

February 18, 2025

VIA ONLINE SUBMISSION

Stewart Knox, Secretary
California Labor & Workforce
Development Agency
800 Capitol Mall, Suite 5000 (MIC-55)
Sacramento, CA 95814

VIA CERTIFIED MAIL

North Shore Greenhouses, Inc.
Attn: Legal Department
P.O. Box 5519
La Quinta, CA 92248

North Shore Greenhouses, Inc.
Attn: Legal Department
82-900 Johnson Street
Thermal, CA 92274

NOTICE OF LABOR CODE VIOLATIONS PURSUANT TO CALIFORNIA LABOR CODE
SECTION 2698, ET SEQ.

To: The California Labor and Workforce Development Agency; North Shore Greenhouses, LLC doing business as North Shore Living

From: Ismael Rodriguez, on behalf of himself and all other current and former hourly nonexempt employees for violations of the California Labor Code

To Whom It May Concern:

Abramson Labor Group has been retained by former employee Ismael Rodriguez (“Mr. Rodriguez”) (“Mr. Rodriguez”) to seek compensation and all other available relief, including civil penalties on his behalf and on the behalf of all those similarly aggrieved (collectively with Mr. Rodriguez, “Claimants”) who have been injured by North Shore Greenhouses, Inc. doing business as North Shore Living’s (“North Shore Greenhouses”) violations of the California Labor Code. Mr. Rodriguez, on behalf of himself and all other similarly aggrieved current and former hourly nonexempt employees of North Shore Greenhouses, intends to seek civil penalties, attorneys’ fees, costs, and other available relief for violations of the California Labor Code, which are recoverable under sections 2698, *et seq.* of the Labor Code Private Attorneys General Act of 2004 (“PAGA”).

Factual Statement:

North Shore Greenhouses is operating in California as a company that cultivates, grows, harvests, packages, and sells herbs wholesale to grocery retailers intra- and interstate for consumption.

Claimant Mr. Rodriguez worked for North Shore Greenhouses as an hourly, nonexempt employee in the position of Maintenance and Landscaping, earning \$17.00 per hour plus production-based bonuses from approximately May 15, 2017 through July 24, 2024. Mr. Rodriguez, on behalf of himself and all other similarly aggrieved current and former employees in California in various positions, are or were engaged in growing and harvesting herbs wholesale for retail distribution. As part of their employment with North Shore Greenhouses, Claimant and other hourly, nonexempt employees, collectively, “hourly nonexempt employees,” are or were assigned to and required to suffer and permitted to work, some with and some without pay, while performing tasks collectively including, but not limited to, cleaning; maintenance; landscaping around greenhouses; relocate herbs from one greenhouse to another; cultivating and growing herbs; harvesting herbs; and packaging herbs.

Claimant Mr. Rodriguez regularly worked five (5) days per week for eight hours or more hours per day. During the entire course of his employment, North Shore Greenhouses failed to provide Mr. Rodriguez and continues to fail to provide those similarly aggrieved with some overtime pay and compliant rest breaks. North Shore Greenhouses has also failed to pay minimum wages to Mr. Rodriguez and other hourly, nonexempt employees in violation of Labor Code sections 510, 1194, 1197, and 1182.12, and section 4 of IWC Wage Order No. 14-2001. As a consequence, North Shore Greenhouses has failed to comply with Labor Code sections 226.7, 510, and 512, and sections 3, 11, and 12 of all applicable Industrial Welfare Commission (“IWC”) Wage Orders, including but not limited to, IWC Wage Order No. 14-2001. In violation of Labor Code sections 510, 1194, 1197, and 1182.12, North Shore Greenhouses has failed to compensate Claimants at a rate of one and one-half (1.5) times their regular rate for all hours worked over eight (8) hours per workday and the first eight (8) hours worked on the seventh day of a workweek and at two (2) times their regular rate for hours worked over twelve (12) hours per workday and eight (8) hours on the seventh day of a workweek.

North Shore Greenhouses has also failed and continues to fail to pay all wages owed every pay period in violation of Labor Code section 204. Likewise, North Shore Greenhouses has failed and continues to fail to keep accurate time records of Claimants’ time worked and has failed to provide timely, accurate wage statements to Mr. Rodriguez and other aggrieved persons in violation of Labor Code section 226(a). With regard to those no longer employed by North Shore Greenhouses, including Mr. Rodriguez, North Shore Greenhouses has violated Labor Code section 203 by failing to pay all wages due upon separation. North Shore Greenhouses has failed and continues to fail to fully reimburse Claimants for all necessary, business-related expenses and losses they incurred, including, but not limited to, all costs incurred for cell phone expenses and laundering clothing, both of which were required to carry out their duties, in violation of Labor Code section 2802. Mr. Rodriguez is informed and believes that such violations are ongoing, systematic, and continuous. Mr. Rodriguez intends to bring an action against North Shore Greenhouses under the Private Attorneys General Act (“PAGA”) to recover wages and penalties as provided by California law.¹

¹ Without limitation, Mr. Rodriguez, if permitted, will seek any and all penalties otherwise capable of being collected by the Commission. This includes each provision as set forth in Labor Code section 2699.5 as follows:

The provisions of subdivision (a) of Section 2699.3 apply to any alleged violation of the following provisions: subdivision (k) of Section 96, Sections 98.6, 201, 201.3, 201.5, 201.7, 202, 203, 203.1, 203.5, 204, 204a, 204b, 204.1, 204.2, 205, 205.5, 206, 206.5, 208, 209, and 212, subdivision (d) of Section 213, Sections 221, 222,

Theories of Labor Code Violations and Remedies:

Claimant Mr. Rodriguez was employed by North Shore Greenhouses from approximately May 15, 2017 through July 24, 2024 in the position of Maintenance and Landscaping. For a period of at least four (4) years prior to February 2025, but for our purposes here, one (1) year prior, North Shore Greenhouses has violated and continues to violate the California Labor Code sections as detailed below.

Claimants also were at all times entitled to payment of **minimum wages**. North Shore Greenhouses has failed and continues to fail to pay Claimants minimum wages for all hours worked as required by Labor Code sections 510, 1194, and 1194.2 and section 4 of IWC Wage Order No. 14-2001. Claimants worked a substantial amount of time while off-the-clock—meaning they were not punched in for work—and therefore, those working hours were not recorded and then compensated. This off-the-clock time primarily occurred because Claimants regularly perform compensable work at the end of their shifts to complete tasks that must be finished before leaving for the day, even though Claimants have already clocked out for their shifts so as to not exceed their scheduled shift times. Claimants' off-the-clock time was never subsequently added and, therefore, remains uncompensated. Accordingly, Claimants were not paid for that time spent working off the clock. Second, Defendant enforces practices that effectively require Claimants to perform work during their rest breaks, the effects of which Defendant could have mitigated by increasing staff to provide coverage so Claimants can take rest breaks truly off-duty. However, Defendant instead chose to preserve smaller-than-optimum staffing levels while also enforcing an on-premises rest break policy, described next, which forced all rest breaks into noncompliance. With that, North Shore Greenhouses' corresponding failure to provide premium pay at the correct regular rate, if any premiums were paid at all, in lieu of compliant rest breaks constitutes North Shore Greenhouses' failure to pay minimum wages and all hours worked every pay period and upon separation in violation of Labor Code sections 201, 202, 203, 204, 226(a), 510, 1182.12, 1194, and 1197. North Shore Greenhouses' failure to pay Claimants their rest break premiums for noncompliant rest breaks, as explained in further detail below, also constitutes a failure to pay minimum wages to Claimants. Therefore, Claimants are entitled to recover wages and/or penalties as provided by Labor Code section 1197.1 and section 20 of IWC Wage Order No. 14-2001.

Claimants were at all times entitled to take paid, off duty 10-minute **rest breaks**. To be off duty and free from the employer's control, Claimants must be free to leave the premises. North Shore Greenhouses failed to authorize and permit Mr. Rodriguez and all other similarly aggrieved employees to take full-length, off-duty rest breaks as required by Labor Code sections 226.7 and section 12 of IWC Wage Order No. 14-2001, because North Shore Greenhouses enforced a policy requiring Claimants to remain on the premises during their rest breaks. Because of this policy, Claimants were not able to take their requisite number of 10-minutes rest breaks off duty. More specifically, Mr. Rodriguez and Claimants' rest breaks were noncompliant because they were required to remain on the premises. Nonetheless, North Shore Greenhouses did not compensate Claimants with an extra hour of pay at the regular rate for noncompliant rest breaks for each workday on which they occurred. In fact, Mr. Rodriguez's last paycheck of 2023 issued December 27, 2023 reveals that North Shore Greenhouses failed to pay him a single meal period premium

222.5, 223, and 224, subdivision (a) of Section 226, Sections 226.7, 227, 227.3, 230, 230.1, 230.2, 230.3, 230A, 230.7, 230.8, and 231, subdivision (c) of Section 232, subdivision (c) of Section 232.5, Sections 233, 234, 351, 353, and 403, subdivision (b) of Section 404, Sections 432.2, 432.5, 432.7, 435, 450, 510, 511, 512, 513, 551, 552, 601, 602, 603, 604, 750, 751.8, 800, 850, 851, 851.5, 852, 921, 922, 923, 970, 973, 976, 1021, 1021.5, 1025, 1026, 1101, 1102, 1102.5, and 1153, subdivisions (c) and (d) of Section 1174, Sections 1194, 1197, 1197.1, 1197.5, and 1198, subdivision (b) of Section 1198.3, Sections 1199, 1199.5, 1290, 1292, 1293, 1293.1, 1294, 1294.1, 1294.5, 1296, 1297, 1298, 1301, 1308, 1308.1, 1308.7, 1309, 1309.5, 1391, 1391.1, 1391.2, 1392, 1683, and 1695, subdivision (a) of Section 1695.5, Sections 1695.55, 1695.6, 1695.7, 1695.8, 1695.9, 1696, 1696.5, 1696.6, 1697.1, 1700.25, 1700.26, 1700.31, 1700.32, 1700.40, and 1700.47, paragraphs (1), (2), and (3) of subdivision (a) of, and subdivision (e) of, Section 1701.4, subdivision (a) of Section 1701.5, Sections 1701.8, 1701.10, 1701.12, 1735, 1771, 1774, 1776, 1777.5, 1811, 1815, 2651., and 2673, subdivision (a) of Section 2673.1, Sections 2695.2, 2800, 2801, 2802, 2806, and 2810, subdivision (b) of Section 2929, and Sections 3095, 6310, 6311, and 6399.7.

the entire year. Therefore, Claimants are entitled to recover wages and/or penalties as provided by Labor Code section 558 and section 20 of IWC Wage Order No. 14-2001. Furthermore, since North Shore Greenhouses required their hourly nonexempt employees to perform work during rest periods in violation of Labor Code section 226.7(b), Claimants seek all available penalties set forth in Labor Code sections 558 and 2699.

At all times relevant herein, Claimants were entitled to the payment of **overtime**. That is, pursuant to Labor Code sections 510, 1194, 1197, and 1182.12, North Shore Greenhouses was required to compensate Claimants at a rate of one-and-one-half (1.5) times their regular rate for all hours worked over eight (8) hours per workday and the first eight (8) hours worked on the seventh day of a workweek and at two (2) times their regular rate for hours worked over twelve (12) hours per workday and eight (8) hours on the seventh day of a workweek. Mr. Rodriguez and Claimants regularly worked overtime hours. North Shore Greenhouses has failed to and continues to fail to pay Claimants overtime wages owed for off-the-clock time worked that should have been compensated as overtime, yet regularly required them to work these overtime hours without premium pay under Labor Code section 1194. Additionally, In fact, based on Mr. Rodriguez's last paycheck of 2023 issued December 27, 2023 in which he earned a productivity bonus reveals that North Shore Greenhouses failed to pay him overtime based on the regular rate of pay; North Shore Greenhouses instead relied on his base hourly rate of pay to calculate overtime. In short, during the entire course of their employment, North Shore Greenhouses failed to provide Mr. Rodriguez and continues to fail to provide all others similarly situated with all overtime pay in violation of 226.7, 510, and 512 and all applicable IWC Wage Orders, including but not limited to IWC Wage Order No. 14-2001, section 3.

Pursuant to Labor Code sections 201–203, Claimants who have since separated from North Shore Greenhouses, including Mr. Rodriguez, were entitled to be paid all **wages owed upon separation** within the statutorily allotted time—immediately (resignation with notice and termination) or within seventy-two (72) hours (resignation without notice). Claimants, including Mr. Rodriguez, did not receive his final pay of all wages upon being terminated based on North Shore Greenhouses' prior failings to pay all wages owed every pay period, including but not limited to minimum wages and overtime wages for all hours worked, and rest break premiums, as explained above.

Pursuant to IWC Wage Order No. 14-2001, employers are required to **keep accurate time records** showing when employees begin and end each work period. During the relevant time period, North Shore Greenhouses had a company-wide policy and engaged in a companywide practice of failing to record actual hours worked by failing to require Claimants to record their true stop times at the end of their shifts. Therefore, North Shore Greenhouses failed to keep accurate records of work period stop times for Claimants, in violation of section 1198. Because North Shore Greenhouses failed to provide the actual hours worked and, therefore, the correct net and gross wages earned, applicable rates of pay, and number of total hours worked on Claimants' wage statements, Claimants have been prevented from verifying—solely from information on the wage statements themselves—that they were paid correctly and in full. Instead, Claimants have had to refer to other sources beyond their wage statements and reconstruct time records to determine whether in fact they were paid correctly and the extent to which they were underpaid, thereby causing them injury. North Shore Greenhouses' decision to fail to record this time was knowing and intentional because it was in the sole position to set forth and implement and enforce these companywide practices. Accordingly, Claimants are entitled to recover civil penalties, attorneys' fees, costs, and interest thereon pursuant to Labor Code sections 226.3, 1174.5, and/or 2699(a), (f)–(g).

Pursuant to Labor Code sections 201–203, Claimants who have since separated from North Shore Greenhouses, including Mr. Rodriguez, were entitled to be paid all wages owed upon separation within the statutorily allotted time—immediately (resignation with notice and termination) or within seventy-two (72) hours (resignation without notice). Claimants, including Mr. Rodriguez, did not receive his final pay of all wages within the requisite time based on North Shore Greenhouses' prior failings to pay all wages owed

every pay period, including but not limited to minimum wages, overtime wages, and rest break premiums owed and for all hours worked, as explained above.

Claimants were at all times entitled to be provided timely and accurate **wage statements** from North Shore Greenhouses pursuant to Labor Code section 226. First, Mr. Rodriguez's and Claimants' paystubs do not provide the employer's address. Second, because North Shore Greenhouses failed to pay Claimants minimum wages for all hours worked during and after their shifts and for all overtime wages due at the regular rate as well as all rest break premiums owed, Claimants' wage statements were inaccurate in reflecting overtime and minimum wages for all hours worked every pay period and all premiums owed. As a consequence, Claimants' wage statements also do not reflect the accurate amount of net and gross wages owed. Accordingly, Claimants seek all available penalties as set forth in Labor Code sections 226(e) and 2699.

Finally, Claimants were entitled to be reimbursed by North Shore Greenhouses for all necessary, **business-related expenses** they incurred in executing their duties for North Shore Greenhouses. California Labor Code section 2802 provides that "An employer shall indemnify his or his employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or his duties, or of his or his 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." North Shore Greenhouses, however, has failed to fully reimburse Mr. Rodriguez and Claimants for all necessary, business-related expenses and losses they incurred, including, but not limited to, all costs incurred for the expenses for tools such as clamps and screwdrivers. Accordingly, Claimants are entitled to recover their unreimbursed expenditures and losses pursuant to Labor Code section 2802.

North Shore Greenhouses' uniform failure to pay minimum and overtime wages, failure to keep accurate time records, failure to furnish timely and accurate wage statements, failure to reimburse all necessary, business-related expenses, and failure to pay all wages owed upon separation violate Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512, 1174, 1182.12, 1194, 1197, and 2802, and as such, penalties are recoverable as set forth in Labor Code sections 210, 1194, *et seq.*, and 2699.

Claimants are entitled to recover unpaid wages, with interest, and are entitled to an award of attorneys' fees as permitted by Labor Code section 1194, other penalties as permitted by Labor Code sections 210 and 2699, and waiting time penalties for former employees pursuant to Labor Code section 203.

Accordingly, Claimants seek the remedies set forth in the above-referenced Labor Code sections for themselves, the State of California, and all other aggrieved employees. Specifically, pursuant to PAGA, and in particular California Labor Code sections 2699(a), 2699.3(a), 2699.3(c), and 2699.5, Mr. Rodriguez, acting in the public interest as a private attorney general, seeks assessment and collection of civil penalties for themselves, all other aggrieved employees, and the State of California against North Shore Greenhouses for violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1182.12, 1194, 1197, 1197.1, and 2802.

Should you require any additional information, please feel free to contact me.

Sincerely,

ABRAMSON LABOR GROUP

A handwritten signature in black ink that reads "Cheryl Kenner". The signature is fluid and cursive, with the first name "Cheryl" and last name "Kenner" clearly distinguishable.

Cheryl A. Kenner