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EDWIN RENDON

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

EDWIN RENDON, an individual

Plaintiff(s),

vs.

MOVISO ACADEMY, an unknown business
entity; CSG ENTERPRISES, LLC, a
California Limited Liability Company; THE
LEARNING SOURCE LLC, a California
Limited Liability Company; GLORIA Y.
GONZALEZ, an individual; and DOES 1
through 25, inclusive

Defendant(s) .

Case No. 37-2022-00042482-CU-OE-CTL

**DECLARATION OF KATHERINE A.
DISHONGH IN SUPPORT OF
PLAINTIFF'S UNOPPOSED MOTION
FOR PAGA SETTLEMENT APPROVAL**

Action Filed: October 21, 2022

Hearing Date: June 16, 2023

Hearing Time: 9:00 a.m.

Dept.: C-73

Judge: Hon. Joel R. Wohlfeil

Reservation Number: 2959558

- 1 1. I am an attorney licensed to practice law before all the courts of the State of California, and am
2 employed with the law firm of Gruenberg Law, attorneys of record for Plaintiff Edwin Rendon,
3 individually and in a representative capacity on behalf of other members of the public similarly
4 situated in this matter.
- 5 2. I make this declaration in support of Plaintiff's Unopposed Motion for PAGA Settlement
6 Approval. I am personally familiar with the facts set forth in this declaration and, if called to
7 testify, could and would do so.
- 8 3. This case involves PAGA and individual claims. The PAGA Period begins on October 21, 2021.
9 There are approximately **1,058** pay periods and **33** aggrieved employees.
- 10 4. After several months of pre-filing investigation and following lengthy settlement discussions,
11 the parties agreed to the terms of the proposed PAGA settlement. The parties have drafted and
12 executed a formal PAGA Settlement Agreement Attached hereto as **Exhibit A** is a true and
13 correct copy of the Settlement Agreement.
- 14 5. On April 5, 2023, Plaintiff's counsel uploaded via the LWDA's electronic filing portal the
15 parties' Settlement Agreement. Attached hereto as **Exhibit B** is a true and correct copy of the
16 "auto-generated" e-mail received from the LWDA.
- 17 6. On April 5, 2023, Plaintiff's counsel uploaded via the LWDA's electronic filing portal copies of
18 this entire Motion, including the Notice, this supporting Memorandum, Declaration, Proposed
19 Order & Judgment, and PAGA Settlement Agreement. Attached hereto as **Exhibit C** is a true
20 and correct copy of the "auto-generated" e-mail received from the LWDA.
- 21 7. If the LWDA contacts Plaintiff's counsel at any time prior to the June 16, 2023, hearing,
22 Plaintiff's counsel will provide an updated declaration to the Court.
- 23 8. The proposed terms of the settlement are as follows:

PAGA Members:	33
Settlement Fund ("GSA"):	\$12,696.00
Claims Period:	October 21, 2021 until the date of approval
LWDA Payment:	\$4,368.00
Attorney's Fees:	\$4,232.00

Litigations Costs: \$760.00
Third Party Administrator: \$1,630.00
Plaintiff Service Payment: \$250.00
Resultant Net Settlement Fund: \$1,456.00

An “average” PAGA employee will receive a payment of approximately **\$44.12**.

9. There are no restrictions for any of the **33** employees to file individual actions, as the PAGA Settlement Agreement only covers PAGA claims.
10. The Parties reached the terms of their proposed PAGA Settlement Agreement, following the exchange of extensive information and employment records. The Parties submit the proposed settlement of PAGA penalties is fair, adequate, and reasonable. The Parties are unaware of any other cases that may be impacted by the PAGA Settlement.
11. After deducting the proposed amounts for Plaintiff’s counsel’s Attorneys’ Fees and Costs, the Settlement Administration Costs, and Plaintiff’s Service Payment from the Gross Settlement Amount, the amount remaining is defined as the “PAGA Payment.” One hundred percent (100%) of the PAGA Payment shall be allocated to the payment of civil penalties under the PAGA (the “PAGA Payment”). Pursuant to the PAGA, seventy-five percent (75%) of the PAGA Payment, or Four Thousand Three Hundred and Sixty-Eight Dollars (\$4,368.00) shall be allocated to the State of California Labor and Workforce Development Agency (the “LWDA PAGA Payment”), with the remaining twenty-five percent (25%) or One Thousand Four Hundred and Fifty-Six Dollars (\$1,456.00), allocated to the PAGA Employees (“Aggrieved Employees PAGA Payments”).
12. Attached as **Exhibit D** is a true and correct copy of the proposed notice of the PAGA Settlement to be sent to the allegedly aggrieved employees.
13. The Settlement Administrator shall be responsible for: (a) processing the data provided by Defendant to be used in calculating PAGA Employees’ Individual PAGA Payments; (b) preparing, printing and mailing the Notice to PAGA Employees, as well as following up with reasonable skip tracing; (c) calculating and mailing Individual PAGA Payments to PAGA Employees; (d) calculating and paying the employer’s share of the applicable federal and state

1 withholding tax; (e) filing any required federal and state tax forms and related agency reporting;
2 (f) filing any required reports with the Court; and (g) any and all such tasks to which the Parties
3 mutually agree, or which the Court orders the Settlement Administrator to perform.

4 14. The instant request is based on the fact that (1) the PAGA Period “cutoff date” is contingent on
5 Court approval, any delay diminishes the amounts received by the impacted employees; (2)
6 Notice to certain ex-employees may be adversely impacted by further delay (i.e. ex-employees
7 may change their mailing address without filing a proper “forwarding address”).

8 15. An expedient approval of this settlement will provide a direct benefit to the impacted employees
9 at issue. The “fixes” provide a guarantee of future Labor Code compliance, and an immediate
10 monetary benefit. It also allows Defendants (who admirably “stepped up” to address these
11 issues) the opportunity to move on, and focus on future business.

12 16. One of the main issues of this litigation concerned allegations that Plaintiff was denied legally
13 compliant meal and rest periods and was not paid for all overtime hours worked.

14 17. Investigations completed by Plaintiff’s counsel revealed that Defendant’s timekeeping policies
15 and employee records were not in compliance with California law. However, these
16 investigations also revealed that the “rate of violation” by Defendant was significantly less than
17 100%. On many of those occasions, it appears that Defendant did, in fact, comply with the law.

18 18. Based on the above, the maximum liability in a case of this type would be in the range of
19 \$50,000.00 to \$100,000.00.

20 19. Plaintiff’s counsel is aware of the Court’s discretion to mitigate penalties pursuant to California
21 Labor Code section 2699(e)(2).

22 20. Plaintiff’s counsel agrees with the provision of the Labor Code, that penalties should be
23 mitigated where violations are minimal (or rare), or where the employer makes significant
24 efforts to comply with the Labor Code.

25 21. The parties agree that, given the number of violations at issue here, that this settlement
26 represents a fair and adequate payment.

27 22. Defendant, and its counsel, deserve credit for their willingness to consider – and address – the
28 allegations. Specifically, Defense Counsel, (who have extensive experience and knowledge and

1 “Wage and Hour” litigation) agreed to produce a substantial amount of documents and
2 information necessary to evaluate the parameters of settlement. Following month-long informal
3 negotiation at arms length, the parties have reached a proposed settlement. That includes a
4 payment of penalties under PAGA.

5
6 I declare under penalty of perjury under the laws of the State of California that the foregoing is
7 true and correct. Executed 5 day of April 2023, in San Diego California.

8
9 By: _____


Katherine Dishongh