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6 individually and on behalf of similarly situated employees

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

10 ARNOLD SERRANO, individually and on
behalf of all other similarly situated
11 employees,

12 Plaintiff,

13 vs.

14 COOL TIME, LLC, a California Corporation;
15 and DOES 1 to 100, inclusive,

16 Defendants.
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Case No. 34-2021-00312356

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

CLASS ACTION

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

Reservation No. 2708254

Date: March 17, 2023

Time: 9:00 a.m.

Dept.: 28

Judge: Hon. Lauri A. Damrell

Filed: December 8, 2021

FAC Filed: February 10, 2022

Trial Date: None Set

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 March 17, 2023, at 9:00 a.m., in Department 28
4 before the Honorable Lauri A. Damrell, presiding. Named Plaintiff Arnold Serrano (“Plaintiff”) filed
5 this putative class action on December 8, 2021. The operative Complaint alleges that Defendant Cool
6 Time, LLC (“Defendant”) violated California law by 1) failing to pay overtime wages, 2) failing to
7 pay minimum wages, 3) failing to provide meal periods, 4) failing to provide rest periods, 5) failing to
8 provide accurate wage statements, 6) failing to timely pay all final wages, 7) failing to reimburse
9 employees for incurred expenses, and 8) by engaging in unfair competition. Plaintiff has also alleged
10 Defendant is liable for civil penalties under the Private Attorneys General Act (“PAGA”) based on
11 these alleged violations. Plaintiff sought attorneys’ fees and costs as part of this Action. Defendant
12 denied all of Plaintiff’s claims and denied that this case was appropriate for class treatment. No class
13 has been certified.

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

22 **I. PRELIMINARILY CERTIFYING A SETTLEMENT CLASS; APPOINTMENT OF**
23 **CLASS REPRESENTATIVES; APPOINTMENT OF CLASS COUNSEL**

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

26 All non-exempt employees who have or continue to work for Defendants
27 in California from December 8, 2017, up to either (1) the Preliminary
Approval Date, or (2) April 18, 2023, whichever is earlier.

28 The Court recognizes that the foregoing definition is for Class Member identification purposes

only and is not intended to capture the claims at issue or limit or alter the released claims under the Agreement.

The Court finds that Class Members meet the ascertainability and numerosity requirements since the parties can identify with a matter of certainty, based on payroll records, individuals who fall within the definition and the number of Class Members would make joinder impractical. The commonality and predominance requirements are met for settlement purposes since there are questions of law and fact common to Class Members. The common questions of law or fact in this case all stem from Plaintiff's contentions that Defendant caused the violations outlined above by 1) failing to pay minimum wages for off-the-clock work, 2) failing to pay overtime wages for off-the-clock-work, 3) failing to properly record and pay for all hours worked, 4) by failing to pay for being on-call, 5) failing to authorize and permit timely and uninterrupted meal periods, 6) failing to authorize and permit timely and uninterrupted rest periods, and failing to pay for reimbursement for mileage, cell phone use, and other work related expenses. The PAGA, waiting time penalty, wage statement violation, and unfair competition claims also derive from these alleged violations. Additionally, Class Members seek the same remedies under state law. The typicality requirement for settlement purposes is also satisfied since the claims of the Class Representative is based on the same facts and legal theories as those applicable to the class members.

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

The Court finds that Plaintiff Arnold Serrano and Plaintiff's counsel, Galen T. Shimoda, Justin P. Rodriguez, and Renald Konini of Shimoda & Rodriguez Law, PC, to be adequate representatives of the settlement class. The Court appoints them as Class Representative and Class Counsel, respectively.

II. PRELIMINARILY APPROVING CLASS ACTION AND PAGA SETTLEMENT

The Court has reviewed the Agreement, which was submitted with Plaintiff's Motion as Exhibit A. The Court finds, on a preliminary and conditional basis, that the Settlement is fair, reasonable, and

adequate and falls within the range of reasonableness of a settlement that could ultimately be given final approval by this Court. The Court finds the Settlement was agreed upon only after extensive investigation, litigation, and arms-length negotiations by counsel experienced in complex litigation, who took reasonable steps and measures to weigh the potential value of the disputed claims against the risks of continued litigation. The Court also acknowledges that Class Members may present any objections to the Settlement at a fairness hearing approved by this Court or opt-out of being bound by the preliminarily approved Agreement. The Court preliminarily approves the Agreement and all terms therein as if stated here in full, including the \$105,000 Gross Settlement Amount.

The Court approves of ILYM Group, Inc. acting as the Settlement Administrator in this case and hereby appoints them to fulfill those duties as outlined in the Agreement.

The Court finds that an award of fees under the common fund doctrine may be appropriate in this case because there is a sufficiently identifiable class of beneficiaries (*i.e.* Class Members), the benefits that Plaintiff and Class Counsel were able to negotiate on behalf of Class Members can be accurately traced as set forth in the Agreement, and the fee can be shifted with exactitude to those benefiting as the fee request is a specific, lump-sum percentage of the Gross Settlement Amount. *See Laffitte v. Robert Half Internat., Inc.*, 1 Cal.5th 480, 506 (2016); *Paul, Johnson, Alston & Hunt v. Graulity*, 886 F.2d 268, 271 (9th Cir. 1989); *Boeing Co. v. Van Gemert*, 444 U.S. 472, 477-478 (1980) (“A lawyer who recovers a common fund for the benefit of persons other than . . . her client is entitled to a reasonable attorney’s fee from the fund as a whole.”). The amounts allocated under the Agreement for attorney’s fees and costs, for an Enhancement Payment to the Class Representative, and Settlement Administrator Costs shall be included in the Notice of Settlement to enable Class Members to review and comment thereon. The Court will consider the reaction of Class Members when evaluating the reasonableness of the requested amounts at final approval. *See In re Heritage Bond Litig.*, 2005 U.S. Dist. LEXIS 13555, 71 (C.D. Cal. 2005) (“the absence of objections or disapproval by class members to class counsel’s fee request further supports finding the fee request reasonable”). Plaintiff and Class Counsel are directed to provide information in connection with the motion for final approval that will enable the Court to assess the appropriateness of any requested fee percentage, to perform a lodestar cross check of the requested fee percentage, and to quantify the amount of time spent by Plaintiff on this case and any further risks

1 and/or burdens incurred as a result of acting as Class Representative. Class Counsel is also directed to
2 provide an updated declaration and itemization regarding actual litigation costs incurred. The
3 Settlement Administrator shall also submit a declaration attesting to Settlement Administrator Costs
4 incurred. The Court will review these amounts and allocations in connection with the final approval
5 hearing. To the extent the Court ultimately awards less than the amounts allocated under the Agreement
6 for attorney's fees and costs, for an Enhancement Payment to the Class Representative, and/or
7 Settlement Administrator Costs, the difference between the amounts awarded and the amounts requested
8 shall be added to the Net Settlement Amount for distribution to Participating Class Members pro rata as
9 set forth in the Agreement.

10 The Court approves of the Five Thousand (\$5,000) PAGA Payment, which shall be paid from
11 the Gross Settlement Amount, not in addition to the Gross Settlement Amount, to resolve the alleged
12 PAGA claims. Seventy-Five percent (75%) of the PAGA Payment will be paid to the Labor and
13 Workforce Development Agency ("LWDA") and Twenty-Five percent (25%) will be paid to Aggrieved
14 Employees on a pro rata basis as described in the Agreement. Under the facts of this case, the Court
15 finds that the Agreement provides a recovery that creates an effective, substantial deterrent to any
16 potential future non-compliance, furthering the purpose of the Labor Code and LWDA.

17 The Court approves of the identified *cy pres* beneficiaries and distribution plan wherein any
18 checks issued to Participating Class Members and/or Aggrieved Employees that are not cashed by the
19 deadline to do so shall be donated equally, *i.e.* 50/50, to Capital Pro Bono, Inc., and the Center for
20 Workers' Rights. *See In re Microsoft I-V Cases*, 135 Cal.App.4th 706, 718 (2006). No portion of the
21 Gross Settlement Amount will revert to Defendant for any reason.

22 The releases and waivers for Class Members who do not opt out of being bound by the
23 Agreement (*i.e.* Participating Class Members), Aggrieved Employees, and the Class Representative are
24 also approved by the Court as set forth in the Agreement.

25 **III. APPROVAL OF THE DISTRIBUTION METHOD OF NOTICE TO THE CLASS,** 26 **INCLUDING THE NOTICE OF SETTLEMENT**

27 The Court finds that the proposed Notice of Settlement, which was submitted with Plaintiff's
28 Motion as Exhibit F, fairly and adequately advises Class Members of the terms of the Agreement, the

rights being waived, their right to opt out, the ability to dispute the number of workweeks worked during the Class Period, their pro rata share of the Net Settlement Amount, how to participate in the settlement, how to file documentation in opposition to the proposed settlement, and when to appear at the fairness hearing to be conducted on the date set forth below. The Court further finds that the Notice of Settlement and proposed distribution of such notice by first class mail to each identified Class Member at his or her most recent address based on a National Change of Address database search from the Class Members' last known address and a skip trace on any Class Members who have the Notice of Settlement returned as "undeliverable" or "not at this address" comports with all constitutional requirements, including those of due process.

The Court also finds that because there is a strong interest in providing Class Members the opportunity to participate in the settlement, along with the Parties' efforts to minimize any intrusion to privacy rights, the sharing of employment information, including social security numbers, is not a serious intrusion on their privacy rights. Hence, the Court orders Defendant to provide all information as set forth in the Agreement to the Settlement Administrator to effectuate the notice and administration of the Settlement. This information shall be provided to the Settlement Administrator only, and not to Plaintiff or Class Counsel, in order to process this settlement as contemplated within the Agreement and approved by this Order. The Settlement Administrator shall only use this information for the purposes identified in the Agreement and shall keep this information confidential consistent with the terms of the Agreement.

IV. IMPLEMENTATION SCHEDULE

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

Last day for Defendant to provide Settlement Administrator with Class Member and Aggrieved Employee information	Within 14 calendar days after the Preliminary Approval Date
Last day for Settlement Administrator to complete NCOA search, update Class Member and Aggrieved Employee mailing information, and mail Notice of Settlement	Within 14 calendar days after the Settlement Administrators' receipt of Class Members' information from Defendant

Last day for Class Members to opt-out, submit disputes, submit objections, and submit data requests	60 calendar days after mailing of Notice of Settlement or within 10 days after Notice of Settlement is re-mailed, whichever is later
Last day for Settlement Administrator to provide Parties with signed declaration reporting on settlement administration statistics	Within 14 calendar days after end of the Notice Period
Last day for Settlement Administrator to calculate the final Net Settlement Amount, the final Individual Settlement Amounts to Participating Class Members and/or Aggrieved Employees, any applicable taxes thereon, and report the results of these calculations to Class Counsel and Defendant's Counsel	Within 7 calendar days after the Effective Date
Last day for Defendant to fund settlement	Within 21 calendar days after the Effective Date
Last day for Settlement Administrator to deliver payment of Class Counsel's attorney's fees and costs, Enhancement Payments, PAGA Payment, Settlement Administrator Costs, payment to Participating Class Members, and payment to Aggrieved Employees	Within 7 calendar days after Defendant has funded the settlement
Last day for Participating Class Members and Aggrieved Employees to cash settlement checks	180 calendar days after issuance of checks to Participating Class Members and Aggrieved Employees
Last day for Settlement Administrator to deliver value of uncashed settlement checks to <i>cy pres</i> beneficiaries	Within 14 calendar days after settlement check cashing deadline
Last day for Settlement Administrator to provide Parties with compliance declaration	Within 21 calendar days after settlement check cashing deadline

FINAL APPROVAL AND HEARING

The Court hereby grants Plaintiff's Motion and sets final approval hearing on the proposed date of August 4, 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. Participating Class Members who object in

1 a timely manner as set forth in the Agreement, may appear and present such objections at the fairness
2 hearing in person or by counsel.

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

8 **IT IS SO ORDERED.**

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10 Date: _____

By: _____
Judge of the Superior Court