mar 2025

Apr 2025

May 2025

Jun 2025

Jul 2025

Aug 2025

Sep 2025

Oct 2025

Nov 2025

Dec 2025



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TOTAL HOURS

14:03:55

Group by

Project

▼



and Time

Entry

▼

☐

Rounding





TITLE

DURATION

PERCENTAGE

8

● Sausal

14:03:55

100.00%

