

Nicholas J. Ferraro (State Bar No. 306528)
Lauren N. Vega (State Bar No. 306525)
Mariela R. Romo (State Bar No. 341657)
Ferraro Vega Employment Lawyers, Inc.
3333 Camino del Rio South, Suite 300
San Diego, California 92108
(619) 693-7727 main / (619) 350-6855 fax
nick@ferrarovega.com / lauren@ferrarovega.com
mariela@ferrarovega.com

Attorneys for Plaintiff Jose Garcia

ELECTRONICALLY FILED
Superior Court of California,
County of San Diego

4/1/2025 4:19:15 PM

Clerk of the Superior Court
By F. Gonzalez ,Deputy Clerk

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO**

JOSE GARCIA, on behalf of others similarly
situated and the State of California under the
Private Attorneys General Act,

Plaintiffs,

vs.

MARCON ENGINEERING, INC. and DOES 1
through 50, inclusive,

Defendants.

Case No. 25CU007505C

Hon. Michael T. Smyth
Dept. 67

CLASS ACTION

**FIRST AMENDED CLASS AND
REPRESENTATIVE ACTION
COMPLAINT**

1. Failure to Pay All Wages Owed
2. Failure to Pay All Overtime Wages
3. Paid Sick Leave Violations
4. Untimely Payment of Wages
5. Wage Statement Violations
6. Failure to Reimburse Business Expenses
7. Unfair Competition
8. Civil Penalties under the Private Attorneys General Act (Labor Code §§ 2698 *et seq.*)

Action Filed: February 11, 2025

1 Plaintiff JOSE GARCIA, on behalf of all others similarly situated and the State of California
2 under the Private Attorneys General Act (“Plaintiff”) brings this FIRST AMENDED CLASS AND
3 REPRESENTATIVE ACTION COMPLAINT against Defendants MARCON ENGINEERING, INC.
4 and DOES 1 through 50, inclusive (collectively “Defendants”), alleging as follows:

5 **INTRODUCTION**

- 6 1. This is a class action for wage and hour violations of the California Labor Code.
- 7 2. Defendants failed to pay Plaintiff and the class members all minimum and overtime
8 wages due to its unlawful policies and practices, including unlawful time editing.
- 9 3. Defendants failed to comply with California’s paid sick leave laws with respect to the
10 class members. Due to Defendant’s unlawful policy and practice of time shaving, Defendants failed
11 to account for all hours worked when calculating Plaintiff’s and other class members’ accrued paid
12 sick leave.
- 13 4. Defendants failed to reimburse Plaintiff and class members for necessary expenses
14 incurred in furtherance of the class members’ job duties.
- 15 5. Defendants’ employment policies, practices, and payroll administration systems
16 enabled and facilitated these violations on a company-wide basis with respect to class members.
- 17 6. Defendants are further liable for derivative claims for wage statements, untimely
18 payment, and other associated violations.
- 19 7. Plaintiff seeks to recover the underpaid damages, plus associated penalties, interests,
20 attorney’s fees and costs.

21 **JURISDICTION & VENUE**

- 22 8. Jurisdiction of this action is proper in this Court under Article VI, Section 10 of the
23 California Constitution as the causes of action are premised upon violations of California law.
- 24 9. The monetary damages and restitution sought exceed the minimal jurisdiction limits of
25 the Superior Court.
- 26 10. This Court has jurisdiction over Defendants because, upon information and belief,
27 Defendants have sufficient minimum contacts in California, or otherwise intentionally avail
28 themselves to the California economy so as to render the exercise of jurisdiction over them by the

California courts consistent with traditional notions of fair play and substantial justice.

11. Venue is proper in this Court under Code of Civil Procedure sections 393(a), 395, and/or 395.5 because, upon information and belief, Defendants conducted business and committed some of the alleged violations in this County.

PARTIES

A. Plaintiff Jose Garcia

12. Plaintiff Garcia is an individual over 18 years of age who worked for Defendants in California as a non-exempt employee from about October 2022 to July 2024. Plaintiff worked as a Laborer, Operator, and Surveyor.

13. The State of California, via the Labor and Workforce Development Agency (“LWDA”), is the real party in interest in this action. (*Kim v. Reins Int’l California, Inc.* (2020) 9 Cal. 5th 73, 81 [The “government entity on whose behalf the plaintiff files suit is always the real party in interest.”])

B. Defendants

14. Defendant Marcon Engineering, Inc. is a California corporation that maintains operations and conducts business throughout the State of California, including in this county.

15. The true names and capacities, whether individual, corporate, or otherwise, of the parties sued as DOES 1 through 50, are presently unknown, unascertainable, or uncertain, and are sued by such fictitious names under Code of Civil Procedure section 474. Upon information and belief, each of DOES 1 through 50 constitutes a legal employer or is otherwise legally responsible in some manner for the acts and omissions alleged herein. This Complaint may be amended to reflect their true names and capacities once ascertained.

16. Upon information and belief, Defendants in this action are employers, co-employers, joint employers, and/or part of an integrated employer enterprise, as each of the Defendants exercised control over the wages, hours, and working conditions of the employees, suffered and permitted them to work, and otherwise engaged them as employees under California law.

17. Upon information and belief, at least some of the Defendants have common ownership, common management, interrelationship of operations, and centralized control over labor relations and

are therefore part of an integrated enterprise and thus jointly and severally responsible for the acts and omissions alleged herein, including pursuant to Labor Code sections 558, 558.1, and 1197.1.

18. Upon information and belief, Defendants acted in all respects pertinent to this action as an alter-ego, agent, servant, joint employer, joint venturer, co-conspirator, partner, in an integrated enterprise, or in some other capacity on behalf of all other co-defendants, such that the acts and omissions of each defendant may be legally attributable to all others.

CLASS ALLEGATIONS

19. This action is brought individually and on behalf of the following class pursuant to Code of Civil Procedure section 382:

a. All current and former non-exempt employees who worked for Defendants in California at any time from four years (plus the additional 178-day statutory tolling period under Emergency Rule 9) prior to the filing of this action through date of class certification.

20. Plaintiff reserves the right to establish various subclass definitions as appropriate at the class certification stage, according to proof.

21. The class is ascertainable and shares a well-defined community of interest in this litigation:

a. Numerosity: The class is estimated to exceed 50 individuals, although the precise membership of the entire class is unknown at this time. The class is so numerous that joinder of all class members is impracticable. The identities of class members are ascertainable by inspection of Defendants' employment and payroll records.

b. Typicality: Plaintiff's claims are typical of the claims of the other class members. They were subject to the same policies and practices of Defendants, which resulted in losses to the class. Proof of common unlawful business practices, which Plaintiff experienced, will establish the right of the class to recover on the causes of action alleged herein.

c. Adequacy: Plaintiff is an adequate class representative; will take all necessary

steps to protect the class members' interests adequately and fairly; has no interest antagonistic to other class members; and is represented by attorneys who have substantial experience prosecuting, defending, resolving, and litigating wage and hour class, collective, and representative actions in California state and federal courts.

d. Superiority: A class action is superior to other means for adjudicating this dispute. Individual joinder is impractical. Class treatment will allow for common issues to be resolved in a single forum, simultaneously, and without duplication of effort and expense.

e. Public Policy Considerations: Certification of this lawsuit as a class action advances the State of California's strong public interest in ensuring its approximately millions of employed residents are properly paid the wages they earned for the hours they worked. Class actions provide a mechanism for enforcement of labor laws and allow for vindication of employee rights by unnamed class members.

22. Common questions of law and fact as to the class members predominate over questions affecting only individual members. The common questions of law and fact exist as to whether the employment policies and practices formulated by Defendants and applied to the class members constitute violations of California law.

GENERAL ALLEGATIONS

23. Defendants failed to pay Plaintiff and the class members at the lawful minimum wage rate for all hours worked, resulting in unpaid minimum wages.

24. Defendants engaged in a policy and practice of editing employees' time records that resulted in an underpayment of regular wages to Plaintiff and the class members. For example, Plaintiff often worked more than 8 hours to complete work as required by Defendants. Plaintiff was required to stay late to pack up tools, clean up job sites, and lock up job sites. These tasks often took as long as fifteen minutes to complete before Defendants allowed Plaintiff to clock out. However, when Plaintiff worked more than 8 hours, his supervisor would adjust his time clock to reflect Plaintiff only working

1 8 hours to avoid paying Plaintiff and the class members at the lawful overtime rate. Due to this
2 unlawful time shaving practice, Defendants failed to compensate Plaintiff and the class members for
3 all hours worked, resulting in minimum wage violations.

4 25. Defendants also failed to pay Plaintiff and the class members all overtime wages at the
5 lawful rate of pay for overtime hours worked. Defendants engaged in an unlawful policy and practice
6 of time shaving to avoid paying Plaintiff and the class members at the lawful overtime rate. To the
7 extent that this unlawful practice resulted in unpaid hours worked over 8 hours in a day or 40 hours in
8 a week, this resulted in unpaid overtime.

9 26. Defendants failed to comply with California's paid sick leave laws with respect to the
10 class members. Due to Defendants' unlawful policy and practice of time shaving, Defendants failed
11 to account for all hours worked when calculating Plaintiff's and the class members accrued paid sick
12 leave.

13 27. Defendants required Plaintiff and the class members to incur costs for work-related
14 purposes without full reimbursement. In direct consequence of their job duties, Plaintiff and the class
15 members unavoidably and necessarily incurred these losses, expenditures, costs, and as a matter of
16 policy and practice. Plaintiff and the class members were required to use their personal vehicles for
17 work-related purposes. Specifically, each week Plaintiff and class members were required to drive to
18 and from job sites as far as six hours away. However, Plaintiff and class members were not reimbursed
19 for their mileage expenses.

20 28. Because Defendants failed to pay all wages and premiums in each pay period in which
21 such wages were earned at the lawful rate, Defendants violated Labor Code section 204 and/or 204b
22 (for weekly employees, as applicable). Defendants violated Labor Code sections 204 and 204b by
23 failing to pay all wages and premiums owed on the regular pay days scheduled each pay period within
24 seven calendar days of the close of the payroll period, as a result of the policies and practices set forth
25 in this notice.

26 29. Defendants failed to pay all wages and premiums owed to the class members during
27 their employment as set forth in this notice and also failed to timely pay those amounts to departing
28 employees upon separation of employment. Defendants did not pay waiting time penalties for the late

1 payments. As a result, Defendants violated Labor Code sections 201, 202, and 203.

2 30. Defendants failed to provide accurate itemized wage statements to the class members
3 each pay period as a result of the policies and practices set forth in this notice. Defendants violated
4 Labor Code section 226(a)(1) and (5) by not listing the correct “gross wages earned” or “net wages
5 earned,” as the employees earned wages and premiums that were not paid, resulting in an inaccurate
6 reflection, and recording of “gross wages earned” on those wage statements. Likewise, in violation of
7 Labor Code section 226(a)(9), Defendants failed to state on employee wage statements each pay period
8 the applicable hourly rates in effect and the number of hours worked at that rate, as Defendants failed
9 to pay all wages and premiums owed to employees. The amounts stated are instead depreciated and
10 underpaid, resulting in an inaccurate reflection on the pay stub.

11 31. Plaintiff and other class members cannot promptly and easily determine from the wage
12 statement alone the wages paid or earned without reference to other documents or information. Indeed,
13 these wage statement violations are significant because they sow confusion among Plaintiff and other
14 class members with respect to what amounts were owed and paid, at what rates, the number of hours
15 worked, and how those amounts were or should be calculated. The wage statements reflect a false
16 statement of earnings and concealed the underlying problems and underpayments of employee wages.

17 **FIRST CAUSE OF ACTION**

18 **FAILURE TO PAY ALL WAGES OWED**

19 **Violation of Labor Code §§ 200, 218, 1194, 1194.2 and 1197**

20 **(All Claims Alleged by Plaintiff and Class Members Against All Defendants)**

21 32. All outside paragraphs of this Complaint are incorporated into this section.

22 33. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code
23 §§ 200, 218, 1182.12, 1194, 1194.2, 1197, 1197.1 and 1198 and the IWC Wage Orders (the “Hours
24 and Days of Work” and “Minimum Wages” sections of the applicable orders), which require non-
25 exempt employees be timely paid at least the state or local minimum wage (if higher) for each hour of
26 work, and further provide a private right of action for an employer’s failure to pay all minimum wages
27 (plus liquidated damages). In addition to minimum wages, Labor Code § 200 states that “wages”
28 includes all amounts for labor performed by employees of every description, whether the amount is

1 fixed or ascertained by the standard of time, task, piece, commission basis, or other method of
2 calculation.”

3 34. Defendants willfully failed in their affirmative obligation to pay Plaintiff and class
4 members at least the lawful minimum wage for each hour worked in violation of Labor Code sections
5 1182.12, 1194, 1194.2, 1197, 1197.1 and 1198 and the IWC Wage Orders (the “Hours and Days of
6 Work” and “Minimum Wages” sections of the applicable orders), including payment at the lawful
7 local and county minimum wage ordinances in effect. As a result, Defendants are liable for all
8 associated damages, including liquidated damages for the minimum wage violations pursuant to Labor
9 Code § 1194.2.

10 35. Defendants’ unlawful acts and omissions deprived Plaintiff and class members of
11 minimum, regular and overtime wages in amounts to be determined at trial. Plaintiff and class
12 members are entitled to recover the full amount of the unpaid wages, plus liquidated damages in an
13 amount equal to the wages unlawfully unpaid (and interest thereon), in addition to interest, attorneys’
14 fees, and costs to the extent permitted by law, including under Labor Code sections 1194 and 1194.2,
15 218.6 and any other applicable statutes.

16 **SECOND CAUSE OF ACTION**

17 **FAILURE TO PAY ALL OVERTIME WAGES**

18 **Violation of Labor Code §§ 510 and 1194**

19 36. All outside paragraphs of this Complaint are incorporated into this section.

20 37. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code
21 §§ 204, 510, 558, 1194, and 1198, which require non-exempt employees be timely paid overtime
22 wages all overtime hours worked, and which further provide a private right of action for an employer’s
23 failure to pay all overtime compensation for overtime hours worked.

24 38. Defendants failed in their affirmative obligation to pay Plaintiff and class members no
25 less than one and one-half times their respective “regular rate of pay” for all hours worked in excess
26 of eight hours in one day, 40 hours in one week, or the first eight hours worked on the seventh day of
27 work in any one workweek, and no less than twice their respective “regular rate of pay” for all hours
28 over 12 hours in one day and any work in excess of eight hours on any seventh day of a workweek for

1 such hours worked, in violation of Labor Code sections 204, 510, 558, 1194, and 1198 and the IWC
2 Wage Orders (the “Hours and Days of Work” sections of the applicable orders).

3 39. Plaintiff and class members are entitled to recover the full amount of the unpaid
4 overtime, in addition to interest, statutory and civil penalties, and attorneys’ fees, and costs to the
5 extent permitted by law.

6 **THIRD CAUSE OF ACTION**

7 **FAILURE TO PAY ALL PAID SICK LEAVE WAGES**

8 **Violation of Labor Code §§ 200, 218, 246 *et seq.***

9 40. All outside paragraphs of this Complaint are incorporated into this section.

10 41. Defendants knowingly and intentionally failed in their affirmative obligation to pay
11 sick leave wages to Plaintiff and a paid sick leave subclass in violation of Labor Code section 246
12 *et seq.* Paid sick leave earnings constitute wages for purposes of California wage and hour law.
13 (*Murphy v. Kenneth Cole Productions, Inc.* (2007) 40 Cal.4th 1094, 1103 [“Courts have recognized
14 that ‘wages’ also include those benefits to which an employee is entitled as a part of his or her
15 compensation, including money, room, board, clothing, vacation pay, and sick pay”].)

16 42. Labor Code section 246(l), in conjunction with Labor Code section 248 *et seq.*, 248.1,
17 248.2, and 248.6, in addition to the applicable County sick pay ordinances in locales worked by class
18 members, govern how Defendants were required to calculate paid sick leave.

19 43. Defendants failed to pay Plaintiff and class members their paid sick leave wages at one
20 of the lawful rates set forth in the statute or ordinance because Defendants failed to include in their
21 sick leave calculation the additional remuneration received by Plaintiff and class members (i.e., at the
22 regular rate of pay and/or calculated based on total wages earned).

23 44. Furthermore, to the extent the paid sick leave paid constitutes Covid-related paid sick
24 leave, Defendants knowingly and intentionally failed in their affirmative obligation to pay Covid-19
25 Supplemental Sick Leave wages to class members at the correct accrual rate or hourly pay rate in
26 violation of Labor Code sections 246, 248.1, 248.2, and 248 *et seq.*

27 45. As a result, Defendants violated the Labor Code and are liable to Plaintiff and class
28 members for underpaid sick leave wages, in addition to interest, attorneys’ fees, and costs.

1 **FOURTH CAUSE OF ACTION**

2 **UNTIMELY PAYMENT OF WAGES**

3 **Violation of Labor Code §§ 204, 210, 218**

4 46. All outside paragraphs of this Complaint are incorporated into this section.

5 47. This cause of action is brought pursuant to the IWC Wage Orders and Labor Code
6 §§ 204, 204b, and 210 which require non-exempt employees be timely paid all wages owed each pay
7 period, and which further provide a private right of action for an employer's failure to comply with
8 this obligation. Labor Code § 218 authorizes individuals to sue directly for wages and penalties due
9 under these sections, including Labor Code § 210(c)'s statutory late payment penalties.

10 48. Defendants willfully failed in their affirmative obligation to timely pay all wages,
11 including paid sick leave and meal and rest premiums, earned by Plaintiff and class members twice
12 during each calendar month on days designated in advance by the employer as regular paydays (for
13 employees paid on a non-weekly basis) and on the regularly-scheduled weekly payday for weekly
14 employees, if any, in violation of Labor Code sections 204 and 204b and the IWC Wage Orders (the
15 "Minimum Wages" sections of the applicable orders).

16 49. Plaintiff and class members are entitled to recover the full amount of the unpaid wages,
17 in addition to a statutory penalty in the amount of \$100 for the initial violation for each failure to pay
18 each employee and \$200 for all subsequent violations and for all willful or intentional violations for
19 each failure to pay each employee, plus 25 percent of the amount unlawfully withheld under provided
20 in Labor Code § 210, in addition to interest, attorneys' fees, and costs to the extent permitted by law.

21 **FIFTH CAUSE OF ACTION**

22 **WAGE STATEMENT VIOLATIONS**

23 **Violation of Labor Code § 226**

24 50. All outside paragraphs of this Complaint are incorporated into this section.

25 51. This cause of action is brought by a wage statement subclass pursuant to Labor Code
26 § 226(a) which requires non-exempt employees be provided accurate itemized wage statements each
27 pay period, and which further provide a private right of action for an employer's failure to comply
28 with this obligation.

52. Defendants knowingly and intentionally failed in their affirmative obligation to provide accurate itemized wage statements to Plaintiff and class members resulting in injury to Plaintiff and class members. Specifically, the wage statements issued to Plaintiff and class members did not accurately state each pay period all of the information required by Labor Code § 226(a)(1)-(9).

53. Defendants' unlawful acts and omissions deprived Plaintiff and class members of accurate itemized wage statements, causing confusion and concealing wage and premium underpayments.

54. As a result, Plaintiff and class members are entitled to recover the statutory penalty of \$50 per employee for the initial pay period in which a violation occurred and \$100 per employee for each violation in a subsequent pay period, up to an aggregate penalty of \$4,000 per employee, in addition to interest, attorneys' fees, and costs to the extent permitted by law, including under Labor Code section 226(e).

SIXTH CAUSE OF ACTION

FAILURE TO REIMBURSE BUSINESS EXPENSES

Violation of Labor Code § 2802

55. All outside paragraphs of this Complaint are incorporated into this section.

56. Defendants willfully failed in their affirmative obligation to reimburse Plaintiff and a reimbursement subclass for all necessary expenditures, losses, expenses, and costs incurred by them in direct discharge of the duties of their employment, in violation of Labor Code section 2802.

57. Defendants' unlawful acts and omissions deprived Plaintiff and class members of lawful reimbursements for business expenses in amounts to be determined at trial. Plaintiff and class members are entitled to recover the amount unreimbursed expenses of Plaintiff and class members in addition to interest, attorneys' fees, and costs to the extent permitted by law, including under Labor Code section 2802.

//

//

//

//

1 **SEVENTH CAUSE OF ACTION**

2 **CIVIL PENALTIES UNDER THE PRIVATE ATTORNEYS GENERAL ACT**

3 **Violation of Labor Code §§ 2698 *et seq.***

4 **(By Plaintiff on Behalf of the State and the Aggrieved Employees Against All Defendants)**

5 58. All outside paragraphs of this Complaint are incorporated into this section.

6 59. Plaintiff brings this cause of action as a proxy for the State of California on behalf of
7 the following “aggrieved employees” pursuant to the Private Attorneys General Act (“PAGA”),
8 codified as Labor Code section 2698 *et seq.*:

9 a. All current and former non-exempt employees who worked for Defendants in
10 California at any time from one year prior to the postmark date of the initial
11 PAGA notice through date of trial.

12 60. Plaintiff reserves the right to amend, supplement, or add to this description of the
13 aggrieved employees, according to proof.

14 61. The State of California, via the Labor and Workforce Development Agency
15 (“LWDA”), is the real party in interest in this action with respect to this cause of action. (*Kim v. Reins*
16 *Int’l California, Inc.* (2020) 9 Cal. 5th 73, 81 [The “government entity on whose behalf the plaintiff
17 files suit is always the real party in interest.”])

18 62. Labor Code section 2699(a) provides: “Notwithstanding any other provision of law,,
19 any provision of this code that provides for a civil penalty to be assessed and collected by the Labor
20 and Workforce Development Agency or any of its departments, divisions, commissions, boards,
21 agencies, or employees, for a violation of this code, may, as an alternative, be recovered through a civil
22 action brought by an aggrieved employee on behalf of the employee and other current or former
23 employees against whom a violation of the same provision was committed pursuant to the procedures
24 specified in Section 2699.3. “

25 63. Any allegations regarding violations of the IWC Wage Orders are enforceable as
26 violations of Labor Code section 1198, which states: “[t]he employment of any employee for longer
27 hours than those fixed by the order or under conditions of labor prohibited by the order is unlawful.”

28 64. Labor Code section 2699.3 sets forth the procedure for commencing an action for civil

1 penalties under the PAGA.

2 65. On or about **January 23, 2025**, Plaintiff paid the requisite PAGA filing fee and
3 provided written notice (by online electronic filing with the LWDA and by certified mail to
4 Defendants) of Defendants' alleged Labor Code violations, including the facts and theories to support
5 the alleged violations.

6 66. A true and correct copy of Plaintiff's written PAGA notice, entitled "Notice of Labor
7 Code Violations" is attached hereto as Exhibit 1 and incorporated by reference as though fully set
8 forth herein (the "PAGA notice").

9 67. To date, neither Plaintiff nor Plaintiff's counsel has received a response to Plaintiff's
10 written PAGA notice from the LWDA.

11 68. Within 33 calendar days of the postmark date of the notice sent by Plaintiff, neither
12 Plaintiff nor Plaintiff's counsel has received written notice by certified mail from any defendant
13 providing a description of any actions taken to cure the alleged violations.

14 69. Now that at least 65 days have passed from Plaintiff notifying Defendants of these
15 violations, without notice of cure from Defendants or notice from the LWDA of its intent to investigate
16 the alleged allegations and issue the appropriate citations to Defendants, Plaintiff exhausted all
17 prerequisites and commenced this civil action under Labor Code section 2699 *et seq.*

18 70. As set forth in the PAGA notice attached as Exhibit 1 and incorporated into this
19 Complaint, Defendants committed the following violations and are liable for all corresponding civil
20 penalties:

- 21 a. ***Unpaid Hours Worked/Minimum Wage.*** Violation of Labor Code §§ 1194,
22 1197, 1198; IWC Wage Orders.
- 23 b. ***Unpaid Overtime.*** Violation of Labor Code §§ 510, 1194, 1198; IWC Wage
24 Orders.
- 25 c. ***Unpaid Paid Sick Leave.*** Violation of Labor Code §§ 246 through 248.7.
- 26 d. ***Untimely Payment of Wages During Employment.*** Violation of Labor Code
27 §§ 204, 204b, 210.
- 28 e. ***Untimely Payment of Wages Upon Separation of Employment.*** Violation of

Labor Code §§ 201, 202, 203, 256.

f. ***Non-Compliant Wage Statements.*** Violation of Labor Code §§ 226, 226.3.

g. ***Unreimbursed Employee Expenses.*** Violation of Labor Code §§ 2802, 2804.

h. ***Failure to Maintain Accurate Records.*** Violation of Labor Code § 1174; IWC Wage Orders.

71. Plaintiff seeks to collect all recoverable civil penalties for the Labor Code violations alleged in this Complaint and the PAGA notice (including amendments thereto) against Defendants pursuant to Labor Code section 2699(a) and (f), in addition to attorneys' fees, costs, and interest to the extent permitted by law, including under Labor Code section 2699(k).

PRAAYER

Plaintiff prays for judgment as follows:

- a. For certification of this action as a class action;
- b. For appointment of Plaintiff as the class representative;
- c. For appointment of above-captioned counsel for Plaintiff as Class Counsel;
- d. For division of class members into appropriate classes and/or subclasses according to proof;
- e. For recovery of all statutory penalties and liquidated damages;
- f. For disgorgement of all amounts wrongfully obtained to the extent permitted by law;
- g. For restitution and injunctive relief;
- h. For attorneys' fees and costs of suit, including expert fees, to the extent permitted by law, including (without limitation) under Labor Code §§ 218.5, 226, 1194, 2802 and Code of Civil Procedure § 1021.5.
- i. For recovery of damages in amount according to proof;
- j. For all recoverable pre- and post-judgment interest;
- k. For this action to be maintained as a representative action under the PAGA;
- l. For Plaintiff and counsel of record to be provided with all enforcement capability as if the action were brought by the State of California or the California Division of Labor Enforcement;

- 1 m. For recovery of all civil penalties and other recoverable amounts under the PAGA;
2 n. For reasonable attorneys' fees and costs of suit, including expert fees, to the extent
3 permitted by law, associated with the PAGA claims pursuant to Labor Code § 2699,
4 and Code of Civil Procedure section 1021.5 and any other applicable sections; and
5 o. For such other relief the Court deems just and proper.

6
7 Dated: March 31, 2025

Ferraro Vega Employment Lawyers, Inc.

8 
9 _____
10 Nicholas J. Ferraro
11 Attorneys for Plaintiff Jose Garcia
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT 1

Notice of Labor Code Violations

FERRARO VEGA

SAN DIEGO EMPLOYMENT LAWYERS

Nicholas J. Ferraro
nick@ferrarovega.com
Lauren N. Vega
lauren@ferrarovega.com

ATTORNEYS AT LAW
3333 Camino del Rio South, Suite 300
San Diego, California 92108

619-693-7727
619-350-6855 fax
ferrarovega.com

January 23, 2025

NOTICE OF LABOR CODE VIOLATIONS CALIFORNIA LABOR CODE SECTIONS 2698 *et seq.*

VIA CERTIFIED U.S. MAIL
- Electronic Return Receipt -

Marcon Engineering, Inc.
876 N. Broadway
Escondido, CA 92025

- PAGA Notice & Filing Fee -
Submitted electronically to the Labor and
Workforce Development Agency

Dear LWDA Officer and Company Representatives:

This letter serves as written notice under Labor Code section 2699.3 on behalf of **JOSE GARCIA** (“Plaintiff(s)”) and all other “aggrieved employees” of the following “Defendant(s)”:

MARCON ENGINEERING, INC.

Defendant(s) shall mean and include the foregoing in addition to any other related employer entities, individuals under Labor Code sections 558 and 558.1, and all others who may be later added upon further investigation and discovery as liable employers.

This office serves as legal counsel for Plaintiff. If the California Labor and Workforce Development Agency (“LWDA”) does not investigate the facts, allegations, and violations set forth in this notice within the statutorily prescribed 65-day period under Labor Code section 2699.3, Plaintiff intends to commence a civil action against Defendants as a proxy and agent of the State of California under the Private Attorneys General Act (“PAGA”). “PAGA allows an ‘aggrieved employee’—a person affected by at least one Labor Code violation committed by an employer—to pursue penalties for all the Labor Code violations committed by that employer.” *Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal. App. 5th 745, 751; *Kim v. Reins International California, Inc.* (2020) 9 Cal. 73, 79. Plaintiff maintains standing to pursue these claims against Defendants as an aggrieved employee.

Through this notice, Plaintiff requests that Defendants complete an internal investigation and audit of the wage and hour and employment practices at issue and make a good faith effort to correct any violations. Plaintiff attempts to identify the non-compliant policies and practices affecting the aggrieved employees so that the parties may resolve the underlying damages and penalties in judgment or settlement approved by the Superior Court of California under Labor Code section 2699(s). Defendants are notified that any attempt to resolve this case should be conducted in coordination with Plaintiff's counsel to protect the interests of Plaintiff, the aggrieved employees, and the State of California via the LWDA. Plaintiff advises Defendants this letter should be also considered a reasonable attempt at settlement of this matter, subject to an exchange of additional documents and information. *Graham v. Daimler Chrysler Corp.* (2004) 24 Cal. 4th 553, 561.

- BACKGROUND -

Defendants employed Plaintiff during the PAGA Period in the positions of Laborer, Operator, and Surveyor from about October 2022 to July 2024. During their employment Plaintiff and the other aggrieved employees were subject to the wage and hour and employment protections set forth in the California Labor Code and IWC Wage Orders.

Through this notice, Plaintiff informs the LWDA of the Labor Code violations set forth herein. The “aggrieved employees” include Plaintiff and the following individuals:

All current and former non-exempt employees who worked for Defendants in the State of California during one-year period preceding the date of this notice through the current date and the date of trial in any pending action (the “aggrieved employees” and the “PAGA Period”).

Plaintiff reserves the right to expand or narrow the definition of the “aggrieved employees” in the forthcoming civil action. Furthermore, Plaintiff seeks all recoverable civil penalties for Defendants’ violations and reserves the right to supplement this notice as further investigation is completed and further facts, witnesses, and violations are uncovered.

- PAGA CLAIMS -

Unpaid Hours Worked/Minimum Wage Violation of Labor Code §§ 1194, 1197, 1198; IWC Wage Orders

Defendants violated Labor Code sections 1194, 1197, and 1198, along with the California Minimum Wage Order, the applicable local minimum wage ordinances, and the “Hours and Days of Work” and “Minimum Wages” sections of the applicable IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 1194 renders it unlawful for an employee to receive less than the legal minimum wage for hours worked in California. Labor Code section 1197 further mandates

that “[t]he minimum wage for employees fixed by the commission is the minimum wage to be paid to employees, and the payment of a lower wage than the minimum so fixed is unlawful.” Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The California Minimum Wage Order and the applicable sections of the IWC Wage Orders further require payment of minimum wages for all hours worked. The “Minimum Wages” sections of the applicable IWC Wage Order provide that “[e]very employer shall pay to each employee, on the established payday for the period involved, not less than the applicable minimum wage for all hours worked in the payroll period, whether the remuneration is measured by time, piece, commission, or otherwise.” The foregoing California wage laws require payment of “not less than the applicable minimum wage *for all hours worked* in the payroll period” and California law does not allow averaging of pay over the hours worked in the pay period, even if the total pay results in an average above the minimum wage. *Armenta v. Osmose, Inc.* (2005) 135 Cal. App. 3d 314, 324.

Defendants failed to pay Plaintiff and the aggrieved employees at the lawful minimum wage rate for all hours worked, resulting in unpaid minimum wages.

Defendants engaged in a policy and practice of editing employees’ time records that resulted in an underpayment of regular wages to Plaintiff and the aggrieved employees. For example, Plaintiff often worked more than 8 hours to complete work as required by Defendants. Plaintiff was required to stay late to pack up tools, clean up job sites, and lock up job sites. These tasks often took as long as fifteen minutes to complete before Defendants allowed Plaintiff to clock out. However, when Plaintiff worked more than 8 hours, his supervisor would adjust his time clock to reflect Plaintiff only worked 8 hours to avoid paying Plaintiff and the aggrieved employees at the lawful overtime rate. Due to this unlawful time shaving practice, Defendants failed to compensate Plaintiff and the aggrieved employees for all hours worked, resulting in minimum wage violations.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Overtime **Violation of Labor Code §§ 510, 1194, 1198; IWC Wage Orders**

Defendants violated Labor Code sections 510, 1194, and 1198, along with the “Hours and Days of Work” sections of the applicable IWC Wage Orders with respect to the aggrieved employees.

Labor Code section 510 requires “[a]ny work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than

one and one-half times the regular rate of pay for an employee;” and “any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee;” and “any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee.” Labor Code section 1194 renders it unlawful for an employee to receive less than the legal overtime rate for overtime hours worked in California. Labor Code section 1198 renders “employment of any employee for longer hours than those fixed by the order or under conditions of labor prohibited by the [IWC Wage Orders]” unlawful. The IWC Wage Orders further require payment of overtime wages for all overtime hours worked, including the “Hours and Days of Work” sections.

Defendants failed to pay Plaintiff and the aggrieved employees overtime wages and the lawful rate of pay for overtime hours worked, resulting in unpaid overtime wages. As stated in the “Unpaid Hours Worked” section above, Defendants engaged in an unlawful policy and practice of time shaving to avoid paying Plaintiff and the aggrieved employees at the lawful overtime rate. To the extent that this unlawful practice resulted in unpaid hours worked over 8 hours in a day or 40 hours in a week, this resulted in unpaid overtime.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unpaid Paid Sick Leave **Violation of Labor Code §§ 246 through 248.7**

Defendants violated Labor Code sections 246 through 248.7 with respect to the aggrieved employees.

Labor Code section 246 requires employers to provide paid sick leave to its workforce on the terms set forth in the statute. Employers must comply with the accrual, use, and notice provisions of Labor Code sections 246, 246.5, 247, and must further ensure that they maintain the paid sick leave records required by Labor Code section 247.5. Employers have the option of providing 24 hours of paid sick leave to employees or to allow employees to accrue paid sick leave each pay period. If an employer chooses the accrual method, employees must accrue sick leave at a rate of one hour for every thirty hours worked in a given pay period as set forth in Labor Code section 246(b)(1). Under the accrual method, employees must begin accruing paid sick leave at the commencement of employment.

Employers must pay sick leave in accordance with one of the three permissible methods provided in Labor Code section 246(l): (1) “the same manner as the regular rate of pay for the workweek;” (2) “by dividing the employee’s total wages, not including overtime premium pay, by the employee’s total hours worked in the full pay periods of the prior 90 days;” or (3) “for exempt employee ... in the same manner as the employer calculates wages for other forms of paid leave time.” Labor Code sections 248.6 and 248.7 similarly require paid sick leave to be

paid at a regular rate-based calculation in excess of the base hourly rate and at the lawful accrual rate.

Under Labor Code section 246(i), employers must provide employees “with written notice of the amount of paid sick leave available ... for use on either the employee’s itemized wage statement ... or in a separate writing provided on the designated pay date with the employee’s payment of wages.”

Defendants failed to comply with California’s paid sick leave laws with respect to the aggrieved employees. Due to Defendants’ unlawful policy and practice of time shaving, Defendants failed to account for all hours worked when calculating Plaintiff’s and the aggrieved employees’ accrued paid sick leave.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Untimely Payment of Wages During Employment **Violation of Labor Code §§ 204, 204b, 210**

Defendants violated Labor Code sections 204 and/or 204b and 210, as applicable, with respect to Plaintiff and the aggrieved employees.

Labor Code section 204(a) requires payment of “all wages” for non-exempt employees at least twice each calendar month. Labor Code section 204(d) states all wages due must be paid “not more than seven calendar days following the close of the payroll period.” Labor Code section 204b applies to employees paid on a weekly basis and also requires the payment for all labor within the required pay periods. Labor Code section 210 provides “every person who fails to pay the wages of an employee as provided in Section ... 204 ... shall be subject to a civil penalty” of \$100 for an initial violation and \$200 plus 25% of the amount unlawfully withheld for a subsequent violation.

Because Defendants failed to pay all wages and premiums in each pay period in which such wages were earned at the lawful rate, Defendants violated Labor Code section 204 and/or 204b (for weekly employees, as applicable). Defendants violated Labor Code sections 204 and 204b by failing to pay all wages and premiums owed on the regular pay days scheduled each pay period within seven calendar days of the close of the payroll period, as a result of the policies and practices set forth in this notice.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Untimely Payment of Wages Upon Separation of Employment
Violation of Labor Code §§ 201, 202, 203, 256

Defendants violated Labor Code sections 201, 202, and 203 with respect to the aggrieved employees by failing to pay all wages and premiums owed upon termination of employment.

Labor Code section 201 requires that if an employer fires an employee, the wages must be paid immediately. Labor Code section 202 requires that if an employee quits without providing 72 hours' notice, his or her wages must be paid no later than 72 hours thereafter. Labor Code section 202 states that if an employee provides 72 hours' notice, the final wages are payable upon his or her final day of employment. Labor Code section 203 requires an employer who fails to comply with Labor Code sections 201 or 202 to pay a waiting time penalty for each employee, up to a period of 30 days additional compensation.

Defendants failed to pay all wages and premiums owed to aggrieved employees during their employment as set forth in this notice, and also failed to timely pay those amounts to departing employees upon separation of employment. Defendants did not pay waiting time penalties for the late payments. As a result, Defendants violated Labor Code sections 201, 202, and 203.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Non-Compliant Wage Statements
Violation of Labor Code §§ 226, 226.3

Defendants violated Labor Code sections 226(a) and 226.3 with respect to the aggrieved employees by failing to furnish itemized wage statements each pay period that accurately list all information required by Labor Code section 226(a)(1) through (9).

Labor Code section 226(a) requires an employer to furnish wage statements to employees semimonthly or at the time of each payment of wages, "an accurate itemized statement in writing showing:" (1) gross wages earned, (2) total hours worked, (3) the number of piece rate units earned and applicable piece-rate in effect, (4) all deductions, (5) net wages earned, (6) the inclusive dates of the pay period, (7) the name of the employee and last four digits of SSN or an EIN, (8) the name and address of the legal name of the employer, and (9) all applicable hourly rates in effect during the pay period and the number of hours worked at each hourly rate by the employee.

Defendants failed to provide accurate itemized wage statements to the aggrieved employees each pay period as a result of the policies and practices set forth in this notice. Defendants violated Labor Code section 226(a)(1) and (5) by not listing the correct "gross wages earned" or "net wages earned," as the employees earned wages and premiums that were not paid,

resulting in an inaccurate reflection, and recording of “gross wages earned” on those wage statements. Likewise, in violation of Labor Code section 226(a)(9), Defendants failed to state on employee wage statements each pay period the applicable hourly rates in effect and the number of hours worked at that rate, as Defendants failed to pay all wages and premiums owed to employees. The amounts stated are instead depreciated and underpaid, resulting in an inaccurate reflection on the pay stub.

Plaintiff and other aggrieved employees cannot promptly and easily determine from the wage statement alone the wages paid or earned without reference to other documents or information. Indeed, these wage statement violations are significant because they sow confusion among Plaintiff and other aggrieved employees with respect to what amounts were owed and paid, at what rates, the number of hours worked, and how those amounts were or should be calculated. The wage statements reflect a false statement of earnings and concealed the underlying problems and underpayments of employee wages.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Unreimbursed Employee Expenses **Violation of Labor Code §§ 2802, 2804**

Defendants violated Labor Code section 2802 with respect to the aggrieved employees by failing to reimburse the aggrieved employees for all necessary expenditures or losses incurred as part of their job duties.

Labor Code section 2802 requires an employer to “indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer, even though unlawful, unless the employee, at the time of obeying the directions, believed them to be unlawful.” *See, e.g., Espinoza v. West Coast Tomato Growers, LLC*, 2016 WL 4468175 at *4, n.2 (S.D. Cal. Aug. 24, 2016, No. 14-CV-2984 W (KSC)).

Labor Code section 2804 affirms that “[a]ny contract or agreement, express or implied, made by any employee to waive the benefits of this article or any part thereof, is null and void, and this article shall not deprive any employee or his personal representative of any right or remedy to which he is entitled under the laws of this State.”

Defendants required Plaintiff and the aggrieved employees to incur costs for work-related purposes without full reimbursement. In direct consequence of their job duties, Plaintiff and the aggrieved employees unavoidably and necessarily incurred these losses, expenditures, costs, and as a matter of policy and practice.

Plaintiff and the aggrieved employees were required to use their personal vehicles for work-related purposes. Specifically, each week Plaintiff and the aggrieved employees were required to drive to and from job sites as far as six hours away. However, upon information and belief, the aggrieved employees were not reimbursed for their mileage expenses. Instead, the aggrieved employees were expected to incur these costs without reimbursement.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Failure to Maintain Accurate Records
Violation of Labor Code § 1174; IWC Wage Orders

Defendants violated Labor Code sections 1174 and the IWC Wage Orders by failing to maintain accurate employee payroll records with respect to Plaintiff and other aggrieved employees.

Labor Code section 1174 requires that employers maintain accurate “payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments.” Section 7(A) of the IWC Wage Orders, which may be enforced through Labor Code section 1198, mandates similar recordkeeping obligations.

Because of the policies and practices set forth in this notice, including the failure to accurately account for wages earned or hours worked, Defendants failed to accurately maintain records in accordance with Labor Code section 1174 and the IWC Wage Orders.

As a result, Plaintiff may recover civil penalties as an individual and on behalf of the State of California and the aggrieved employees, up to the maximum amount allowed as set forth under the Labor Code.

Attorneys’ Fees and Costs
Labor Code § 2699(k)(1)

Plaintiff has been compelled to retain the services of counsel to protect the interests of other aggrieved employees and the State of California. Plaintiff continues to incur attorneys’ fees and costs, which are recoverable under California law, including Labor Code section 2699(k)(1).

- LITIGATION HOLD NOTICE -

This letter imposes a duty upon all defendants and their respective employees, officers, directors, executives, attorneys, human resource and payroll personnel, accountants, and other agents to preserve all physical and electronic evidence, including electronically stored

information and emails, which relate to the employment of Plaintiff and the aggrieved employees specified in this notice. Evidence includes, but is not limited to, Defendants' written employment and payroll policies and handbooks; the aggrieved employees' personnel files and payroll records, such as paystubs, time records, wage statements, compensation reports, as well as the underlying electronically data in Excel or similar format. Memoranda and internal and external correspondence relating to the subject matter of this notice shall also be maintained. Failure to preserve and retain relevant evidence may constitute spoliation of evidence and result in an adverse inference or sanctions.

If you have any questions regarding the scope of your obligations to preserve evidence, please consult your legal counsel and always err on the side of caution. Periodic or regularly scheduled purges or deletions of information covered by this hold must be suspended immediately.

- CONCLUSION -

If the LWDA does not pursue enforcement, Plaintiff intends to bring representative claims on behalf of the State of California and the aggrieved employees seeking civil penalties for violations of the Labor Code and the IWC Wage Orders, along with attorneys' fees, costs, interest, and other appropriate relief.

Please advise if the LWDA intends to investigate any of the factual or legal allegations set forth in this notice. Defendants may contact Plaintiff's counsel with any questions regarding this letter or the forthcoming lawsuit.

Sincerely,

A handwritten signature in black ink, appearing to read "Mariela Romo".

Mariela Romo

Cc Plaintiff Jose Garcia

HR Representative
joel.moreno@marconeng.com

lmp